Sun Pharmaceutical Industries Limited
Sun House, Plot No. 201 B/1,
Western Express Highway, Goregaon (E),
Mumbai – 400 063, Maharashtra, INDIA.
Tel. : (91-22) 4324 4324
Fax : (91-22) 4324 4343
Website: www.sunpharma.com
Email: secretarial@sunpharma.com
CIN: L24230GJ1993PLC019050

06 July 2026

National Stock Exchange of India Limited	**BSE Limited**
Scrip Symbol: SUNPHARMA	Scrip Code: 524715

Annual Report 2025-26 and the Notice of 34th Annual General Meeting

Further to the communication dated 11 June 2026 and pursuant to regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual Report for the Financial Year 2025-26, including the Notice of Thirty-fourth Annual General Meeting ("34th AGM"), scheduled to be held on Friday, 31 July 2026, at 04:00 P.M. IST through Videoconferencing is enclosed.

The Annual Report and the Notice of 34th AGM is available on the Company's website at https://sunpharma.com/investors-annual-reports-presentations/ and can also be accessed by scanning the QR code.

The information about key events for the 34th AGM and Remote E-voting is as follows:

Timeline	
Cut-off date (for voting eligibility)	Friday, 24 July 2026
Remote E-voting Begins	Monday, 27 July 2026, at 09:00 A.M. IST
Remote E-voting Ends	Thursday, 30 July 2026, at 05:00 P.M. IST

For **Sun Pharmaceutical Industries Limited**

Anoop Anjanikumar Deshpande

Digitally signed by Anoop Anjanikumar Deshpande
Date: 2026.07.06 18:46:24 +05'30'

(Anoop Deshpande)
Company Secretary and Compliance Officer
ICSI Membership No.: A23983

Advancing Innovation Globally for Better Patient Care.

Sun Pharmaceutical Industries Limited

Annual Report 2025-26

What's Inside

Corporate Overview

Statutory Reports

Financial Statements

Notice

To view our Annual Report 2025-26 online,
log on to sunpharma.com/investors-annual-reports-presentations/

Executive Chairman's Message

See page 06

Our strategy remains focused on introducing novel, clinically differentiated therapies that deliver meaningful and lasting benefits to patients. From a business perspective, we continue to balance long-term investments with near-term business priorities.

Dilip Shanghvi
Executive Chairman

Advancing Innovation Globally for Better Patient Care.

FY26 marked another important step in Sun Pharma's evolution as a globally diversified pharmaceutical company. During the year, we continued to strengthen our presence across markets while remaining focused on delivering better outcomes for patients worldwide.

Our Innovative Medicines business reached a new watermark contributing 22% of consolidated sales, and for the first time, accounting for a larger share of US revenues as compared to US generics. The launch of LEQSELVI and UNLOXCYT expanded our portfolio of innovative therapies, while continued momentum across India, Emerging Markets and Rest of World markets reinforced the strength of our diversified business model.

The year also marked a significant leadership transition and laid the foundation for the next phase of growth through the announced acquisition of Organon, which will expand our global footprint and add Women's Health to our Innovative Medicines portfolio. Supported by sustained investments in research and development, manufacturing excellence, quality systems and digital capabilities, we continued to build a more resilient and balanced organisation.

As we advance innovation globally, our focus remains clear-to expand access to quality healthcare, address unmet patient needs and create sustainable value for all stakeholders.

Sun Pharma at a Glance

An Innovation-led Global Pharmaceutical Company

Sun Pharma is a leading global pharmaceutical company with a diversified presence across innovative medicines, branded generics, generics and active pharmaceutical ingredients (APIs). With a strong foundation built on scientific innovation, manufacturing excellence and market leadership, we serve patients across more than 100 countries through a balanced business model that combines global scale with deep market expertise. This mix enables us to deliver quality medicines across markets and therapeutic categories.

Leadership across Key Pharmaceutical Markets

We have established strong positions across our key markets through a broad product portfolio, deep customer relationships and consistent execution. Our market leadership reflects the trust placed in our products and capabilities by healthcare professionals, patients and partners worldwide.

Largest

Pharmaceutical company in India*

13th

Largest generics company in the US market#

*As per AIOCD AWACS data for 12 months ended March 2026

#Source: IQVIA data for 12 months ended March 2026

Strong Global Presence

Our diversified geographic footprint enables us to address healthcare needs across developed and emerging markets while strengthening business resilience through balanced revenue streams and market participation.

100+

Countries served globally

80+

Emerging market countries with established operations

67%

International revenue contribution with established operations

Diversified Portfolio Addressing Healthcare Needs

Our business spans innovative medicines, branded generics, generics, APIs and consumer healthcare products, enabling us to serve a wide range of therapeutic needs across patient populations and healthcare systems. This diversified portfolio provides multiple avenues for growth while supporting long-term business stability.

Portfolio Highlights

- Fast-growing innovative medicines business focused on dermatology, ophthalmology and onco-dermatology
- Extensive branded generics and generics portfolio across global markets
- Broad API portfolio serving multiple therapeutic categories
- Consumer healthcare presence across more than 25 countries

29

Innovative products in our Innovative Medicines portfolio

400+

API products across diverse therapeutic segments

Backed by Deep Science and Innovation

Innovation remains central to our growth strategy. We continue to invest in research and development to advance innovative medicines, strengthen our generics pipeline, and build differentiated products that address unmet patient needs. Our global R&D ecosystem integrates scientific expertise, clinical development capabilities and technology-driven innovation.

6.1%

R&D spend as a percentage of sales in FY26

6

Global R&D centres

2,700+

R&D professionals worldwide

Manufacturing Excellence at Global Scale

Our integrated manufacturing network supports a wide range of dosage forms and complex product categories, enabling us to deliver high-quality medicines efficiently and reliably across markets. The breadth of our capabilities strengthens supply chain resilience and supports future growth opportunities.

40

Manufacturing facilities globally

Multiple Dosage Platforms

Injectables, sprays, ointments, creams, liquids, tablets and capsules

Powered by a Global Workforce

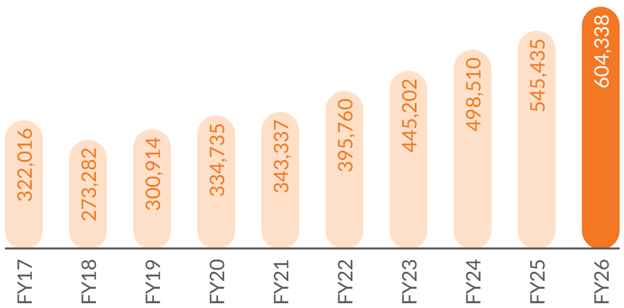
Our people are the driving force behind our innovation, growth and operational excellence. By fostering a culture of collaboration, scientific curiosity and continuous improvement, we continue to strengthen our ability to deliver better outcomes for patients worldwide.

47,000+

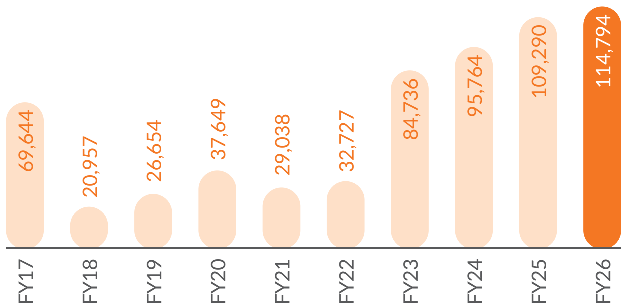
Employees across the globe

Key Performance Indicators
(Consolidated)

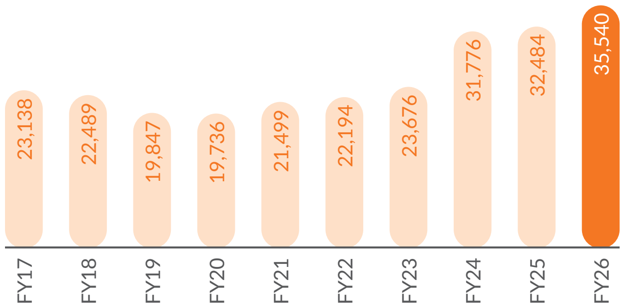
Total income
(₹ Million)



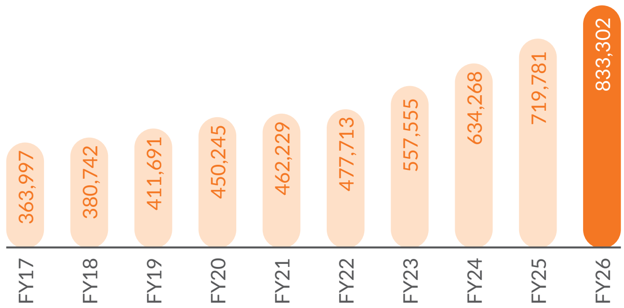
Net profit after minority interest
(₹ Million)



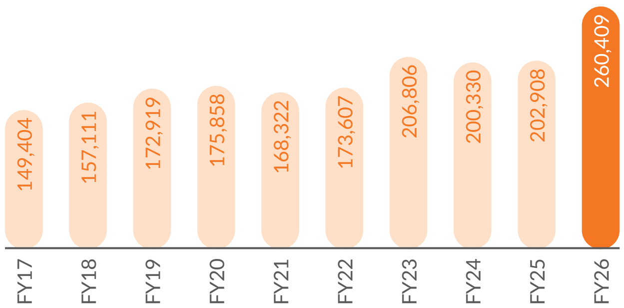
R&D investment
(₹ Million)



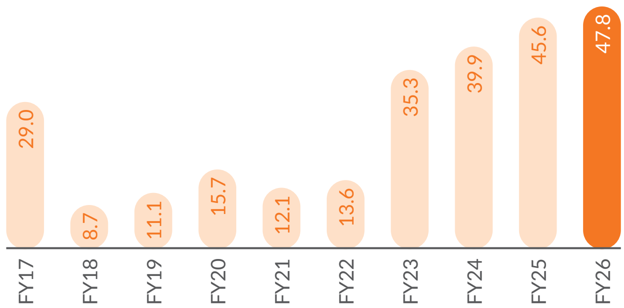
Reserve & surplus
(₹ Million)



Carrying value of property, plant & equipment and other intangible assets*
(₹ Million)



Earnings per share
(₹ per share)



*Includes Capital work-in-progress & Intangible assets under development.

Corporate Overview | Statutory Reports | Financial Statements

Ten Year Financial Highlights

(Consolidated)

(₹ Million)

Particulars	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26
Operating performance										
Revenue from operations	315,784	264,895	290,659	328,375	334,981	386,545	438,857	484,969	525,784	584,620
Total income	322,016	273,282	300,914	334,735	343,337	395,760	445,202	498,510	545,435	604,338
Net profit for the year (after minority interest)	69,644	20,957	26,654	37,649	29,038	32,727	84,736	95,764	109,290	114,794
R&D expenditure	23,138	22,489	19,847	19,736	21,499	22,194	23,676	31,776	32,484	35,540
a) Capital	1,679	1,819	718	484	471	869	599	499	943	799
b) Revenue (excluding depreciation)	21,459	20,669	19,129	19,252	21,028	21,325	23,077	31,277	31,542	34,741
c) % of sales	7.6	8.6	6.9	6.1	6.5	5.8	5.5	6.7	6.2	6.1
Financial position										
Equity share capital	2,399	2,399	2,399	2,399	2,399	2,399	2,399	2,399	2,399	2,399
Reserve and surplus	363,997	380,742	411,691	450,245	462,229	477,713	557,555	634,268	719,781	833,302
Property, plant & equipment and other intangible assets (at cost)*	217,315	238,073	271,424	298,549	308,582	334,029	397,151	411,054	436,542	535,401
Carrying value of property, plant & equipment and other intangible assets*	149,404	157,111	172,919	175,858	168,322	173,607	206,806	200,330	202,908	260,409
Investments	11,919	71,429	79,025	101,431	96,125	128,486	148,243	150,258	183,538	247,225
Net current assets	150,666	117,716	137,296	159,477	142,965	176,562	199,763	264,906	344,303	412,692
Stock information										
Number of shares (in Million)	2,399	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 ₹)	29.0	8.7	11.1	15.7	12.1	13.6	35.3	39.9	45.6	47.8
Earnings per share – Basic (in ₹)	29.0	8.7	11.1	15.7	12.1	13.6	35.3	39.9	45.6	47.8
Earnings per share – Diluted (in ₹)	29.0	8.7	11.1	15.7	12.1	13.6	35.3	39.9	45.6	47.8

*Includes Capital work-in-progress & Intangible assets under development.

Message from the Executive Chairman

We stay committed to building a business that combines scale with differentiation — strengthening our presence across markets, deepening capabilities in select therapy areas and steadily increasing the contribution of branded and Innovative Medicines businesses within our portfolio.

Dear Shareholders,

FY26 was another year of steady progress for Sun Pharma as we continued to strengthen our business and build capabilities for the future. Over the last several years, the operating environment for the global pharmaceutical industry has changed significantly. Product development has become more complex, and regulatory expectations have increased. Healthcare systems across markets are placing greater emphasis on differentiated therapies, with the choice of therapies driven by clinical outcomes and their long-term value to the community. Incrementally, there is an increasing emphasis on investing in local pharmaceutical infrastructure and expectations of lower drug pricing across markets.

These changes continue to shape Sun Pharma's resolve to stay nimble and responsive in a fast-changing environment. We stay committed to building a business that combines scale with differentiation — strengthening our presence across markets, deepening capabilities in select therapy areas and steadily increasing the contribution of branded and Innovative Medicines businesses within our portfolio.

Subsequent to the close of the financial year, Sun Pharma announced the acquisition of Organon & Co, which marks another important step in advancing our long-term vision. This development strengthens our position as a global pharmaceutical company with a favourable portfolio mix, while expanding our footprint across key international markets. The combination of capabilities will enable us to become an increasingly important stakeholder across global healthcare ecosystems. We believe this acquisition positions Sun Pharma well to pursue sustained growth while continuing to invest in innovation, quality medicines and improved patient outcomes.

While we aspire to increase our global footprint, India remains an important part of Sun Pharma's story. The country has strengthened its position in the global pharmaceutical industry through its manufacturing scale, scientific and commercial talent and ability to supply high-quality medicines competitively across markets. It is heartening to note that Indian pharmaceutical companies are participating more actively in complex generics, specialty products and innovation-led segments globally, further boosting local infrastructure and the availability of a talent pool.

Evolving into a More Balanced Business

Our India business continues to remain a strong growth engine for the Company, supported by rising healthcare awareness, improving diagnosis, treatment compliance and increasing affordability. During the year, we retained our position as #1 pharmaceutical company in India, with an 8.4% market share and leadership across 11 different doctor categories based on prescription volumes. Just like the past several years, I am pleased to note that our growth was led by an increase in volume and new product launches versus price increases.

Our US business has continued to evolve significantly over time, with a higher share coming from Innovative Medicines every passing year. While generics remain an important part of the portfolio, the business growth is increasingly driven by Innovative Medicine therapies. Emerging Markets and Rest of World businesses provide diversification and long-term growth opportunities. This evolution is expected to create a more balanced business than we had a few years ago, with less dependence on any single geography or commoditised opportunities. The share of Branded Generics and Innovative Medicines businesses has increased steadily over the last decade, improving the overall balance and resilience of the portfolio. The addition of Organon will further accelerate this move towards achieving balance.

Today, Sun Pharma operates across more than 100 countries with businesses spanning Innovative Medicines, branded generics, generics and APIs. Going forward, our positioning will increasingly be shaped by the combination of global reach and a differentiated innovation platform, where we will continue to deepen capabilities and build long-term strategic advantage. With the addition of the Women's Health business of Organon, Sun Pharma will be among a handful of innovative companies with a presence in four or more therapy areas globally, adding to our presence in dermatology, ophthalmology and onco-dermatology.

Building Long-term Capabilities

A key strategic priority for us over the last several years has been the development of our Innovative Medicines business. This year we brought two new treatments to market, namely LEQSELVI and UNLOXCYT, adding further to our offerings across our focus therapy areas. Today, the Innovative Medicines business accounts for 22% of consolidated sales.

Our approach in this business has remained selective and focused, with emphasis on therapy areas where we believe we can build depth and long-term capabilities. Today, we market 29 Innovative Medicines globally, supported by dedicated commercial infrastructure in the US and select international markets.

Our innovation strategy continues to balance long-term investments with near-term business priorities by focusing on bringing new treatments to market with clear clinical distinction and commercial potential. During FY26, R&D investments remained at 6.1% of sales, with increasing focus on innovative programmes.

6.1%

R&D spend as percentage of total sales in FY26

During the year, we implemented a planned leadership transition, with Kirti Ganorkar taking over as Managing Director while I continue as Executive Chairman. The transition reflects continuity in values and culture, while bringing renewed execution focus as the organisation scales globally.

Regulatory developments, geopolitical uncertainty and supply chain unpredictability are influencing business planning more significantly. Managing regulatory complexity remains an important priority for the Company. We also retain sustained focus on quality systems, compliance, transparency and proactive engagement with regulators across markets. This is supported by our approach to supply chain resilience, which has evolved through diversification of sourcing, improved forecasting capabilities and strengthening of quality systems across operations.

Leadership for the Next Phase of Growth

As the Company has evolved into a larger and more diversified global organisation, leadership depth and organisational capability have become increasingly important. Over the years, we have focused on building a strong management team, strengthening execution capabilities and creating an organisation that can scale up while remaining agile and entrepreneurial in its approach.

During the year, we implemented a planned leadership transition, with Kirti Ganorkar taking over as Managing Director while I continue as Executive Chairman. The transition reflects continuity in values and culture, while bringing renewed execution focus as the organisation scales globally. The Company's entrepreneurial spirit, cultural integrity and patient-centric purpose remain unchanged while the next phase of leadership brings renewed energy to scale the business responsibly. Kirti has played an important role in the evolution of several parts of our business over the years, and I remain confident in the Company's ability to build on the progress achieved so far.

As Sun Pharma continues to grow globally, our governance frameworks are also evolving in parallel, strengthening oversight and reinforcing accountability.

Responsibility and Resilience

Sustainability considerations are increasingly integrated into business decision-making, particularly across manufacturing, energy usage, operational efficiency and product access. Environmental efficiency and workforce development are becoming increasingly important from a long-term resilience perspective.

During the year, approximately 52.6% of our total energy consumption came from renewable energy sources, while Scope 1 and Scope 2 emissions reduced by 16.7% against baseline levels. Sun Pharma today has a workforce of more than 47,000 employees globally and continues to invest in capability development, employee well-being, and the development of an inclusive and performance-oriented culture.

Through our CSR initiatives, we continue to support programmes across healthcare, education and community development; and we impacted the lives of over one million beneficiaries during the year.

The Road Ahead

The direction we have pursued over time is reflected in a more diversified business with stronger capabilities across markets and therapy areas. We remain focused on strengthening the quality of growth, advancing innovation with discipline and building long-term resilience across the organisation.

I remain confident that Sun Pharma's best years lie ahead. The Company remains rooted in its guided purpose and a clear long-term vision.

I take this opportunity to thank our people for their commitment, our partners for their collaboration, and our shareholders for their continued trust as we steer ahead confidently towards the future.

Warm regards,

Dilip Shanghvi
Executive Chairman

Message from the Managing Director

During FY26, our global consolidated revenues grew by 11.9% to ₹ 582 Billion, while EBITDA increased by 16.1% to ₹ 177 Billion. Performance during the year reflected broad-based growth across businesses, supported by improving portfolio mix, disciplined execution and increasing contribution from branded and innovation-led businesses.

Kirti Ganorkar
Managing Director

Dear Stakeholders,

It is an honour to take on the responsibility of leading Sun Pharma at a time when the Company is evolving into a more diversified and globally integrated organisation. Having grown with this organisation over the years, I have experienced and hopefully imbibed the visionary and entrepreneurial spirit that continues to shape Sun Pharma. I look forward to building on this foundation together with our teams across the world.

FY26 was a year of steady progress for the Company as we continued to strengthen our business across markets while navigating a complex external environment. Regulatory shifts, pricing pressure, geopolitical uncertainty and evolving trade dynamics continued to influence the global pharmaceutical sector during the year. Our focus has remained on disciplined execution, improving portfolio quality and strengthening operational resilience that support long-term growth across markets.

Over the years, the Company has evolved into a more balanced and globally diversified organisation with growing contribution from branded and innovation-led businesses. During FY26, we continued in this direction through progress across Innovative Medicines, sustained momentum in India, strong performance in Emerging Markets and continued investments in quality, manufacturing and organisational capabilities.

Delivering Strong Performance

During FY26, our global consolidated revenues grew by 11.9% to ₹ 582 Billion, while EBITDA increased by 16.1% to ₹ 177 Billion. Net profit grew by 5.0% to ₹ 115 Billion. Performance during the year reflected broad-based growth across businesses, supported by improving portfolio mix.

Our India Formulation sales grew by 14% to ₹ 193 Billion and contributed around 33% of consolidated revenues. According to Pharmarack MAT March 2026 report, our market share improved to 8.4%, supported by strong execution across chronic therapies, new product launches, deeper doctor engagement, field-force expansion, and improving market reach. During the year, we continued to outperform the industry through volume-led growth while strengthening prescriber engagement and expanding our presence across Tier-II and Tier-III markets.

US Formulation sales saw a slight dip of 0.9% to US$ 1,904 Million, with the growth in Innovative Medicines offsetting the decline in Generics business. Emerging Markets continued to perform well during the year, with sales growing by 13.6% to US$ 1,265 Million. Key markets, including Brazil and Romania, delivered strong performance supported by Innovative Medicines and strengthening commercial capabilities.

Sales across Rest of World markets grew by 14.4% to US$ 969 Million. Increasing contribution from Innovative Medicines helped offset pressure within the generics portfolio and supported overall business momentum across these markets.

Advancing Our US Portfolio Mix

For the first time during the year, Innovative Medicines contributed a higher share of US sales than US generics. While our effort is to grow both Generics and Innovative Medicines, a shift in mix improves the overall sustainability and resilience of the business.

Growth in the Innovative Medicines portfolio was supported by products such as ILUMYA, ODOMZO, WINLEVI and CEQUA, which continue to strengthen their presence across markets. FY26 saw us launch LEQSELVI for severe alopecia areata and UNLOXCYT for advanced cutaneous squamous cell carcinoma in the US. Adding LEQSELVI to our dermatology portfolio represents an important advancement for the alopecia areata community, while UNLOXCYT expands our presence in oncology and onco-dermatology for patients with advanced cutaneous squamous cell carcinoma who are not candidates for curative surgery or radiation.

Today, our Innovative Medicines portfolio spans 29 marketed products globally and contributes 22% of consolidated sales. During FY26, we continued to scale this platform through focused geographic expansion, lifecycle management initiatives and disciplined commercial execution. ILUMYA is now marketed in more than 35 countries, reflecting our expanding commercial footprint for Innovative Medicines. In FY26, ILUMYA sales recorded a growth of 16.7%.

Our approach remains focused on therapy areas where we believe we can build depth, differentiation and long-term leadership. We continued to advance programmes selectively with emphasis on clinical relevance and long-term commercial potential.

The operating environment in the US remained challenging during the year. Structural pricing pressure, tariff-related uncertainty and evolving trade policies influenced market dynamics, while compliance-related constraints at certain of our facilities impacted the pace of product launches. Our focus remained on supply continuity, remediation efforts, improvement of quality systems and operational readiness across the manufacturing network.

India continues to remain a cornerstone of our business and an important contributor to growth. During FY26, the India business delivered strong performance driven by continued momentum across chronic therapies, improving prescriber engagement and deeper market reach.

We also entered the GLP-1 receptor agonist category in India with the launch of semaglutide under the brand names Noveltreat and Sematrinity.

Sustaining Leadership in India

India continues to remain a cornerstone of our business and an important contributor to growth. During FY26, the India business delivered strong performance driven by continued momentum across chronic therapies, improving prescriber engagement and deeper market reach. Our portfolio continued to strengthen across therapies such as cardiology, neuropsychiatry, gastroenterology and diabetology, reinforcing our leadership across several key segments.

During the year, we also entered the GLP-1 receptor agonist category in India with the launch of semaglutide under the brand names Noveltreat and Sematrinity. This marks our entry into an important and fast-growing therapy space linked to diabetes and chronic weight management. Alongside portfolio expansion, we continued to strengthen field-force effectiveness, improve prescriber coverage and selectively expand presence across Tier-II and Tier-III markets.

Expanding our Global Presence

Our Emerging Markets and Rest of World businesses also delivered strong performance during the year, supported by Innovative Medicines, strengthening commercial capabilities as well as currency tailwinds. These businesses provide long-term growth opportunities while deepening our presence across geographies.

Our approach across international markets remains focused on disciplined execution and building stronger local market presence while carefully navigating pricing and regulatory complexities across regions.

Strengthening the Operational Foundation

As we continue to scale globally, operational discipline and quality systems remain fundamental priorities. During FY26, we continued to invest in strengthening manufacturing systems, digital capabilities, supply chain resilience and compliance processes across operations. We also expanded the use of digital and AI-enabled tools across manufacturing, commercial and corporate functions to support better planning, improved productivity and stronger execution discipline.

Alongside this, we persisted in strengthening supply chain resilience through sourcing diversification and enhanced operational flexibility. These measures remain important in managing uncertainty across global supply chains and maintaining continuity for customers and patients.

Equally important has been the sustained investment in people and organisational capability. As our business becomes more diversified, strengthening leadership depth, building future-ready talent and enhancing cross-functional capabilities remain important priorities for us. During the year, we continued to focus on capability development and strengthening performance culture across businesses.

We also strengthened our ESG framework and governance practices across operations, with increasing focus on sustainability, responsible manufacturing and long-term operational resilience. During the year, 52.6% of our energy requirements were met through renewable sources, while GHG emissions and absolute water consumption reduced by 16.7% and 20.2%, respectively, compared to the 2020 baseline year.

52.6%

of our energy requirements were met through renewable sources

Looking Ahead

We will continue to focus on scaling Innovative Medicines, strengthening our market positions across geographies and improving operational effectiveness across the organisation. Key priorities for FY27 include scaling recently launched products such as LEQSELVI and UNLOXCYT in the US, sustaining momentum across India and international markets, and restoring facilities to full regulatory compliance.

The recently announced agreement to acquire Organon represents another important step towards strengthening our global Innovative Medicines portfolio and expanding our scale across international markets. Ensuring timely closure and enabling effective integration planning will remain key priorities.

The recently announced agreement to acquire Organon represents another important step towards strengthening our global Innovative Medicines portfolio and expanding our scale across international markets. Ensuring timely closure and enabling effective integration planning will remain key priorities.

The external environment is expected to remain dynamic, with evolving regulatory frameworks, pricing-related developments and geopolitical uncertainty continuing to influence the industry. Despite the challenges, we believe the long-term opportunities for differentiated, science-led and globally diversified pharmaceutical companies remain significant.

I remain confident in the strength of Sun Pharma's foundations, the capabilities of our people and the long-term opportunities ahead of us. Our focus will remain on building a globally competitive organisation that continues to create meaningful value for patients, healthcare systems and stakeholders.

I extend my gratitude to all our employees for their commitment and dedication, our partners for their continued collaboration and our shareholders for their trust and support. Together, we will continue to build a stronger, more innovative and globally competitive organisation.

Warm regards,

Kirti Ganorkar
Managing Director

Board of Directors

Dilip Shanghvi
Executive Chairman

Kirti Ganorkar
Managing Director

Gautam Doshi
Independent Director

Rolf Hoffmann
Independent Director

Dr. Andreas Eugen Busch
Independent Director

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

Dr. Pawan Goenka
Lead Independent Director

Satyavati Berera
Independent Director

Vidhi D. Shanghvi
Whole-time Director and Head - CHC

Leadership Team

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

Richard Ascroft
CEO - North America

Hellen de Kloet
Head - Western Europe Business and ANZ

Jayashree Satagopan
Chief Financial Officer

Dheeraj Sinha
Chief Information Officer

Suresh Rai
Chief Human Resource Officer

Vidhi D. Shanghvi
Whole-time Director and Head - CHC

Sridhar Shankar
Head - Centre for Global Product and Innovation

Erik Zwicker
Global General Counsel

Reem Malki
Chief Quality Officer

S. Damodharan
CEO – API Business &
Head - R&D Gx

Sreenivas Rao
Head - Global Supply Chain

Rahul Awasthi
Head - Sun Global Operations

Dr. Robert Stein
Senior Advisor - Specialty R&D

Management Discussion and Analysis

Global Pharmaceutical Industry Overview[1]

The global pharmaceutical industry continues to evolve through a phase of structural transformation, supported by sustained innovation, shifting disease burden and expanding access to healthcare. Despite macro-economic pressures, including inflationary trends and geopolitical uncertainties, global health systems have demonstrated resilience, sustained growth momentum and accelerated adoption of novel therapies.

Global medicine spending remains on a steady growth trajectory and is expected to reach approximately US$ 2.4 Trillion by 2029, reflecting a projected CAGR of 5-8%. This growth is being driven by continued uptake of innovative therapies, expansion of existing brands and increasing healthcare access across emerging markets. Notably, growth patterns have become more divergent across regions, with certain developed markets witnessing moderation and emerging regions driving incremental demand.

The pace of therapeutic innovation has remained strong, with over 1,000 novel active substances launched globally over the past two decades, including 394 substances in the past five years. However, access to these innovations varies considerably across geographies. While developed markets continue to lead in availability, low- and middle-income countries continue to face constraints in accessing recently launched therapies. This disparity continues to influence global usage and spending patterns.

Biologic medicines accounted for approximately 42% of new drug launches over the past five years, highlighting their growing importance in the pharmaceutical landscape.

Specialty medicines, particularly those targeting chronic, complex and rare conditions, are expected to represent a growing proportion of global pharmaceutical expenditure over the next few years. At the same time, biosimilar competition is expanding, improving affordability and enabling broader patient access in several markets.

In terms of therapy areas, oncology, neurology and metabolic disorders continue to be key growth drivers. Oncology spending remains the largest contributor globally, supported by continued innovation and increasing treatment adoption. The rapid uptake of GLP-1 therapies for diabetes and obesity, particularly in developed markets, is reshaping treatment paradigms and contributing to strong growth in metabolic care. Meanwhile, advancements in neurology, including therapies for Alzheimer's and mental health conditions, are expected to support future growth.

Global medicine usage trends have remained relatively flat in recent years, with overall volume growth estimated to grow at a low single-digit rate of around 0.8% annually and effectively remaining flat when adjusted for population growth. While developed markets continue to exhibit high per capita consumption, emerging markets across Asia and Latin America are witnessing relatively faster growth, driven by improved access and rising healthcare awareness. However, disparities in per capita usage persist, particularly in regions such as Africa and parts of the Middle East, where infrastructure and affordability constraints remain key challenges.

Spending growth across regions is increasingly being shaped by product mix, with higher adoption of premium and innovative therapies driving value growth, even as volume trends remain moderate. Developed markets continue to lead in innovation-driven spending, supported by new product launches, while the impact of loss of exclusivity and pricing pressures remains significant. In contrast, emerging markets continue to rely on generics and cost-effective alternatives, with growth largely driven by volume expansion.

The US trade and funding environment has created near-term headwinds for innovator companies as well as those manufacturing products outside the US. Most Favoured Nation or MFN pricing models are expected to be implemented from 2026, placing downward pressure on drug prices and creating near-term uncertainty for the industry. Potential adverse outcomes from ongoing Section 232 tariff investigations add further pressure, while trade and pharma-specific agreements may offer partial reprieve through negotiated exemptions and transitional relief.

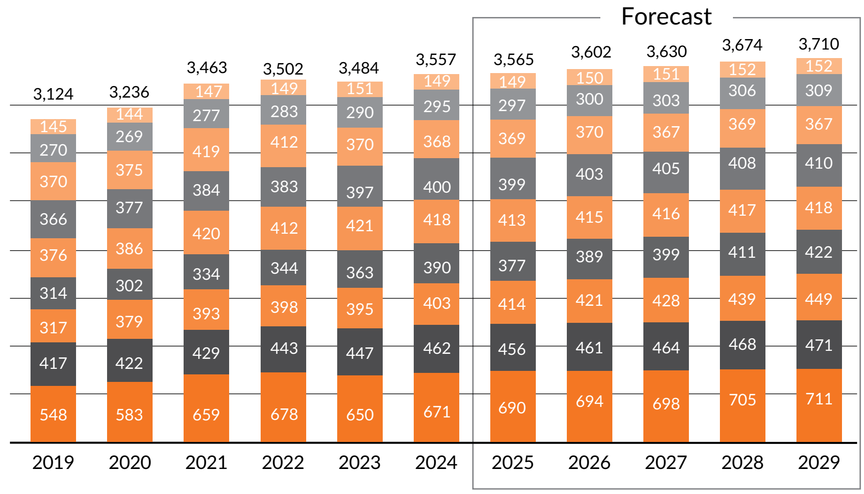
The increasing role of biosimilars and generics is also influencing market dynamics, particularly in cost-sensitive regions, where they are improving access to treatment while containing healthcare expenditure. At the same time, healthcare systems globally are recalibrating pricing and reimbursement frameworks, with a growing focus on value-based care and outcome-driven models.

Digital transformation continues to reshape the pharmaceutical value chain, with growing adoption of data analytics, artificial intelligence and real-world evidence to enhance drug discovery, optimise clinical trials and improve patient outcomes. These advancements are enabling companies to improve operational efficiency while strengthening patient engagement.

Overall, the global pharmaceutical industry remains well-positioned for sustained growth, supported by innovation, increasing access to novel therapies and evolving healthcare needs. However, balancing affordability with rapid advancements will remain critical as stakeholders navigate an increasingly complex and dynamic healthcare landscape.

Global Pharmaceutical Industry Growth: 2019-2029[1]

(Defined Daily Doses in Billions)



CAGR % 2025-2029	
Global	0.8
Japan	0.4
North America	0.9
Africa and Middle East	3.7
Eastern Europe	0.5
India	0.0
China	1.6
Latin America	2.2
Western Europe	0.4
Asia-Pacific	1.2

Source: IQVIA Institute, June 2025

Global Pharmaceutical Market

(US$ Billion)

Region	2024	2020-2024 CAGR	2029	2025-2029 CAGR
Developed Markets	1,421.5	8.2%	1,945-1,975	5.5-8.5%
Pharmerging Markets	312.2	6.0%	375-405	3.5-6.5%
Other Markets	16.1	1.0%	18-22	2-5%
Global Pharmaceutical Market	**1,749.8**	**7.7%**	**2,355-2,385**	**5-8%**

Global Pharmaceutical Market: Share by Product Type[1]

(% of Total)

Region	Original Brands (%)		Non-original Brands (%)		Unbranded Generics (%)		OTC, Vaccines & Others (%)		Total (US$ Billion)	
Year	2024	2029	2024	2029	2024	2029	2024	2029	2024	2029
Developed Markets	77	79-81	8	7-8	9	6-8	6	5-6	1,422	1,945-1,975
Pharmerging Markets	28	28-36	34	30-37	13	10-16	25	20-27	312	375-405
Other Markets	27	14-39	52	36-67	5	3-6	16	11-19	16	18-22
Global Markets	**68**	**71-73**	**13**	**11-13**	**10**	**7-8**	**9**	**8-9**	**1,750**	**2,355-2,385**

Developed Markets

Developed markets remain primary contributors to global pharmaceutical spending, driven by strong uptake of innovative therapies and specialty medicines. As per IQVIA, spending across developed markets reached US$ 1,422 Billion in 2024, reflecting a CAGR of 8.2% during 2020-2024.

Going forward, growth is expected to moderate, with spending projected to reach US$ 1,945-1,975 Billion by 2029, at a CAGR of 5.5-8.5%. This moderation reflects pricing pressures, loss of exclusivity and policy interventions, partially offset by continued innovation.

Developed Markets - Pharmaceutical Spending and Growth[1]

(US$ Billion)

Region	2024	2020-2024 CAGR	2029	2025-2029 CAGR
Top 10 Developed Markets	1,194.5	8.2%	1,635-1,665	5-8%
Other Developed Markets	227.0	7.8%	295-325	5.5-8.5%
Total Developed Markets	**1,421.5**	**8.2%**	**1,945-1,975**	**5.5-8.5%**

United States (US)[1]

Pharmaceutical spending in the United States is expected to continue its steady growth trajectory through 2029, driven by a combination of innovation-led demand, sustained usage of existing therapies and structural shifts in pricing dynamics.

At invoice prices, medicine spending in the US is projected to increase by approximately US$ 344 Billion through 2029, higher than the US$ 290 Billion increase recorded over the previous five-year period, indicating an acceleration in overall market expansion. By 2029, total invoice-level spending is expected to reach US$ 1,156 Billion.

A key driver of growth will continue to be the increased usage of existing protected branded products. These therapies are expected to contribute approximately US$ 388 Billion in incremental spending over the next five years, significantly higher than the prior period. This reflects sustained demand for established innovative therapies and continued expansion in treatment penetration across major therapeutic areas.

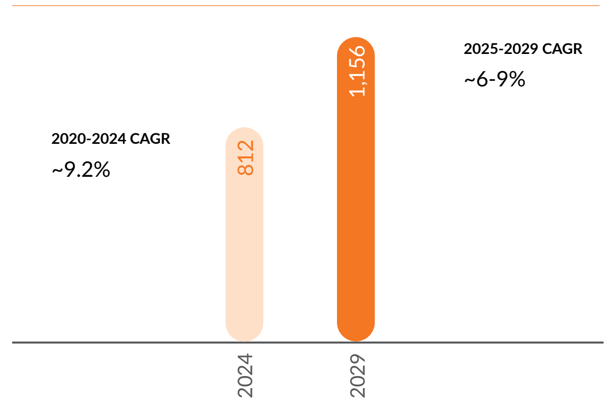
Innovation will remain a strong structural driver of the market. More than 250 new active substances (NASs) are expected to launch over the next five years, contributing approximately US$ 117 Billion in additional spending. These launches are expected to be concentrated across oncology, immunology and other specialty segments, along with continued expansion in chronic disease areas such as diabetes, obesity and neurology.

At the same time, the impact of loss of exclusivity is expected to intensify significantly. LOE-related erosion is projected to reach US$ 179 Billion, compared to US$ 49 Billion in the prior five-year period, reflecting higher exposure of both small molecule and biologic products to loss of exclusivity. While generics and biosimilars continue to enter the market, their overall impact on growth remains moderated, as price deflation largely offsets volume gains from loss of exclusivity.

Pricing dynamics are expected to remain a key moderating factor. Off-invoice discounts and rebates are projected to expand further, reaching approximately 49% of invoice spending by 2029, leading to a widening gap between invoice and net spending trends. As a result, while invoice-level spending shows stronger growth, net medicine spending is expected to increase more modestly by approximately US$ 116 Billion over the five-year period.

Overall, the US pharmaceutical market continues to demonstrate strong underlying demand and innovation-led expansion. However, the interplay of increasing loss of exclusivity, sustained pricing pressure, and higher rebate intensity is expected to moderate net growth, resulting in a more balanced and structurally-driven growth profile through 2029.

US Pharmaceutical Spending and Growth



Policy Developments Shaping US Pharma

The US pharmaceutical sector is witnessing an evolving policy and regulatory landscape, with increasing focus on drug affordability, pricing transparency, domestic manufacturing resilience and supply chain security. These developments are expected to influence pricing dynamics, market access frameworks and investment priorities across the industry over the medium-term.

Most Favoured Nation (MFN) pricing gained prominence in the pharmaceutical sector in recent years, aimed at ensuring that US drug prices align more closely with those in other developed markets. MFN concepts now underpin several US federal frameworks, including the GLOBE, GUARD, and GENEROUS models, introduced during 2025 with phased implementation expected from 2026 onwards. Collectively, these initiatives reflect sustained regulatory momentum toward international reference pricing putting downward pressure on drug prices, expanded benchmarking against peer markets, and increasing government oversight of branded drug pricing in the United States.

Pharmaceutical tariffs have re-entered policy focus amid renewed consideration of national security-based trade tools, including Section 232 investigations that could extend tariff coverage to select drug products, APIs, and critical inputs. While free trade agreements typically provide carve-outs or preferential treatment for pharmaceuticals, policy discussions increasingly distinguish between innovator drugs and affordability-critical products. Generics, and in several cases, biosimilars are expected to benefit from exemptions or reduced tariff exposure to safeguard access and supply resilience. Overall, pharma tariff policy remains fluid, shaped by trade negotiations, supply-chain security assessments, and healthcare cost containment objectives.

Separately, several large pharmaceutical companies have entered into broad framework agreements with the US administration that address pricing and trade considerations within a single construct. These deals generally involve offering select branded drugs to Medicaid or other federal programmes at MFN-linked prices, committing incremental manufacturing or R&D investments in the United States, and, in return, receiving temporary relief from tariffs or trade actions.

Top 5 Western European Markets (WE5)[1]

Medicine spending across the top five European markets is expected to continue its steady expansion over the next five years, increasing from approximately US$ 242 Billion in 2024 to US$ 327 Billion in 2029.

Growth dynamics are expected to shift meaningfully across key drivers. Innovation will continue to play a central role, with more than 200 new active substances (NASs) expected to launch across leading European markets over the next five years. These launches are expected to contribute approximately US$ 45 Billion in aggregate spending, with annual launches averaging 40-45 NASs per year. Oncology is expected to remain the largest therapeutic area for new launches, along with neurology, rare diseases, and next-generation biotherapeutics including cell and gene therapies and RNA-based treatments.

The contribution of new brands is expected to remain significant; however, growth is increasingly expected to be supported by established branded products that expand post-launch following demonstrated clinical and commercial value, alongside negotiated market access decisions.

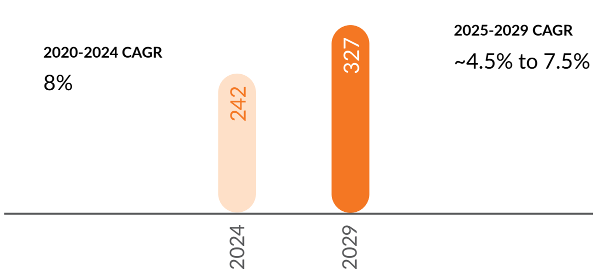
Loss of Exclusivity (LOE) will be a major structural driver of market dynamics. Across the five largest European markets, LOE impact is expected to increase approximately 2.5 times over the next five years, reflecting a higher concentration of large-value products reaching expiry. The forecast period is expected to see larger brand erosion than the previous cycle, driven by a sequence of high-selling products losing exclusivity through 2029.

Generics and biosimilars are expected to contribute approximately US$ 10 Billion in incremental growth over the next five years, slightly lower than the previous period despite a higher absolute LOE base. This reflects a market environment where volume gains from patent expiries are increasingly offset by price deflation and competitive intensity.

Overall, the European pharmaceutical market is expected to grow steadily over the next five years, supported by sustained innovation and strong launch activity, while LOE pressures, pricing constraints and evolving payer frameworks continue to moderate net growth and reinforce a more value-driven market environment.

WE5 - Pharmaceutical Spending and Growth

(US$ Billion)



Japan[1]

Pharmaceutical spending in Japan is expected to grow at a relatively modest pace over the next five years, with growth projected in the range of -0.5% to 2.5% annually, reflecting the continued impact of long-term structural factors affecting long-listed brands and periodic pricing revisions.

Market dynamics in Japan continue to be strongly influenced by the pricing revision framework, with price revisions expected to remain in place throughout the forecast period. While the established biennial price cut cycle continues to exert pressure on pricing, the impact in off years is expected to be comparatively lower, leading to a more moderated overall pricing effect across the cycle.

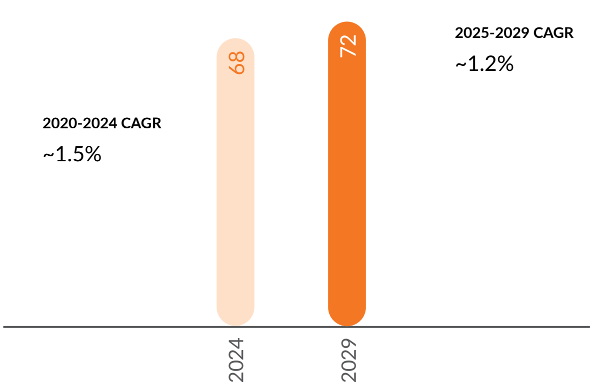
The structure of spending continues to evolve in favour of protected branded medicines. Over the past decade, the share of protected brands has increased from approximately 50% to 57% of total spending, reflecting a reversal of earlier trends where share typically declined over time. This shift is supported by manufacturers increasingly launching innovative therapies earlier in Japan, along with policy measures aimed at enabling faster access to new medicines.

At the same time, long-listed products continue to see a structural decline in market share, reducing from approximately 22% of total spending in 2015 to 9% in 2024, and are expected to decline further to around 5% by 2029, reflecting continued erosion from both innovation and substitution effects.

The generic segment is expected to expand its share of total spending over the forecast period. This growth is supported by long-standing policy initiatives aimed at increasing generic utilisation through a combination of incentives and prescribing adjustments, encouraging substitution where appropriate and improving overall penetration levels across therapeutic categories.

Japan - Pharmaceutical Spending and Growth

(US$ Billion)



Pharmerging Markets[1]

The Pharmerging markets are expected to remain a structurally important contributor to global pharmaceutical growth, combining both access-driven expansion and gradual premiumisation of treatment mix.

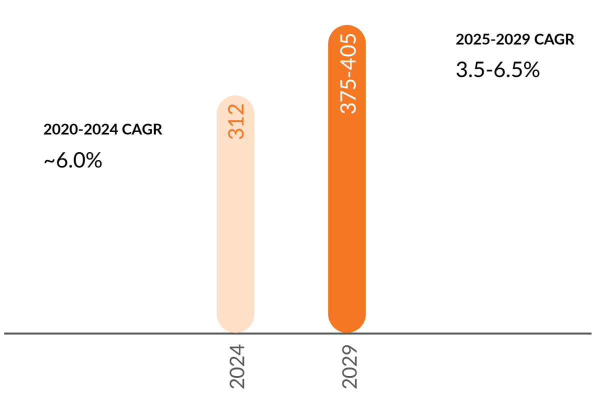
Pharmaceutical spending across Pharmerging markets is expected to maintain a steady growth trajectory over the next five years, supported by expanding access to healthcare, rising prevalence of chronic diseases, and gradual adoption of innovative therapies across emerging economies.

Total market spending is estimated at approximately US$ 312 Billion in 2024 and is projected to increase to a range of US$ 375–405 Billion by 2029, reflecting sustained underlying demand across both branded and non-branded segments.

Within the market, growth continues to be supported by a gradual shift towards higher-value therapies, particularly original branded medicines, which are expected to remain the fastest-growing component over the forecast period. At the same time, non-original brands and generics continue to play a significant role in expanding access and supporting treatment affordability across markets.

Pharmerging Markets - Pharmaceutical Spending and Growth

(US$ Billion)



India[1]

The Indian Pharmaceutical industry is expected to remain one of the most structurally resilient and fastest-growing major pharmaceutical markets globally, supported by expanding healthcare access, rising chronic disease burden, and continued deepening of prescription penetration across urban and non-urban markets.

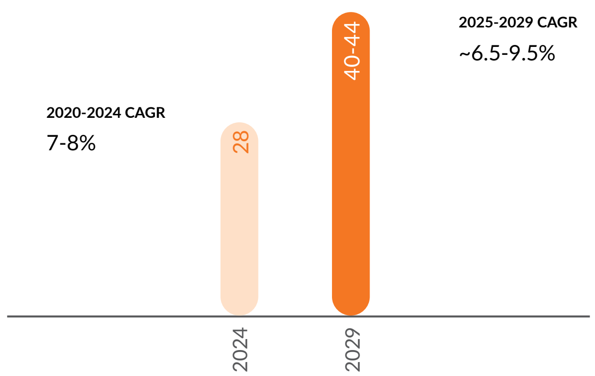
The market is estimated to reach US$ 40–44 Billion in 2029, at a constant currency CAGR of 6.5–9.5% over 2025–2029, reflecting sustained demand across chronic and acute therapies, supported by continued expansion of treatment coverage and gradual improvement in healthcare access infrastructure.

Growth continues to be led by chronic therapies such as cardiovascular, anti-diabetic, respiratory and central nervous system segments, which are expanding faster than acute therapies due to rising disease prevalence and longer treatment cycles. This structural shift is supported by improving diagnosis rates, increasing affordability, and wider penetration of organised healthcare channels.

In addition, market growth is supported by continued expansion into Tier II and Tier III markets, increasing physician reach, and steady contribution from new product introductions. While price increases continue to play a role, volume-led expansion remains the primary structural driver of growth in the market.

India - Pharmaceutical Spending and Growth

(US$ Billion)



Specialty Medicines[1]

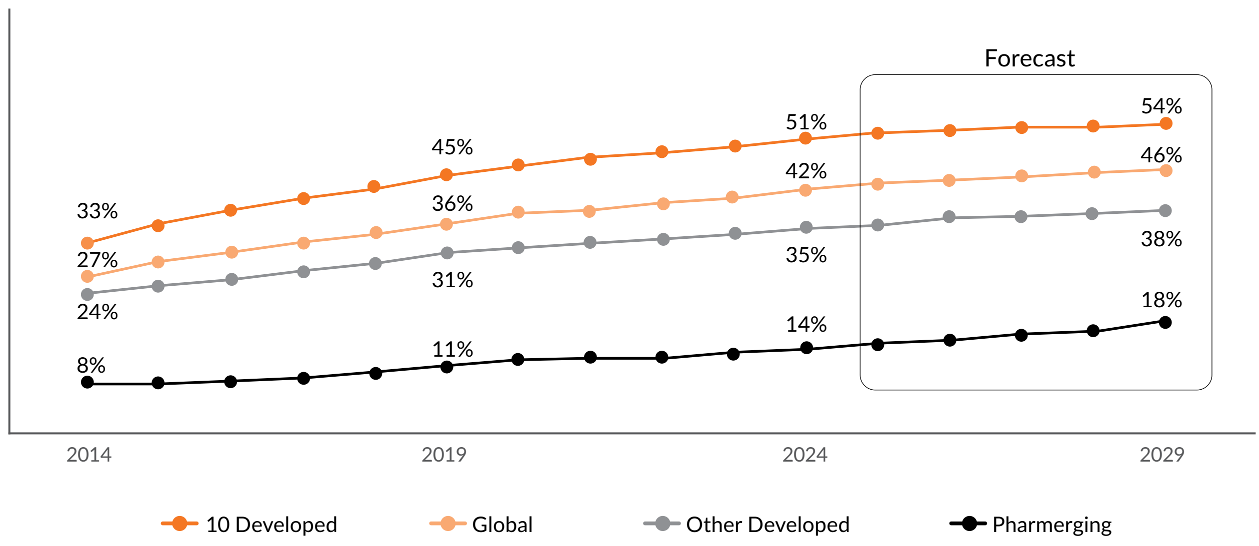
Specialty medicines continue to be a primary driver of value growth in the global pharmaceutical market, reflecting a structural shift toward complex, high-cost therapies targeting chronic, rare and specialty conditions. These therapies, particularly across oncology, immunology, neurology and metabolic disorders, are characterised by high clinical value, increasing innovation intensity and relatively higher treatment costs.

According to IQVIA, specialty medicines accounted for approximately 42% of global pharmaceutical spending in 2024 and are projected to increase to nearly 46% by 2029. In leading developed markets, specialty medicines already represented approximately 51% of total pharmaceutical spending in 2024 and are expected to rise further to nearly 54% by 2029, highlighting the increasing concentration of value within complex and innovative therapies.

Growth in specialty medicines is expected to be driven by continued innovation in oncology and immunology, rapid expansion of GLP-1 therapies for diabetes and obesity, increasing adoption of biologics and biosimilars, and expanding focus on rare diseases and precision medicine. At the same time, pharmerging markets are witnessing gradual growth in specialty adoption, supported by improving healthcare access and rising affordability.

Despite accounting for a relatively small share of treatment volumes, specialty medicines continue to contribute disproportionately to overall pharmaceutical spending growth, underscoring the industry's ongoing shift toward advanced and innovation-led therapies.

Share of Specialty Medicines in Overall Pharmaceutical Spending – By Market



Active Pharmaceutical Ingredients (APIs)[2]

The Active Pharmaceutical Ingredients (API) segment forms the backbone of the global pharmaceutical industry, supporting both innovative and generic drug manufacturing. The market has witnessed steady expansion, driven by increasing demand for complex therapies, rising prevalence of chronic diseases, and the growing shift toward biologics and highly potent APIs.

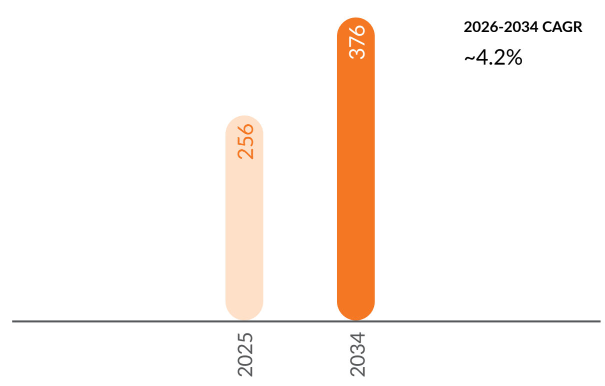
The global Active Pharmaceutical Ingredients (API) market was valued at US$ 256 Billion in 2025 and is projected to reach US$ 376 Billion by 2034, at a CAGR of 4.22% during 2026–2034. Growth is driven by several factors, including the increasing prevalence of chronic diseases, rising demand for generic and biosimilar drugs, expansion of contract manufacturing organisations (CMOs/CDMOs), and continued investment in targeted biopharmaceutical therapies.

Growth Drivers

- Rising demand for highly potent APIs (HPAPIs), particularly in oncology and targeted therapies
- Expansion of generic drug manufacturing due to patent expiries
- Increasing focus on supply chain resilience and backward integration
- Shift toward biotech and complex molecules, including biologics and specialty drugs

Additionally, global pharmaceutical companies are increasingly diversifying supply chains and investing in regional manufacturing capabilities, creating opportunities for integrated players.

API Market - Long-term Outlook (US$ Billion)



Consumer Healthcare (CHC) Market[3]

The Consumer Healthcare (CHC) market, comprising over-the-counter (OTC) medicines, dietary supplements, and wellness products, is emerging as a significant growth driver within the broader healthcare ecosystem. Growth is being driven by increasing consumer preference for preventive healthcare and rising health awareness.

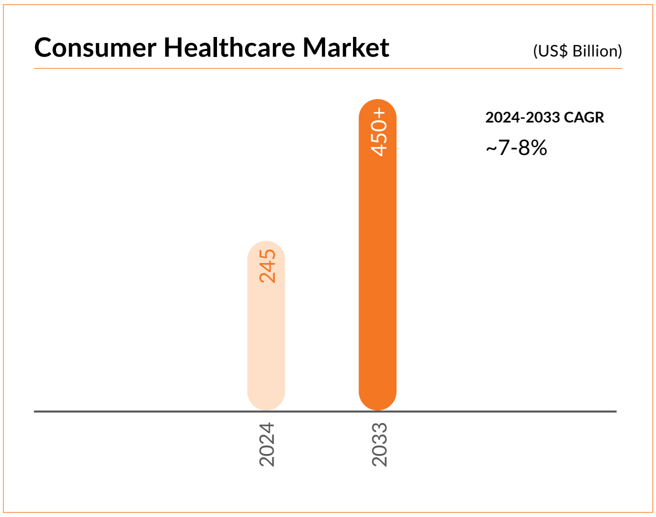
According to IQVIA, the global OTC market expanded from ~US$ 150 Billion in 2020 to ~US$ 193 Billion in 2024, reflecting strong post-pandemic recovery and sustained demand.

More broadly, the global consumer healthcare market is estimated at ~US$ 245 Billion in 2024 and is expected to grow to ~US$ 450+ Billion by 2033, implying a CAGR of ~7-8%.

Growth Drivers

- Increasing propensity of self-care and adoption of preventive health practices
- Rising disposable incomes and healthcare awareness, particularly in emerging markets
- Expansion of digital health platforms and e-pharmacies
- Strong demand for vitamins, supplements and wellness products

Pharmerging markets are witnessing faster growth compared to developed regions, supported by higher out-of-pocket spending and improving access to healthcare products.



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. We have a strong presence across major markets, including the United States, India and emerging markets, with our products reaching patients in over 100 countries. Our diversified portfolio spans Innovative Medicines, Branded Generics, Generics and Active Pharmaceutical Ingredients (APIs). In recent years, we have sharpened our focus on Innovative Medicines, particularly in dermatology, ophthalmology and onco-dermatology, while continuing to strengthen our leadership in chronic therapies across key markets. This balanced portfolio enables us to address evolving patient needs while enhancing value across geographies.

We continue to invest in building a differentiated Innovative Medicines business, supported by a growing portfolio of innovative products and ongoing clinical development. At the same time, our generics and branded generics businesses remain a strong foundation, delivering scale, market reach and consistent performance.

Our R&D efforts remain focused on Innovative Medicines, complex generics and novel formulations. We leverage integrated scientific capabilities, supported by global clinical trial operations, to advance our pipeline and bring high-quality, affordable medicines to patients. This approach enables us to stay competitive across markets while expanding our innovation footprint.

Our global manufacturing network comprises facilities approved by leading regulatory authorities, ensuring consistent quality and compliance across markets. We continue to strengthen operational efficiency, supply chain resilience and quality systems to support our expanding portfolio and global footprint.

Our workforce, comprising professionals from diverse nationalities and backgrounds, remains central to our success. Their expertise, coupled with a strong culture of compliance, quality and innovation, enables us to deliver sustainable growth and operational excellence.

Guided by our purpose of Reaching People and Touching Lives Globally, we remain committed to improving access to high-quality healthcare. We continue to focus on innovation-led growth and strengthening our global presence to create long-term value for all stakeholders.

Expanding Global Scale through Organon Acquisition

Subsequent to the close of the financial year, Sun Pharma announced the proposed acquisition of Organon & Co., a global pharmaceutical company with a strong presence across women's health, established brands and biosimilars. Organon operates in more than 140 countries with a diversified manufacturing and commercial footprint.

The proposed combination is expected to enhance Sun Pharma's global scale, add Women's Health as a new therapeutic pillar and expand participation in biosimilars. The transaction remains subject to shareholder and regulatory approvals.

Strong Global Positioning[4,5]

Largest
Pharmaceutical company in India

Leading
Global Specialty generic company

Among the
Largest
Indian pharmaceutical companies in Emerging Markets

13th
Largest generic pharmaceutical company in the US

100+
Countries reach

40
Global manufacturing sites across five continents

47,000+
Global employee base

50+
Employee nationalities

Major Milestones

Year	Development	Geography	Strategic Rationale
2026	Announced the acquisition of Organon & Co.	Global	Enhance global scale, add Women's Health and biosimilars
2025	Acquisition of Checkpoint Therapeutics, Inc.	Global	Strengthens oncology portfolio with FDA-approved anti-PD-L1 therapy for cSCC
2024	Completion of Taro merger (100% ownership)	Israel/Global	Simplifies group structure and strengthens dermatology and generics portfolio
2024	In-licensing of Fibromun	Global	Expands innovative oncology pipeline in immunotherapy
2023	Acquisition of Concert Pharmaceuticals	US	Strengthens dermatology pipeline with late-stage asset for alopecia areata
2023	In-licensing of Nidlegy™	Europe, ANZ	Expands oncology portfolio in skin cancer therapies
2023	In-licensing of Sezaby	US	Entry into neonatal care segment with specialty product
2022	Acquisition of Uractiv™ portfolio	Romania	Strengthens OTC portfolio and regional presence
2022	Expansion of Winlevi® licensing	Japan, Australia, Brazil & others	Enhances global dermatology footprint
2021	In-licensing of Winlevi®	US & Canada	Entry into novel acne treatment segment
2020	Out-licensing of Ilumya to Hikma	MENA	Expands geographic reach of specialty product
2019	Licensing agreement with AstraZeneca	China	Expands oncology presence in China
2019	Licensing agreement with CMS	Greater China	Strengthens access to China market
2016	Acquisition of global rights for Cequa & Odomzo	Global	Strengthens specialty portfolio
2016	Acquisition of Biosintez	Russia	Expands local manufacturing capabilities
2016	Acquisition of brands from Novartis	Japan	Entry and expansion in Japan market
2015	Sun Pharma-Ranbaxy merger	Global	Establishes leadership in India and strengthens global generics position
2014	In-licensing of tildrakizumab (Merck)	Global	Builds specialty dermatology pipeline
2014	Acquisition of Pharmalucence	US	Enhances sterile injectables capability
2012	Acquisition of DUSA Pharma	US	Entry into dermatology drug-device segment
2010	Acquisition of Taro Pharma	Israel/Global	Strengthens dermatology generics and global footprint
1997	Acquisition of Caraco	US	Entry into US generics market

Global Innovative Medicines Business

Specialty Medicines continue to represent among the fastest-growing segment of the global Innovative Medicines space, driven by their role in addressing chronic, complex and rare diseases. In recent years, this segment has gained increasing prominence, supported by advances in biologics, targeted therapies and precision medicine.

Specialty medicines now account for a significant share of global pharmaceutical spending, with their contribution continuing to rise across developed markets. This growth is particularly pronounced in key regions such as the United States and Europe, where specialty therapies form a substantial portion of total drug expenditure. The share of specialty medicines is expected to increase further over the next few years, reflecting sustained demand for innovative treatments and the growing burden of chronic diseases.

The expansion of specialty medicines is underpinned by a strong pipeline of novel therapies, increasing adoption of biologics and continued focus on areas such as oncology, immunology, dermatology and rare diseases. Additionally, improved diagnostic capabilities and greater access to advanced therapies are enabling earlier and more effective treatment interventions.

This evolving landscape underscores the long-term growth potential of specialty medicines, as pharmaceutical companies continue to invest in innovation to address unmet patient needs and improve health outcomes globally.

Share of Specialty Medicines in Overall Pharmaceutical Spending - By Market[1]

(%)

Year	2014	2019	2024	2029E
Top 10 Developed Markets	32	45	52	57
Other Developed Markets	25	33	38	43
Pharmerging Markets	9	11	14	15
Global Market	**27**	**37**	**42**	**46**

Sun Pharma's Innovative Medicines Portfolio and Highlights

Since our entry into the Innovative Medicines segment, we have progressively built a differentiated Global Innovative Medicines business, with a focused presence in specialty segments of dermatology, ophthalmology and onco-dermatology. These therapy areas continue to exhibit significant unmet patient needs, and we remain committed to addressing them through innovation, scientific advancement and disciplined execution.

Our Innovative Medicines strategy is anchored in three key pillars. First, we continue to enhance product access through a combination of internal R&D, targeted acquisitions and strategic in-licensing, enabling us to build a portfolio of differentiated and high-value therapies. Second, we are investing in clinical development across multiple Innovative Medicines assets, with a focus on generating robust scientific evidence and advancing our pipeline in key therapeutic areas. Third, we have established a strong commercial infrastructure, in the United States and other key markets, supported by dedicated sales teams, marketing capabilities and distribution networks to drive effective market penetration and physician engagement.

Over the years, we have built a portfolio that includes innovative and differentiated therapies across our focus segments, supported by a growing pipeline of Innovative Medicines products. Our Global Innovative Medicines business is reported separately, reflecting its strategic importance, while also being integrated within our geographical segments, particularly the US and other key markets.

FY26 Highlights

As of FY26, our Innovative Medicines portfolio continues to expand, with a growing number of marketed products across global markets. Innovative Medicines have been a key growth driver for the Company, contributing an increasing share to our consolidated revenues compared to previous years. This sustained growth reflects the success of our long-term strategy, continued investments in innovation and our ability to scale specialty operations globally.

Sun's Innovative Medicines Portfolio

Unloxcyt

Indication

Treatment for adults with mCSCC or laCSCC who are not candidates for curative surgery or curative radiation.

Key Markets
US

Leqselvi

Indication

Treatment of adults with severe alopecia areata.

Key Markets
US

Ilumya/Ilumetri

Indication

Treatment of moderate-to-severe plaque psoriasis in adults eligible for systemic therapy or phototherapy. Supported by long-term efficacy and safety data, with sustained response over multiple years. Ongoing development in additional indications including psoriatic arthritis.

Key Markets
All major global markets

Cequa

Indication

Treatment for dry eye disease (keratoconjunctivitis sicca), improving tear production and ocular surface health. Backed by positive clinical outcomes.

Key Markets
US, Canada; Greater China (out-licensed)

Odomzo

Indication

Oral therapy for locally advanced basal cell carcinoma (BCC) in patients unsuitable for surgery or radiation. Demonstrates meaningful tumour response in clinical studies.

Key Markets
US, Canada, EU, Australia, Israel

Levulan Kerastick + BLU-U

Indication

Photodynamic therapy for actinic keratoses (face, scalp and upper extremities). Differentiated as a widely approved PDT solution across multiple treatment areas.

Key Markets
US

Winlevi

Indication

Topical treatment for acne vulgaris in patients aged 12 years and above. Demonstrates favourable efficacy and safety profile in clinical trials.

Key Markets
US, Canada, Australia; expanding global presence

Absorica LD

Indication

Oral isotretinoin formulation for severe nodular acne. Designed for improved absorption and consistent efficacy.

Key Markets
US

Yonsa

Indication

Treatment for metastatic castration-resistant prostate cancer (CRPC), administered with methylprednisolone. Offers dosing flexibility and clinical effectiveness.

Key Markets
US

Sezaby

Indication

Treatment for neonatal seizures; represents a differentiated offering in neonatal care with demonstrated clinical effectiveness.

Key Markets
US

Sprinkle Portfolio

Indication

Specialised formulations for patients with swallowing difficulties, particularly in long-term care settings; includes therapies across cardiology and neuropsychiatry.

Key Markets
US

Innovative Medicines Pipeline

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

Innovative Medicines Pipeline

Candidate	Mechanism of Action	Indication	Preclinical	Phase 1	Phase 2	Phase 3	Registration
Ilumya	IL-23 Antagonist	Psoriatic arthritis	—	—	—	—	→
Fibromun	Innovative anti-cancer immunotherapy	Soft tissue sarcoma	—	—	→		
		Glioblastoma	—	—	→		
Nidlegy™	Immunocytokines	Locally advanced melanoma	—	—	—	→	
		Locally advanced BCC/cSCC	—	—	→		
GL0034	GLP-1R Agonist	Type 2 diabetes	—	—	→		
Candidate for Partnering							
MM-II	Liposomal intra-articular lubrication	Pain in osteoarthritis	—	—	→		

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

Business Model

Our Businesses

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

*Global Innovative Medicines revenues are separately disclosed 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

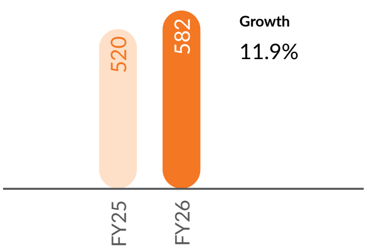
- Increase contribution of Innovative Medicines and complex products
- Direct future investments towards differentiated products

Focus Areas

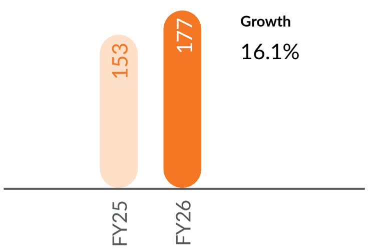
- Enhance share of Innovative Medicines in overall business
- Develop and commercialise differentiated and difficult-to-manufacture products
- Maintain market leadership and high brand equity in India – leverage strengths for in-licensing latest generation innovative products for the domestic market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

Key Performance Indicators

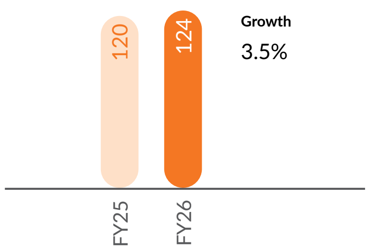
Gross sales
(₹ in Billion)



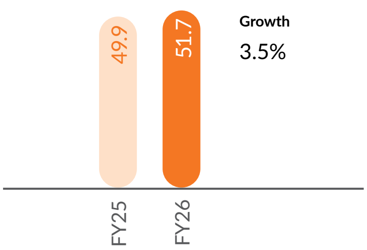
EBITDA
(₹ in Billion)



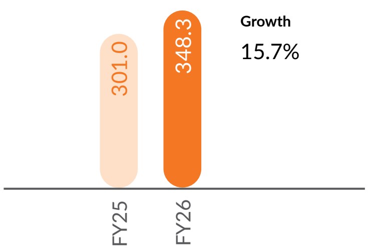
Adjusted net profit after minority interests#
(₹ in Billion)



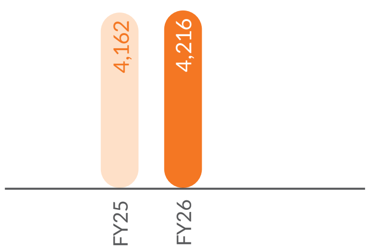
Adjusted earnings per share#
(₹ per share)



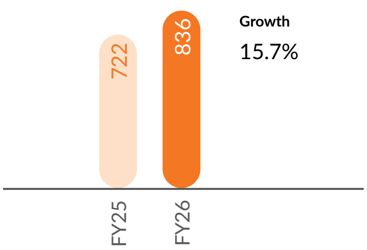
Book value per share
(₹ per share)



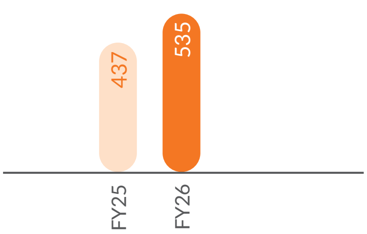
Market capitalisation as on March 31*
(₹ in Billion)



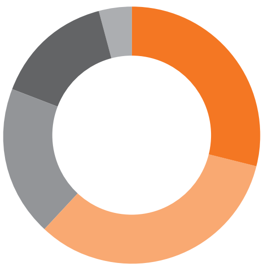
Net Worth
(₹ in Billion)



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



Business-wise Revenue Share (FY26)
(%)



- US Business - 29
- India Business - 33
- Emerging Markets - 19
- Rest of the World (RoW)## - 15
- Active Pharmaceutical Ingredients (API) and others - 4

Business Mix (FY26)
(%)

- India - 34
- International - 66

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.

**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

Ratio	FY26	FY25	Variance (%)	Reasons (if Variance is >25%)
Return on Net Worth (%)	13.7	15.1	(9.3)	
Debtors Turnover (times)	3.8	4.0	(5.0)	
Inventory Turnover (times)	1.0	1.0	0.0	
Interest Coverage	49.5	63.4	(21.9)	
Current Ratio (times)	2.8	2.9	(3.4)	
Debt Equity Ratio (times)	0.06	0.03	100.0	Increase in debt.
Operating Profit Margin (%)	30.0	28.3	6.0	
Net Profit Margin (%)	19.7	21.0	(6.2)	

Standalone

Ratio	FY26	FY25	Variance (%)	Reasons (if Variance is >25%)
Return on Net Worth (%)	11.7	17.7	(33.9)	Return on Net Worth is lower for the year ended 31 March 2026, due to decrease in profit.
Debtors Turnover (times)	2.0	1.9	5.3	
Inventory Turnover (times)	1.3	1.5	(13.3)	
Interest Coverage	5.6	6.2	(9.7)	
Current Ratio (times)	2.6	1.0	160.0	Primarily due to decrease in current liabilities on account of classification of borrowing to non-current during the year.
Debt Equity Ratio (times)	0.61	0.50	22.0	
Operating Profit Margin (%)	22.7	27.5	(17.5)	
Net Profit Margin (%)	12.7	18.7	(32.1)	Net profit margin is lower for year ended March 31, 2026 due to lower revenue during the year.

FY26 Highlights

Sun Pharma delivered a strong performance in FY26, driven by growth across its India business, Global Innovative Medicines portfolio and international markets. Gross sales increased by 11.9% to ₹ 582 Billion, while EBITDA rose by 16.1% to ₹ 177 Billion, reflecting operational strength and margin expansion. Growth was supported by a diversified business mix, with India contributing 34% of revenues and international markets accounting for 66%. The Company reported an adjusted net profit after minority interests of ₹ 124 Billion and increased its net worth to ₹ 836 Billion. Sun Pharma also continued to invest in innovation and product development, with R&D expenditure of ₹ 35.5 Billion during the year, reinforcing its focus on sustainable growth and long-term value creation.

Business-wise Review

US Business

29%

Revenue share

₹ 168,242 Million

Revenue in FY26

674

Cumulative ANDAs filed as on March 31, 2026

552

Cumulative ANDAs approved as on March 31, 2026

70

Cumulative NDAs filed as on March 31, 2026

57

Cumulative NDAs approved as on March 31, 2026

122

ANDAs pending USFDA approval as on March 31, 2026

13

NDAs pending USFDA approval as on March 31, 2026

Our US business comprises a mix of Innovative Medicines, 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 13th 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 Innovative Medicines segment, including dermatology, ophthalmology and Derma-oncology. In FY26, the US business contributed 29% 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.

Key Milestones in the US Business

Year	Major Initiatives
FY26	Launched Leqselvi & Unloxcyt
FY24	Acquired outstanding shares of Taro, now a 100% subsidiary of Sun
FY23	Launched SEZABY
FY22	Launched Winlevi®
FY20	Launched Cequa and Absorica LD
FY19	Launched Ilumya, Yonsa & Xelpros Released Ready-to-Infuse INFUGEM™
FY18	Launched Odomzo Received USFDA approval for Ilumya
FY17	Acquired Ocular Technologies giving access to Cequa for dry eye Acquired Odomzo, a branded oncology product from Novartis
FY13	Acquired DUSA for entry into Innovative Medicines
FY10	Acquired Taro Pharma for entry into US dermatology
FY98	Entry into the US through Caraco acquisition

FY26 Highlights

The US business contributed 29% of consolidated revenues in FY26, with revenues increasing by 3.6% to ₹ 168.2 Billion. The business maintained its strong position in the market through a diversified portfolio spanning Innovative Medicines, Generics and OTC products, while continuing to rank among the leading generic pharmaceutical companies in the US.

New Product Approvals and Launches and Acquisitions in the US

Sun Pharma Signs Definitive Agreement to Acquire Organon

Sun Pharma will acquire all outstanding shares of Organon for US$ 14.00 per share in an all cash transaction with an enterprise valuation of US$ 11.75 Billion, The proposed acquisition of Organon is aligned with Sun Pharma's strategy of growing its Innovative Medicines business. The combined company will become a stronger player in Established Brands/Branded Generics business. The deal also enables Sun Pharma's entry into biosimilars as a Top 10 global player. Organon's portfolio, global footprint and strong stakeholder relationships shall complement Sun Pharma's existing strengths and enhance long-term value creation.

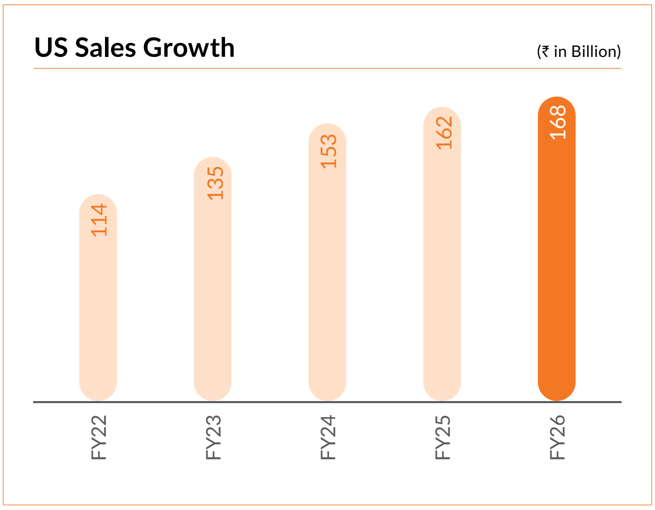
Sun Pharma Launched UNLOXCYT™ (cosibelimab-ipdl) in the US

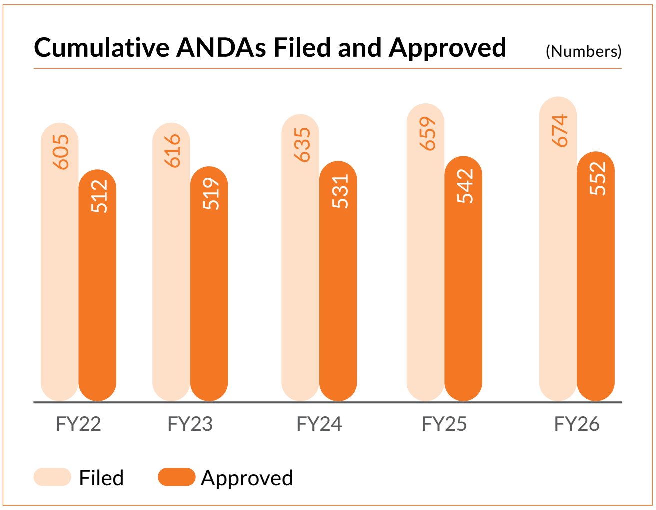
UNLOXCYT is an evolution in checkpoint inhibition and is now available for the treatment of adults in the US with metastatic cutaneous squamous cell carcinoma (mCSCC) or locally advanced CSCC (laCSCC) who are not candidates for curative surgery or curative radiation. UNLOXCYT offers a balanced treatment approach; the recently updated label now includes long-term data confirming durable efficacy and a proven tolerability profile.

UNLOXCYT has a multifaceted mechanism of action (MOA); the first and only checkpoint inhibitor in aCSCC that helps restore the adaptive immune response and engages the innate immune system while preserving PD-L2 signalling.

Sun Pharma Launched LEQSELVI™ (deuruxolitinib) in the US

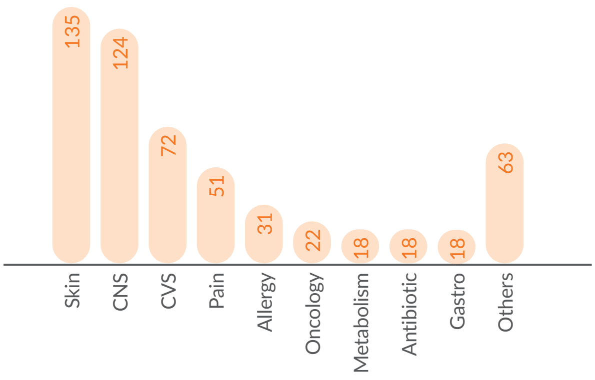
The launch of LEQSELVI in the US brings an effective, new treatment option for severe alopecia areata to eligible patients and the healthcare providers who treat them. As a Company committed to launching new therapeutic options which address the unmet needs of patients, adding LEQSELVI to our dermatology portfolio represents a key milestone for the business and an important advancement for the alopecia areata community. With limited treatment options available to people living with severe alopecia areata in the US, the need for innovative therapies such as LEQSELVI remains critically important. LEQSELVI demonstrated rapid results in clinical trials with one third of patients regaining almost all of their hair by Week 24. Some patients (3%) achieved 80% or more scalp coverage as fast as 8 weeks.





ANDA Approvals by Therapeutic Areas as of March 2026

(Numbers)



Road Ahead

- Enhance share of Innovative Medicines/ 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%
Revenue share

₹ 192,904 Million
Revenue in FY26

#1
Rank with 8.4% market share**

#1
Rank by prescription with 11 different classes of doctors

~16,000
Total field force

30
Brands among India's top 300 brands**

**As per AIOCD AWACS data for 12 months ended March 2026

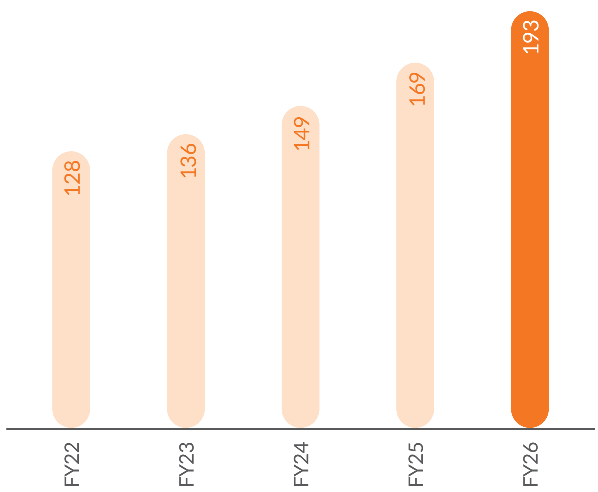
Sun Pharma is India's largest pharmaceutical company, holding an 8.4% market share, with a strong presence in both the chronic and acute therapy segments. Our comprehensive portfolio spans a wide range of therapeutic areas including neuropsychiatry, cardiology, diabetes, gastroenterology, pain/analgesics, 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 solid 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.

India Sales Growth

(₹ in Billion)



India Business Therapeutic Revenue Break-Up

Therapy	(%)
Neuropsychiatry	19
Cardiology	17
Gastroenterology	14
Diabetology	9
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]

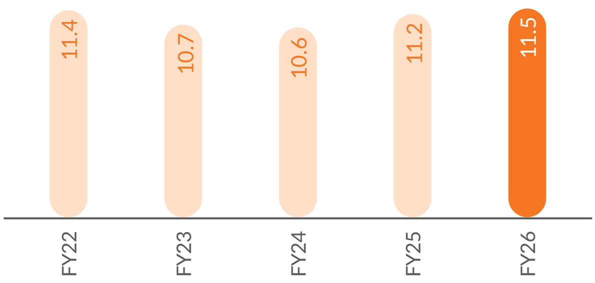
Specialist	February 2025	February 2026
Psychiatrists	1	1
Neurologists	1	1
Cardiologists	1	1
Diabetologists	1	1
Gastroenterologists	1	1
Consultant Physicians	1	1
Urologists	1	1
Dermatology	1	1
ENT specialists	1	1
Chest physicians	1	1
Gynaecologists	1	1
Nephrologists	2	2
Ophthalmologists	1	2
Orthopaedic specialists	2	2
General surgeons	3	3
Oncology	2	4

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.

Sales Per Medical Representative

(₹ in Million)



FY26 Highlights

India business* continued to deliver strong growth in FY26, with revenues increasing by 14.0% to ₹ 193 Billion, contributing 33% of consolidated revenues. The business maintained its leadership position across several key therapeutic areas, supported by a diversified portfolio spanning chronic and acute therapies. During the year, we further strengthened our market presence through new product introductions, a robust distribution network and best-in-class field force productivity, reinforcing our position as one of India's leading pharmaceutical companies.

New Product Approvals, Launches and Acquisitions in India

- Sun Pharma announced a second brand partnership for Sodium Zirconium Cyclosilicate (SZC) in India. This exclusive agreement is aimed at further accelerating availability of SZC, an innovative and highly effective treatment for Hyperkalaemia to more patients across India.
- Sun Pharma launched its global innovative drug, ILUMYA (Tildrakizumab) in India for moderate-to-severe plaque psoriasis. A novel biologic treatment, ILUMYA has been endorsed widely by dermatologists in the US and worldwide for several years as an effective and safe treatment of moderate to severe plaque psoriasis.
- Sun Pharma launched its semaglutide injection in India under the brand names Noveltreat and Sematrinity, across all strengths. Noveltreat is indicated for chronic weight management in adults as an adjunct to a reduced-calorie diet and increased physical activity and is available in five dose strengths – 0.25 mg/0.5 mL, 0.5 mg/0.5 mL, 1 mg/0.5 mL, 1.7 mg/0.75 mL, and 2.4 mg/0.75 mL. Sematrinity is indicated for the treatment of adults with insufficiently controlled Type 2 diabetes mellitus as an adjunct to diet and exercise and is available in two dose strengths – 2 mg/1.5 mL and 4 mg/3 mL.

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

Sun Pharma Comes on Board as Principal Sponsor and Health Partner of Royal Challengers Bengaluru (RCB) for T20 Season 2026: As part of our efforts to strengthen corporate brand recognition, we entered into a three-year partnership with Royal Challengers Bengaluru (RCB) as Principal Sponsor and Health Partner. The association provides a high-visibility platform to amplify our corporate brand presence, extend the reach of our patient-centric purpose and engage with audiences across India through a shared passion for cricket.

Sun Pharma launches '#SeeBeyondSugar' Campaign on World Diabetes Day: A Nation-wide Initiative to Raise Awareness about Diabetic Retinopathy: On World Diabetes Day 2025, we launched the #SeeBeyondSugar campaign, a nation-wide awareness initiative focused on Diabetic Retinopathy, a leading cause of preventable blindness among people living with diabetes. Supported by the Vitreo Retinal Society of India (VRSI), the campaign sought to promote early detection and encourage regular eye screening as an integral part of diabetes management. Through a combination of awareness programmes and screening initiatives across multiple cities, we reinforced our commitment to improving patient outcomes through education, prevention and timely intervention.

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

19%
Revenue share

₹ 111,865 Million
Revenue in FY26

Leading
Indian company in Emerging Markets

~80
Markets sales reach

9
Markets with local manufacturing footprint

3,300+
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 3,300 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.

FY26 Highlights

Revenues from Emerging Markets grew by 18.8% Y-o-Y to ₹ 111,865 Million driven by growth across multiple markets. Innovative Medicines has been an important new driver for growth in Emerging Markets for the year with Ilumya doing well across several markets such as Romania, Brazil as well as partner market of China.

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

15%
Revenue share

₹ 85,684 Million
Revenue in FY26

Leading
Indian company in RoW

4
Markets with local manufacturing footprint

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 Innovative Medicines, 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 Innovative Medicines 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.

FY26 Highlights

Revenue from RoW markets increased by 19.6% to ₹ 85,684 Million. Innovative Medicines led by Ilumya and Odomzo have been the key drivers for growth in RoW, including sales in non-alliance markets.

Road Ahead

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

Global Consumer Healthcare Business

Among
Leading
Consumer healthcare companies in India

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 is a leading consumer healthcare player in India. 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.

FY26 Highlights

- Launched three new line extensions under our flagship brands, Revital and Volini — Revital Biotin, Revital Omega and Volini Roll-on. These extensions are expected to strengthen brand equity and enhance participation across emerging premium segments
- Successfully entered the fast-growing hydration category with the launch of Revital Recharge
- Launched new communication campaigns for our power brands, Revital and Volini, to reinforce brand positioning and continue leveraging celebrity endorsements
- Introduced consumer promotion initiatives for the Prohance range of nutrition products, including digital campaigns, direct activations and improved in-store presence, to drive growth alongside the doctor-promotion model
- Scaled up on-ground activation programmes to directly engage with and educate consumers at relevant touchpoints
- Continued strengthening focus on high-growth channels, including e-commerce and modern trade, to expand presence among premium consumers and enhance brand salience

Road Ahead

- Sustained focus and investments in our focus brands with a view to driving category development
- Leveraging our strong brand equity through the launch of relevant line extensions and building a portfolio of products across new formats and benefit segments
- Strengthening our footprint in fast-growing online and organised retail channels
- Improving sales force efficiency and deploying effective trade marketing initiatives
- Building 360-degree consumer outreach programmes to drive new trial acquisition across relevant touchpoints

Active Pharmaceutical Ingredient (API) Business

4%
Revenue share

₹ 21,853 Million
Revenue in FY26

~400 APIs
Product portfolio

~10-20 APIs
Scaled up annually

409
DMF/CEP approvals to date

543
DMF/CEP filings to date

13
Manufacturing units

With 13 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.

FY26 Highlight

Revenue from the API business increased by 2.6% to ₹ 21,853 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)

6.1%

R&D spend as percentage of sales in FY26

₹ 335+ Billion

Cumulative R&D expenditure till date

2,700+

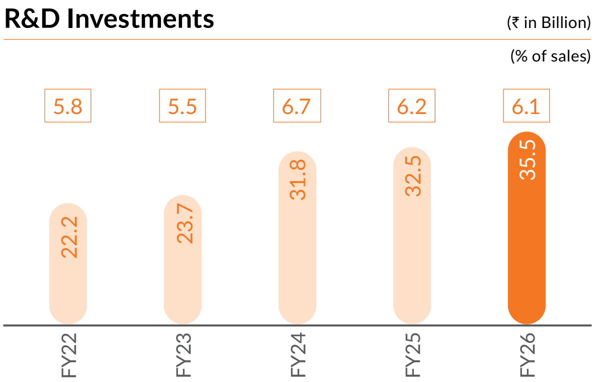
Strong R&D team

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.

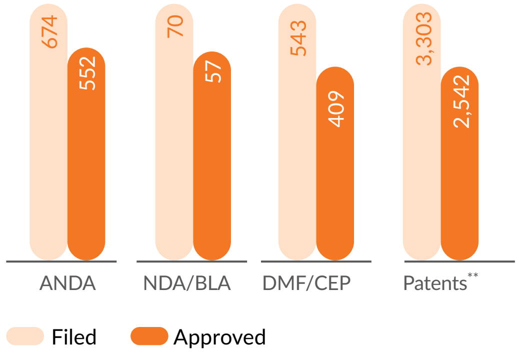
These efforts are backed by a strong and experienced team across multiple R&D centres globally. Our intellectual property experts play a critical role in supporting the development of Innovative Medicines, complex and non-infringing formulations.

We remain committed to investing in R&D to build a robust portfolio of Innovative Medicines, generics and branded generics products for markets around the world.

R&D Investments



Filings and Approvals



**Excludes Expired/Abandoned Patents (All data as of March 31, 2026)

FY26 Highlights

- Overall R&D investments for the year were ₹ 35,540 Million (6.1% of sales)
- Developed and filed ~300 product dossiers globally
- Addition and progress on Innovative Medicines R&D Pipeline

Road Ahead

- Focus on developing complex products across multiple dosage forms
- Invest to further build the Innovative Medicines 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)

27
Finished dosage manufacturing facilities

13
API facilities

Finishing Dosage Manufacturing Facilities

Country	Number of Finished Dosage Facilities
India	12
US	3
Bangladesh	2
Morocco	1
Canada	1
Hungary	1
Israel	1
South Africa	1
Malaysia	1
Romania	1
Egypt	1
Nigeria	1
Russia	1
Total	**27**

API Manufacturing Facilities

Country	Number of API Facility
India	8
Australia	2
Israel	1
US	1
Hungary	1
Total	**13**

People: Nurturing a Diverse and Inclusive Global Workforce

With an extensive global workforce exceeding 47,000 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 11 different classes of doctors in India
- 13th largest generics company in the US
- 2nd largest by prescriptions in the US 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 Innovative Medicine segments

Growth and Profitability Focus

- Pragmatic mix of organic and inorganic growth initiatives
- Announced the acquisition of Organon & Co. in April 2026

Strong Financial Position

- Balance sheet providing flexibility for inorganic growth, even after taking into account the debt to be taken to fund Organon acquisition

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

Innovative Medicines Products Growth

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

Weaknesses

Geopolitical Uncertainty

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

Regulatory and Competitive Pressures

- Increased competitive intensity in the US generics pricing environment, coupled with faster-paced generic drug approvals by the USFDA

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

Innovative Medicines Pipeline Investment

- High upfront investment in developing an Innovative Medicines pipeline may impact short-term profitability

Threats

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 Controls and Governance

The Company maintains a strong and continually evolving internal control and governance framework designed to support effective operations, reliable financial reporting, compliance with applicable laws and regulations, and sound decision-making. This framework includes robust internal financial controls over financial reporting, aligned with globally recognised standards, and is supported by clearly defined policies, standard operating procedures, segregation of duties, monitoring mechanisms, and increasing use of automated controls. Its effectiveness is assessed through management reviews, independent testing, and oversight by the Audit Committee. The Company also has a well-established whistle blower/vigil mechanism that reinforces ethical conduct, integrity, transparency, and accountability by enabling employees and other stakeholders to report concerns through confidential channels, with protection against retaliation and appropriate review of significant matters. In addition, the Board, through the Risk Management Committee, oversees an integrated enterprise risk management framework that enables structured identification, assessment, prioritisation, and mitigation of strategic, operational, financial, regulatory, cyber, geopolitical, and other emerging risks, thereby strengthening organisational resilience and supporting long-term value creation.

Internal Audit

The Company's Global Internal Audit function operates independently under the oversight of the Audit Committee and follows a risk-based, forward-looking approach to provide assurance on the effectiveness of governance, risk management, and internal controls across businesses, functions, and geographies. In addition to assurance, Internal Audit supports management through thematic reviews, advisory interventions, investigations, and data-driven insights aimed at identifying emerging risks, strengthening controls, and improving process discipline, standardisation, and automation. During the year, the function further enhanced audit execution and governance through greater technology enablement, improving end-to-end audit lifecycle management, transparency, tracking of audit progress, and timely closure of agreed actions.

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 Institute: Global Use of Medicine Outlook 2025
2. IMARC Group
3. IQVIA and Market Data Forecast
4. AIOCD-AWACS Data
5. SMSRC Data

Board's Report

Your directors take pleasure to present the Board's Report in line with the Companies Act, 2013 ("Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). This report presents the Audited financial results and other developments in respect of the Company during the financial year ended on 31 March 2026 ("FY26"/ "Financial Year") and up to the date of the Board meeting held on 22 May 2026 to approve this report.

Financial Highlights

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

(₹ in Million)

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

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

Performance Highlights (Consolidated)

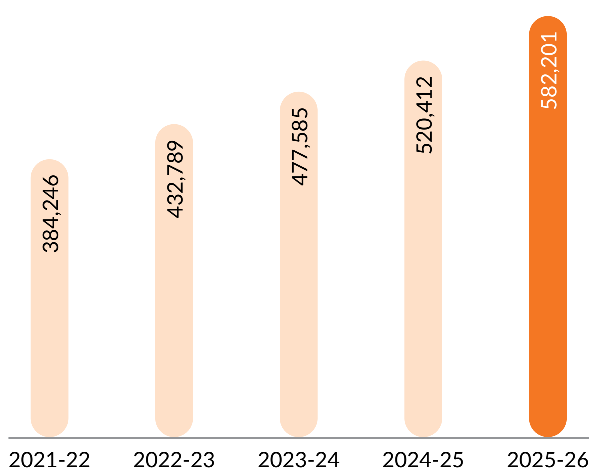
Revenue
₹ 584,620.4 Million

EBITDA
₹ 177,314.0 Million

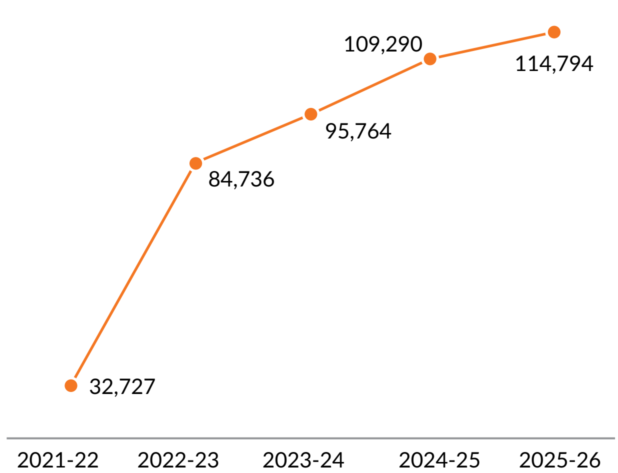
PAT
₹ 115,645.2 Million

EPS
₹ 47.8

Sales Trend – 5 Year View (₹ in Million)



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



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

Material Changes and Commitments

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

Consolidated Accounts

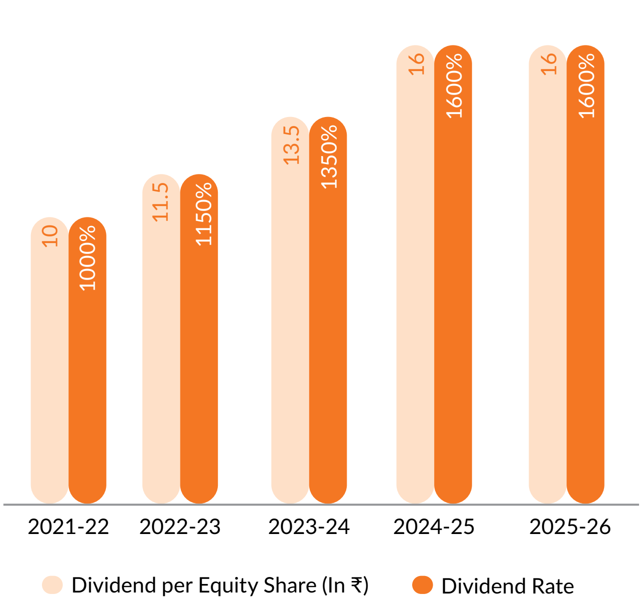
The consolidated financial statements for the year ended 31 March 2026, pursuant to Section 129(3) of the Act form part of this Annual Report.

Dividend

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

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

Dividend payout of 5 Year View



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

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

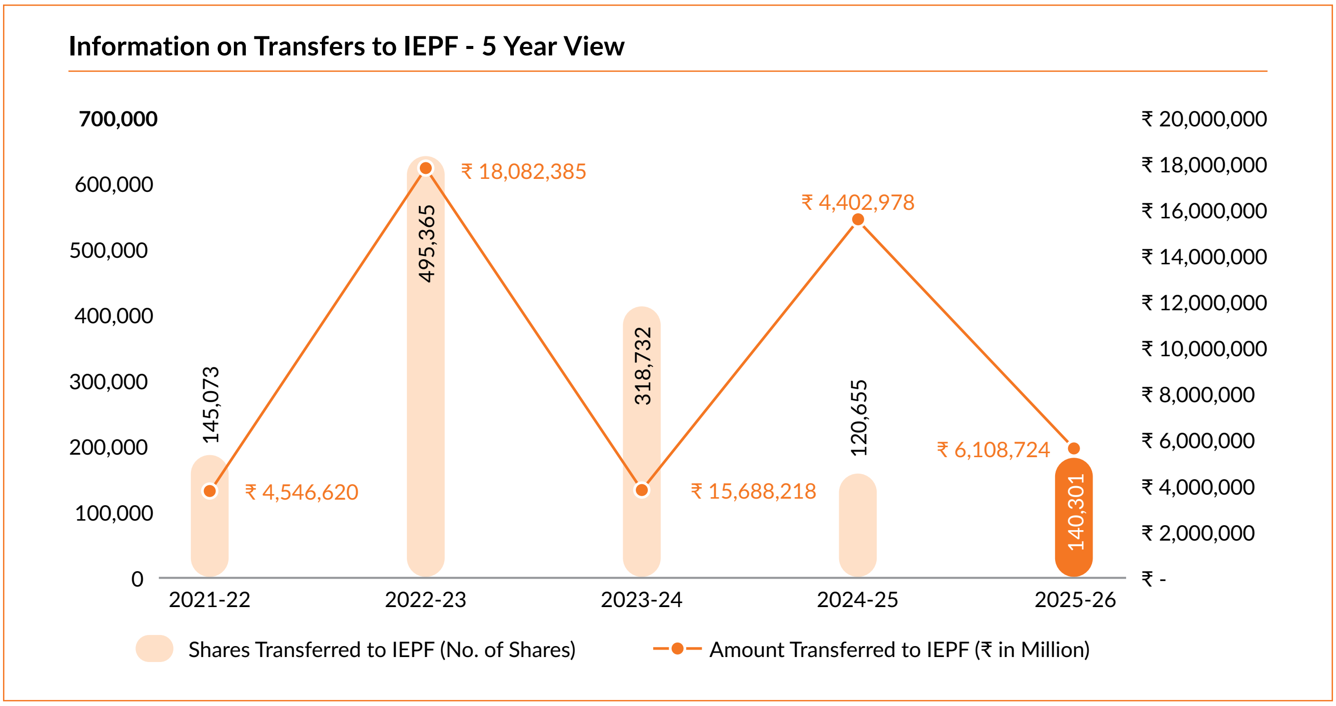
Investor Education and Protection Fund ("IEPF") / Unclaimed Dividends

Pursuant to Section 124 of the Act, dividends that are unpaid or unclaimed for a period of seven years shall be transferred to the IEPF, along with the underlying shares on which such dividends remain unclaimed.

Transfer to IEPF

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

Transfer of unpaid or unclaimed dividends to IEPF	₹ 6,108,724.00
Transfer of shares to IEPF	140,301 shares
Dividend paid to IEPF in respect of shares already transferred to IEPF	• ₹ 25,867,669.00 (Interim Dividend FY 2025-26) • ₹ 13,627,417.50 (Final Dividend FY 2024-25)



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

Facilitation of Unclaimed Dividend Payments

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

Outreach to Physical Shareholders

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

SEBI Special Windows for Re-lodgement and Dematerialisation

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

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

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

Support to IEPF "Saksham Niveshak" Campaign

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

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

Appeal to the Shareholders

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

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

Shareholder Satisfaction Survey

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

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

Memorandum of Association

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

Public Deposits

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

Credit Rating

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

Board Policies

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

Transfer to Reserves

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

Loans, Guarantees and Investments

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

Changes in Capital Structure

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

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

Subsidiaries/ Joint Ventures/ Associates

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

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

Directors and Key Managerial Personnel

22 May 2025
Appointment of Vidhi Shanghvi as WTD

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

31 July 2025
Retirement of Sudhir Valia as NED

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

08 May 2026
Appointment of Satyavati Berera as ID

12 May 2026
Appointment of Andreas Busch as ID

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

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

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

Change in Managing Director

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

Change in Executive Director

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

Change in Non-Executive Directors

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

Change in Chief Financial Officer

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

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

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

Declaration by Independent Directors

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

This requirement underscores the importance of Independent Directors in providing unbiased oversight. They help make sure that the Board's decisions are not swayed by management or major shareholders.

Familiarisation Programme for the Independent Directors

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

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

Board Performance Evaluation

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

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

- **Questionnaire Approach:**

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

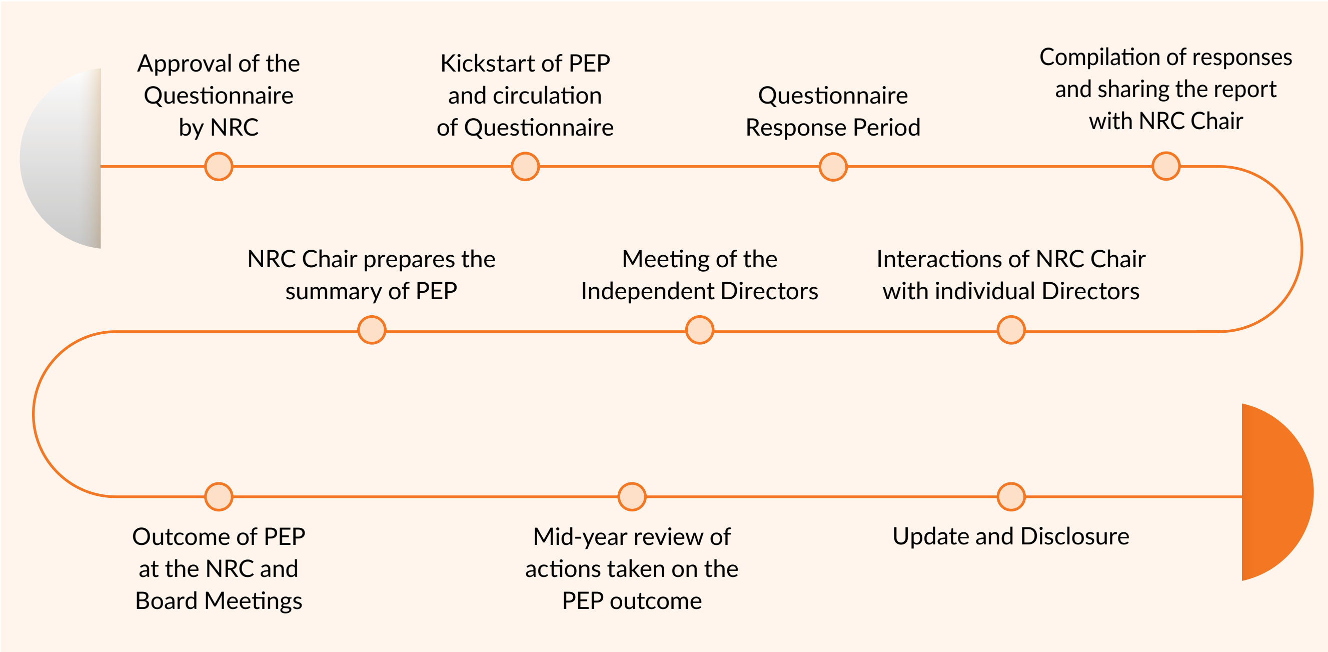
- **Interaction Approach:**

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

- **Meeting of Independent Directors**

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

The Overview of PEP 2025-26 is as follows:



Remuneration Policy and Criteria for Appointment of Directors

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

The Remuneration Policy, as approved by the Board, is available on the Company's website at https://sunpharma.com/policies.

Scan the QR code to view the Remuneration Policy

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

Board Diversity

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

Scan the QR code to view the Diversity Policy

Succession Plan

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

Corporate Governance Report

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

Management Discussion and Analysis

The Management Discussion and Analysis as prescribed under Part B of Schedule V read with Regulation 34(3) of the Listing Regulations is provided in a separate section and forms part of this Annual Report which includes the state of affairs of the Company, and there has been no change in the nature of business of the Company during the financial year ended 31 March 2026.

Board Meetings

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

Committees of the Board

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

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

Related Party Transactions

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

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

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

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

Internal Controls and Internal Financial Controls

Internal Controls

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

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

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

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

Internal Financial Controls

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

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

During the year, the Company continued its focus on:

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

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

Whistle-blower Policy / Vigil Mechanism

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

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

Key features of the vigil mechanism include:

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

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

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

For more in-depth information regarding the Company's vigil mechanism, please refer to the Corporate Governance Report included within this Annual Report.

Scan the QR code to view the Global Whistle Blower Policy

Global Internal Audit

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

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

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

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

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

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

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

Enterprise Risk Management

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

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

Key elements of the ERM framework include:

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

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

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

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

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

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

Auditors

Statutory Auditors

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

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

The Auditor's Report for the financial year 2025-26 has been issued with an unmodified opinion.

Secretarial Auditors

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

Based on the recommendation of the Board, the shareholders of the Company had appointed KJB & CO LLP, Practising Company Secretaries, to undertake the Secretarial Audit of the Company for a term of five (5) consecutive years, to hold such office from the conclusion of 33rd AGM up to the conclusion of 38th AGM, at such remuneration as may be fixed by the Board, from time to time. The Secretarial Audit Report in the Form No. MR-3 for the year is provided as 'Annexure – C1' to this Report.

The Secretarial Audit Report for the year does not contain any qualification, reservation or adverse remark.

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

Cost Auditors

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

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

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

Business Responsibility & Sustainability Report

The Business Responsibility and Sustainability Report of the Company for the year ended 31 March 2026 is provided in a separate section and forms part of this Annual Report and is also made available on the website of the Company at https://sunpharma.com/investors-annual-reports-presentations.

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

Corporate Social Responsibility ("CSR")

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

Scan the QR code to view the CSR Policy

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

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

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

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

Human Resources

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

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

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

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

Male	Female	Transgender
19,404	2,110	0

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

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

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

Particulars of the Complaints are as follows:

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

Disclosure under the Maternity Benefit Act, 1961

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

Prohibition of Insider Trading

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

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

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

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

Cyber Security

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

Regulatory Orders

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

Annual Return

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

Secretarial Standards

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

Other Disclosures

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

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

3. Pursuant to the approval of the shareholders of the Company obtained on 21 January 2025, a petition was filed with the Hon'ble National Company Law Tribunal ("NCLT") in respect of the Composite Scheme of Arrangement. The NCLT admitted the petition and passed its approval order for the Scheme, which provided for (a) the amalgamation of the Company's wholly-owned subsidiary companies, namely Sun Pharmaceutical Medicare Limited, Green Eco Development Centre Limited, Faststone Mercantile Company Private Limited, Realstone Multitrade Private Limited and Skisen Labs Private Limited, with the Company, and (b) the reclassification of the General Reserve of the Company to Retained Earnings. The Composite Scheme of Arrangement became effective upon filing of the NCLT order dated 7 October 2025 with the Registrar of Companies on 22 November 2025.
4. The Company has not issued any equity shares with differential rights regarding dividends, voting, or other rights.

Directors' Responsibility Statement

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

Compliance with Accounting Standard

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

Consistent Accounting Policies

The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31 March 2026 and of the profit of the Company for the year ended on that date;

Adequate Records and Safeguards

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

Going Concern Basis

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

Internal Financial Controls

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

Legal and Regulatory Compliance

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

Acknowledgements

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

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

For and on behalf of the Board of Directors

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

ANNEXURE – A

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

(i) Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the FY26 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the FY26:

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

Notes:

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

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

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

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

Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year ending 31 March 2026 was approximately 10.98 % and the average increase in the managerial personnel remuneration was 21.41 %.

Explanation for exceptional circumstances for increase in the managerial remuneration:

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

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

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

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

ANNEXURE – B

AOC – 2

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

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

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

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

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any:	Amount paid as advances, as on 31 March 2026 if any:
1.	Sun Pharma Laboratories Limited (Wholly-Owned Subsidiary) CIN - U25200GJ1997PLC133846	Purchase of Goods, Purchase and Sale of Property, Plant and Equipment, Receiving and Rendering of Services, Reimbursement of expenses – Paid and Received, Loans taken, Loans Repaid, Interest Expense, Lease Rent Received, Payment towards Lease Liabilities, Revenue from Contracts with Customers, Net of Returns	On-going	The aggregate amount of transactions for FY26 was ₹ 294,921.1 Million	Not applicable	NIL
2.	Sun Pharmaceutical Industries INC (Wholly-Owned Subsidiary) Reg. no. - 7893212	Revenue From Contracts with Customers, Net of Returns, Reimbursement of Expenses – Paid and Received, Rendering of Service – Income Interest Income	On-going	The aggregate amount of transactions for FY26 was ₹ 40,290.4 Million	Not applicable	NIL
3.	Sun Pharma Distributors Limited (Wholly-Owned Subsidiary) CIN - U51909MH2019PLC322778	Revenue From Contracts with Customers, Net of Returns, Reimbursement of Expenses – Received and Paid, Rendering Of Service Income, Lease Rent Received	On-going	The aggregate amount of transactions for FY26 was ₹ 47,548.5 Million	Not applicable	NIL

For and on behalf of the Board of Directors

Dilip Shanghvi
Executive Chairman
(DIN: 00005588)

Kirti Ganorkar
Managing Director
(DIN: 10620142)

Place: Mumbai
Date: 22 May 2026

ANNEXURE – C1

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2026.
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

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

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

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2026 ("Year"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2026, according to the provisions of:

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

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

iii. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

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

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

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

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

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

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

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

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

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

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

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

We further report that:

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

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

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

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

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

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

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

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

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

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

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

ANNEXURE 1

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

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

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

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

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

ANNEXURE – C2

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2026
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2026 ("Year" / "Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on 31st March 2026, according to the provisions of:

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

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

iii. The Depositories Act, 1996 and the Regulations and bye-laws framed there under, to the extent applicable;

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

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

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

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

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

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

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

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

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

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

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

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

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

We further report that:

The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors, Woman Director and Independent Directors to the extent applicable during the period under review. There was no change in the composition of the Board of Directors took place during the period under review. Further, the Board of Directors of the Company consists of 2 (two) Independent Directors, although the provisions relating to having independent directors are not applicable to the Company and therefore, in the opinion of the management, the requirements under Schedule IV of the Act are not applicable.

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

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

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

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

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

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

Alpeshkumar Panchal
Partner
FCS No. - 12908
C. P. No. - 20120
UDIN: F012908H000428345
Date: Vaishakh 31, 1948 | May 21, 2026
Place: Vadodara.

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

ANNEXURE 1

To,
The Members,
Sun Pharma Laboratories Limited,

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

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

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

Alpeshkumar Panchal
Partner
FCS No. - 12908
C. P. No. - 20120
UDIN: F012908H000428345
Date: Vaishakh 31, 1948 | May 21, 2026
Place: Vadodara

ANNEXURE – C3

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2026
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2026 ("Year" / "Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on 31st March 2026, according to the provisions of:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

We further report that:

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

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

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

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

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

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

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

Alpeshkumar Panchal
Partner
FCS No. - 12908
C. P. No. - 20120
UDIN: F012908H000428422
Date: Vaishakh 31, 1948 | May 21, 2026
Place: Vadodara.

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

ANNEXURE 1

To,
The Members,
Sun Pharma Distributors Limited,

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

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

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

Alpeshkumar Panchal
Partner
FCS No. - 12908
C. P. No. - 20120
UDIN: F012908H000428422
Date: Vaishakh 31, 1948 | May 21, 2026
Place: Vadodara.

ANNEXURE – D

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

1. Brief Outline on CSR Policy of the Company:

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

2. Composition of CSR Committee:

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

Notes:

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

3. Website Disclosures:

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

4. Executive Summary of Impact Assessment of CSR Projects

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

Sl. No.	Name of the Project	Duration	Total Amount Spent (₹ in Million)	Name of Implementing Agency	Web-link of the Impact Assessment Report
1.	Support towards setting-up of Cancer Sanatorium Institute	2021-2024	450.0	Shantilal Shanghvi Foundation	https://sunpharma.com/csr/
2.	Anganwadi Development Programme	2021-2024	17.4	Anwesha Foundation	

5. Obligation for the Financial Year

Sl. No.	Particulars	Amount in ₹ Million
a.	Average Net Profit of the Company as per Section 135(5)	47,586.0
b.	Two percent of average net profit of the company as per section 135(5)	951.7
c.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	0.1
d.	Amount required to be set off for the financial year, if any	Nil
e.	Total CSR obligation for the financial year [(b)+(c)-(d)]	951.8

6. Expenditure for the Financial Year

Sl. No.	Particulars	Amount in ₹ Million
a.	Amount spent on CSR Projects (both ongoing projects and other than ongoing projects)	957.0
b.	Amount spent in Administrative Overheads	23.2
c.	Amount spent on Impact Assessment, if applicable	0.6
d.	Total amount spent for the Financial Year [(a)+(b)+(c)]	980.8

e. CSR amount spent or unspent for the financial year

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 980.8 Million	Not Applicable		Not Applicable		

f. Excess amount for set off, if any

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

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

Amount ₹ in Million

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6)	Balance Amount in unspent CSR Account under section 135(6)	Amount spent in the reporting Financial Year	Amount transferred to a fund specified under Schedule VII as per second proviso to section 135(6), if any		Amount remaining to be spent in succeeding financial years	Deficiency if any
					Amount	Date of transfer		
1.	2022-23	Not Applicable						
2.	2023-24							
3.	2024-25	72.4	72.6[1]	51.2	0	-	21.4	-

Note:

1. Includes surplus earned

8. Capital Assets

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

Number of capital assets created/ acquired: 1,143

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

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

Not Applicable

For and on behalf of the Board of Directors

Dilip Shanghvi
Executive Chairman
(DIN: 00005588)

Kirti Ganorkar
Managing Director
(DIN: 10620142)

Date: 22 May 2026

ANNEXURE - D1

Executive Summary of Impact Assessment

Support Towards Setting up of Cancer Sanatorium Institute

ABOUT SUN PHARMA

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

RESEARCH METHODOLOGY

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

OBJECTIVES OF THE STUDY

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

MIXED METHODOLOGY

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

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

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

UPHOLDING RESEARCH ETHICS

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

STANDARDISED FRAMEWORK FOR EVALUATION

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

SAMPLING FRAMEWORK

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

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

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

The sampling framework is illustrated below:

Project	Location	Sample size
Support towards Setting-up of Cancer Sanatorium Institute	Wadala, Mumbai	100 Patients

KEY STAKEHOLDERS

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

PROJECT BACKGROUND

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

PROJECT DETAILS

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

    The program also reflected strong coherence with national initiatives:

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

PROJECT ACTIVITIES

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

KEY FINDINGS

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

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

KEY IMPACTS

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

THE WAY FORWARD

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

OECD-DAC RATING

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

Index:

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

ANNEXURE - D2

Executive Summary of Impact Assessment

Anganwadi Development Programme

ABOUT SUN PHARMA

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

RESEARCH METHODOLOGY

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

OBJECTIVES OF THE STUDY

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

MIXED METHODOLOGY

The impact assessment study adopted a comprehensive mixed-methods blending quantitative and strategy, qualitative approaches to offer a more intricate understanding of the project's impact. This combination allowed for the acquisition of both numerical data and detailed contextual insights, resulting in a more comprehensive evaluation of the project's outcomes. On the quantitative side, structured interviews and closed-ended surveys with multiple-choice and Likert-scale questions enabled the collection of data that could be quantified and statistically analyzed for clear, measurable outcomes.

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

UPHOLDING RESEARCH ETHICS

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

STANDARDISED FRAMEWORK FOR EVALUATION

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

SAMPLING FRAMEWORK

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

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

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

The sampling framework is illustrated below:

Project	Location	Sample size
Anganwadi Development Programme	Halol, Vadodara, Panoli, and Ankleshwar in Gujarat	400 students

KEY STAKEHOLDERS

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

PROJECT BACKGROUND

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

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

PROJECT DETAILS

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

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

PROJECT ACTIVITIES

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

KEY FINDINGS

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

KEY IMPACTS

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

THE WAY FORWARD

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

OECD-DAC RATING

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

Index:

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

Annexure – E

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

(A) Conservation of Energy

Sun Pharmaceutical Industries Limited is committed to continuously improving energy performance and promoting energy conservation across all its operations. A dedicated energy management team actively drives initiatives aimed at maximizing the efficient use of energy resources throughout the organization.

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

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

1. Steps taken or impact on Conservation of Energy

Various initiates taken for energy conservation are:

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

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

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

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

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

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

3. Capital investment on energy conservation equipments

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

(B) Technology Absorption

(A) Research and Development

Expenditure on R&D

(₹ in Million)

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

(B) Technology Absorption, Adaptation and Innovation

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

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

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

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

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

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

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

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

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

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

   (b) For FY26, 86 filed from our R&D locations for the Indian and regulated markets and 152 dossiers were submitted for filing in various emerging markets. The Company has also filed 53 drug master files across various markets during the year.

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

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

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

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

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

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

(C) Foreign Exchange Earnings and Outgo

(₹ in Million)

	Year ended 31 March 2026	Year ended 31 March 2025
Earnings	148,415.7	168,406.8
Outgo	70,649.8	75,679.5

Corporate Governance at a Glance

01. Corporate Governance & ESG Committee

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

02. Lead Independent Director

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

03. Separation of Chairman & MD Roles

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

04. Comprehensive Board Skill Matrix

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

05. Independent Director Identification via External Agencies

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

06. Enhanced Whistle-Blower Framework

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

07. Dedicated Shareholder Facilitation Measures

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

08. Policy Framework on Retirement Ages / Succession Planning

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

Corporate Governance Report

1. Company's Philosophy on Corporate Governance

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

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

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

2. Code of Conduct

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

Scan the QR code to view the Global Code of Conduct

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

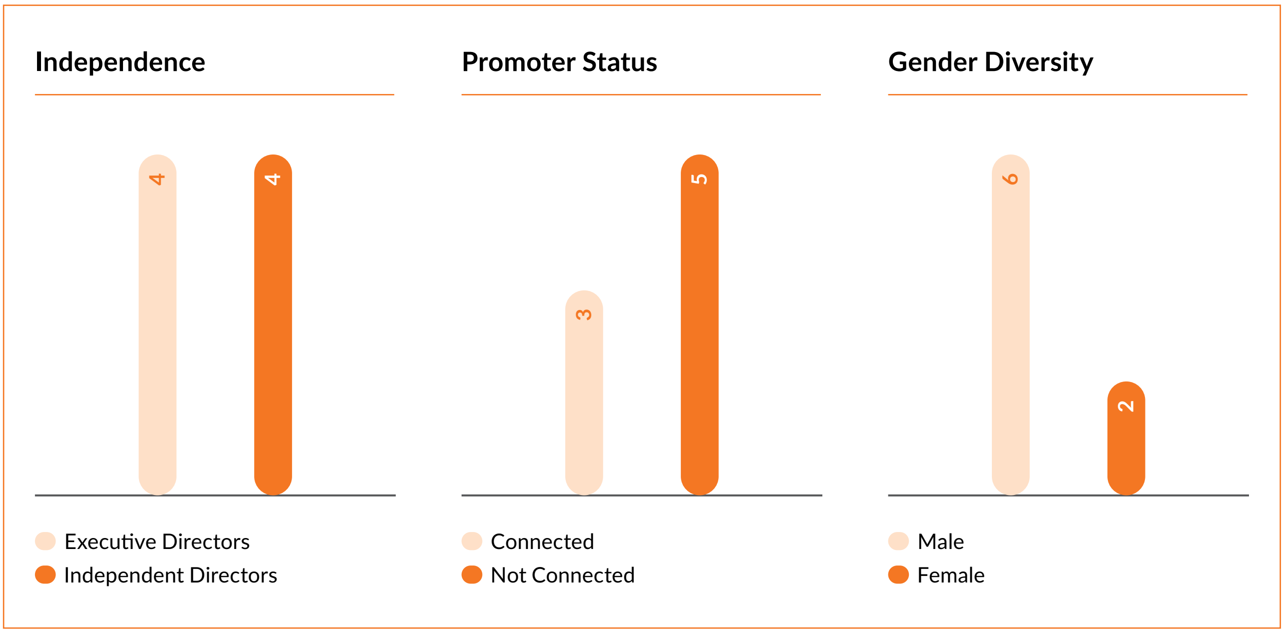
3. Board of Directors

3.1 Board Composition

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

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

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



Institution of a Lead Independent Director

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

Confirmation of Non Disqualification of Directors

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

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

Overview of the Board of Directors

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

Notes:

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

Other Directorships of the Board members

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

Notes:

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

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

3.2 Board Skill Matrix

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

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

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

Core/ Deep Expertise   Working Knowledge   Not a Primary Skill

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

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

3.3 Meetings and attendance

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

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

☑ Attended   ☒ Not Attended

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

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

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

3.4 Familiarization Programme

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

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

Scan the QR code to view the Familiarization Programme

3.5 Shareholding of Non-Executive Directors

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

4. Board Committees

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

Scan the QR code to view the Board Committees' Charter

4.1 Audit Committee

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

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

Meetings and Composition:

Six meetings of the Audit Committee were held during the financial year ended 31 March 2026 on 06 May 2025; 21 May 2025; 30 July 2025; 05 November 2025; 30 January 2026 and 23 March 2026. In order to minimize the gap between the approval and publication of financial results, the meetings held on 21 May 2025; 30 July 2025; and 30 January 2026 were adjourned to the date of the Board meeting.

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

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

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

4.2 Nomination and Remuneration Committee ("NRC")

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

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

Meetings and Composition:

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

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

Sl. No.	Name of the Director	Designation	Position on the Committee	Number of Meetings entitled to attend	Number of Meetings attended
1.	Dr. Pawan Goenka	Lead Independent Director	Chairman	6	6
2.	Mr. Gautam Doshi	Independent Director	Member	6	5
3.	Mr. Rolf Hoffmann	Independent Director	Member	6	4
4.	Mr. Dilip Shanghvi[1]	Executive Chairman	Member	2	2
5.	Mr. Sudhir Valia[2]	Non-executive Director	Member	4	4

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

Notes:

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

Performance Evaluation Criteria for Independent Directors

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

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

4.3 Stakeholders Relationship Committee ("SRC")

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

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

Meetings and Composition:

Four meetings of the SRC were held during the financial year ended 31 March 2026 on 21 May 2025, 30 July 2025, 04 November 2025 and 30 January 2026.

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

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

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

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

Compliance Officer:

The Board has designated Mr. Anoop Deshpande as the Compliance Officer for the purposes of / under rules, regulations etc. issued by the SEBI, Stock Exchanges, and the Act. He is also the Nodal Officer for the purpose of Investor Education and Protection Fund ("IEPF").

Key Initiatives to Reduce Unclaimed Dividends and Enhance Shareholder Facilitation:

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

Investor Complaints:

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

All complaints are solved to the satisfaction of shareholders.

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

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

4.4 Corporate Social Responsibility Committee ("CSR Committee")

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

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

Meetings and Composition:

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

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

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

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

Notes:

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

4.5 Risk Management Committee ("RMC")

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

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

Meetings and Composition:

Four meetings of the RMC were held during the financial year ended 31 March 2026 on 21 May 2025; 30 July 2025; 04 November 2025 and 30 January 2026.

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

Sl. No.	Name of the Director	Designation	Position on the Committee	Number of Meetings entitled to attend	Number of Meetings attended
1.	Dr. Pawan Goenka	Lead Independent Director	Chairman	4	4
2.	Mr. Gautam Doshi	Independent Director	Member	4	4
3.	Mr. Dilip Shanghvi	Executive Chairman	Member	4	4
4.	Mr. Aalok Shanghvi[1]	Whole-time Director	Member	2	2
5.	Ms. Jayashree Satagopan[2]	Chief Financial Officer	Member	3	3
6.	Mr. Sudhir Valia[3]	Non-Executive Director	Member	2	2
7.	Mr. C. S. Muralidharan[4]	Chief Financial Officer	Member	1	1

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

Notes:

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

4.6 Corporate Governance and ESG Committee ("CGESGC")

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

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

Meetings and Composition:

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

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

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

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

Notes:

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

4.7 Recommendations of the Committees of the Board

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

5. Senior Management Personnel

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

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

CMT = Core Management Team; KMP = Key Managerial Personnel

Note:

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

6. Remuneration of Directors

Non-Executive Directors

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

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

Executive Directors

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, approves the remuneration of the Executive Directors within the overall limit approved by the shareholders.

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

It also includes the variable pay, to be determined on the basis of company performance bonus plan where the payout is determined basis a combination of individual performance rating and business performance. There is no provision for payment of severance fees. These appointments are for fixed terms, and in each case, either the Company or the concerned director may end the appointment by giving 30 days' prior notice.

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

(Amounts in ₹ Million)

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

7. Material Subsidiaries

The information on the Material Subsidiaries of the Company, identified as per the criteria prescribed under Regulation 16 and Regulation 24 of the SEBI Listing Regulations, for the year ended 31 March 2026 is given below:

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

Notes:

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

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

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

8. Related Party Transactions

All contracts, arrangements, and transactions entered into by the Company during the year under review with related parties were undertaken in the ordinary course of business and on an arm's length basis. Transactions entered into pursuant to omnibus and specific approvals are periodically reviewed by the Audit Committee. During the year, the Company did not enter into any materially significant related party transaction that could have a potential conflict with the interests of the Company. The Policy on Materiality of and Dealing with Related Party Transactions, as approved by the Board, is available on the website of the Company at https://sunpharma.com/policies

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

9. Prohibition of Insider Trading

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

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

Scan the QR code to view the Code of Practices and Procedures for Fair Disclosure

10. Other Disclosures

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

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

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

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

10.4 During the year, there were pecuniary transactions with the Companies in which Non-Executive Directors are interested as follows: a) Transaction with entity in which Mr. Rolf Hoffmann is interested - NavBio AG - ₹ 9.5 Million for Receiving of services expenses and Reimbursement of expenses – paid; b) Transaction with entity in which Mr. Gautam Doshi is interested - Anshul Speciality Molecules Private Limited – ₹ 2.7 Million for Purchase of goods/ services; c) Transactions with entities in which Mr. Sudhir Valia is interested, except for the subsidiaries of the Company wherein it is deemed that he does not have any personal/ pecuniary interest - Sun Pharma Advanced Research Company Limited – ₹ 427.3 Million for Revenue from contracts with customers – net of returns, Receiving of service expenses, Reimbursement of expenses - paid, Rendering of service income, Reimbursement of expenses - received, Lease rent received, Royalty expenses; Alfa Infraprop Private Limited – ₹ 28.0 Million for Other operative income / other income, Reimbursement of expenses-paid; and Shantilal Shanghvi Foundation - ₹ 400.0 Million for Corporate Social Responsibility contribution;

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

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

10.5 Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part was ₹ 216.3 Million for the year under review.

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

10.7 The Company follows financial year from April to March.

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

- Separation of roles / posts of Chairman and Managing Director; where the Managing Director is not related to Chairman or any other Executive director.
- The Company sends quarterly financial results along with a summary of significant events to the shareholders whose e-mail addresses are available with the Company/ RTA.
- The Statutory Auditor has issued an unmodified opinion on the financial statements of the Company.
- The findings of the Internal Audit are reported to the Audit Committee periodically.

10.9 Disclosure of commodity price risk or foreign exchange risk and commodity hedging activities:

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

The Company does not have any exposure on commodities directly. Accordingly, the disclosure pursuant to SEBI Master Circular issued on 11 July 2023, and last updated on 30 January 2026, is not required.

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

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

10.12 In compliance with Clause E of Schedule V, the Company has obtained Compliance Certificate from S R B C & CO LLP, the statutory auditors of the Company regarding the compliance of conditions of corporate governance is annexed as ‘**Annexure C**’ to this Report.

11. General Shareholder Information

11.1 General Meetings

Annual General Meeting:

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

Last three AGMs

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

11.2 Resolutions Passed through Postal Ballot:

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

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

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

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

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

12. Final Dividend

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

13. Means of Communication

13.1 **Website:** The Company's website www.sunpharma.com contains a separate dedicated section 'INVESTORS' where shareholders' information is available. The Annual Report for FY 2025-26 and the Annual Reports for past years are also available at https://sunpharma.com/investors-annual-reports-presentations/ in a user-friendly, downloadable format. Apart from this, official news releases, detailed presentations made to media, analysts etc., and the transcript of the conference calls are also displayed on the Company's website.

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

13.3 **Annual Report:** The Annual Report, containing inter alia Audited Annual Accounts, Consolidated Financial Statements, Board's Report, the Management Discussion and Analysis Report, and Auditor's Report, is sent electronically to all shareholders whose e-mail addresses are registered. Hard copies of the Annual Report shall be sent to those shareholders who request them.

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

Scan the QR code to view the Investor Presentations

14. Shares Related Information

14.1 Listing Details

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

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

14.2 Share Transfer System

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

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

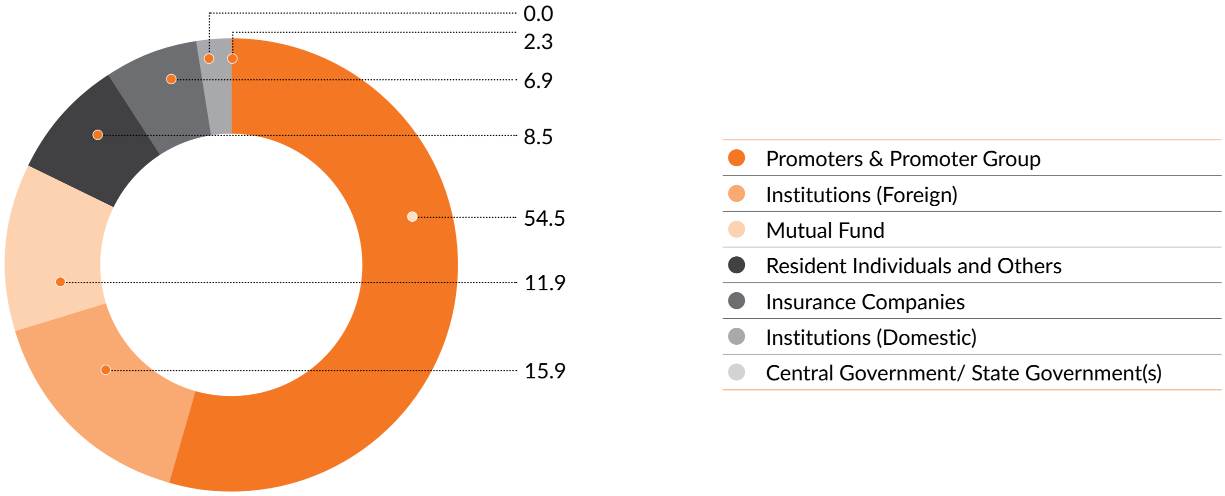
14.3 Distribution of Shareholding as on 31 March 2026

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

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

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

Shareholding Pattern



14.5 Dematerialisation of Shares and Liquidity

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

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

The Company does not have any outstanding GDRs/ ADRs/ Warrants/ Convertible Instruments as on 31 March 2026.

14.7 Outstanding Unclaimed Shares

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

Particulars	No. of Shareholders	No. of equity shares of ₹ 1/- each
Number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on 01 April 2025.	2	140
Shareholders who approached the Company for transfer of shares from the said Unclaimed Suspense Account during the period from 01 April 2025 up to 31 March 2026.	0	0
Shareholders to whom shares were transferred from the Unclaimed Suspense Account during the said period from 01 April 2025 up to 31 March 2026.	0	0
Transferred to IEPF during the said period from 01 April 2025 up to 31 March 2026.	0	0
Number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on 31 March 2026.	2	140

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

15. Investor Correspondence:

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

16. Credit Ratings

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

17. Plant Locations as on 31 March 2026

Sl. No.	Location	Address
1.	Ahmednagar	A-7 & A-8, MIDC Ind. Area, Ahmednagar, Maharashtra – 414 111
2.	Baddi	Khasra No.- 1335-1340, Near EPIP Phase-1, Hill Top Industrial Area, Village-Bhatolikalan, P.O. Barotiwala, Tehsil Nalagarh, Distt-Solan, BADDI, Himachal Pradesh – 174 103
3.	Bengaluru	Sy No: 16, Ekarajapura, 8km, Stone Siddlagatta Road, Hasigala Post, Hosakote, Bengaluru – 562114
4.	Baska	Survey No. 22 & 24, Village: Ujeti, Post: Baska, Taluka Halol, District Panchmahal, Gujarat - 389350
5.	Dadra	Survey No. 1012, Dadra – 396 193 (U.T. of D & N.H & Daman & Diu)
6.	Dahej	Plot No. Z/15, SEZ-1, Po. Dahej, Taluko Vagra, Dist. Bharuch, Gujarat – 392 130
7.	Dewas	Industrial Area 3, A. B. Road, Dewas, Madhya Pradesh – 455 001
8.	Halol	Halol-Baroda Highway, Halol, Dist. Panchmahal, Gujarat – 389 350
9.	Maduranthagam	Sathammai Village, Karunkuzhi Post, Maduranthagam TK, Kanchipuram District, Tamil Nadu – 603 303
10.	Malanpur	K-5, 6,7,10 Ghirongi Malanpur, Dist. Bhind, Madhya Pradesh – 477 116
11.	Mohali	DTA Unit Mohali, Building No. A-41, Industrial Area, Phase-VIIIA, Sector - 75, S.A.S Nagar, Mohali, Punjab – 160 071
12.	Panoli	Plot No. 24/2 & 25, GIDC, Phase-IV, Panoli, Dist. Bharuch, Gujarat – 394 116
13.	Paonta Sahib	Village & P.O. Ganguwala, Tehsil. Paonta Sahib, Dist. Sirmour, Himachal Pradesh – 173 025
14.	Toansa	Village Toansa P.O. Railmajra Distt. Nawansahar, Punjab – 144 533

For and on behalf of the Board of Directors

Dilip Shanghvi
Executive Chairman
(DIN: 00005588)

Kirti Ganorkar
Managing Director
(DIN: 10620142)

Date: 22 May 2026

ANNEXURE A

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

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

For **Sun Pharmaceutical Industries Limited**

Kirti Ganorkar
Managing Director
(DIN: 10620142)

Date: 22 May 2026

ANNEXURE B

CERTIFICATE

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

To,
The Members of
Sun Pharmaceutical Industries Limited
CIN: L24230GJ1993PLC019050
Registered Office: SPARC, Tandalja, Vadodara – 390012.

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the MCA portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of Directors of the Company as stated below for the financial year ending on 31 March 2026 have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities Exchange and Board of India, Ministry of Corporate affairs or any such other Statutory Authority.

Sr. No	Name of the Directors	Director Identification Number (DIN)	Date of Appointment in the Company
1.	Dilip Shanghvi	00005588	01 March 1993
2.	Aalok Shanghvi	01951829	01 June 2023
3.	Pawan Goenka	00254502	21 May 2021
4.	Gautam Doshi	00004612	25 May 2018
5	Rama Bijapurkar	00001835	21 May 2021
6.	Rolf Hoffmann	10200311	15 June 2023
7.	Vidhi Shanghvi	06497350	22 May 2025
8.	Kirti Ganorkar	10620142	01 September 2025

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

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

Alpeshkumar Panchal
Partner
FCS No.: 12908
C P No.: 20120
UDIN: F012908H000442579
Date: Jyestha 01, 1948 | 22 May 2026
Place: Vadodara

ANNEXURE C

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

The Members of Sun Pharmaceutical Industries Limited

1. The Corporate Governance Report prepared by Sun Pharmaceutical Industries Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2026 as required by the Company for annual submission to the Stock exchange.

Management's Responsibility

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

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
   i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
   ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
   iii. Obtained and read the Register of Directors as on March 31, 2026 and verified that atleast one independent woman director was on the Board of Directors throughout the year;
   iv. Obtained and read the minutes of the following committee meetings / other meetings held April 01, 2025 to March 31, 2026:
      (a) Board of Directors;
      (b) Audit Committee;
      (c) Annual General Meeting (AGM);
      (d) Nomination and Remuneration Committee;
      (e) Stakeholders Relationship Committee;
      (f) Risk Management Committee;
      (g) Corporate Social Responsibility Committee;
      (h) Corporate Governance and ESG Committee.
   v. Obtained necessary declarations from the directors of the Company.
   vi. Obtained and read the policy adopted by the Company for related party transactions.
   vii. Obtained the schedule of related party transactions during the year and balances at the year- end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.
   viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2026, referred to in paragraph 4 above.

Other matters and Restriction on Use

10. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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

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

Business Responsibility and Sustainability Report

Director's Message

Dear Stakeholders,

At Sun Pharma, we believe that long-term business success is intricately linked with responsible and sustainable growth. It is in this spirit that we share our Business Responsibility and Sustainability Report (BRSR) for FY 2025-26, a reflection of how we are reshaping our operations to be more resilient, responsible, and future-ready.

The healthcare sector carries a unique responsibility. Beyond delivering medicines, we play a crucial role in advancing public health while managing our environmental and social footprint. Our approach to sustainability is therefore not an adjunct to our strategy, it is embedded in how we make decisions, deploy capital, and measure success.

Climate Change is a material topic for us and by evaluating both physical and transition risks, we are building a more informed and proactive response to emerging environmental challenges. These insights are helping us move from intention to action with greater clarity.

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 16.7% 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 52.55% in our overall energy mix.

Our people are one of the key drivers of our success. Attracting, retaining and nurturing a highly diverse and skilled workforce are key 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.

Safety continues to remain non-negotiable. Our focus is on building not just systems, but a mindset where safety becomes an inherent part of everyday behaviour across all levels of the organization.

Beyond our operations, we recognize the importance of contributing to societal progress. Our community initiatives are designed to address real needs on the ground, from improving healthcare access to supporting education and strengthening local infrastructure. We strive to ensure that our interventions create lasting value and align with broader global development priorities.

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 programmes are designed to contribute towards the realisation of the United Nations Sustainable Development Goals (UN SDGs).

Strong governance forms the backbone of all these efforts. We maintain a clear focus on transparency, ethical conduct, and accountability in every aspect of our business. Our governance practices are designed to build trust with our stakeholders, our partners, and the communities we serve.

The company remains steadfast in its commitment to deepening sustainability integration across all organizational levels - from strategic intent to operational execution. We recognize that this an evolving journey, and we remain cognizant of the responsibilities that lie ahead towards our stakeholders and society at large.

We appreciate the continued trust and engagement of our stakeholders and look forward to your perspectives as we progress on this path.

Aalok Shanghvi
Whole-time Director &
Chief Operating Officer

SECTION A : GENERAL DISCLOSURES

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 - 400 063, 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, 2025 to March 31, 2026
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, E-mail address) of the person who may be contacted in case of any queries on the BRSR report	Anoop Deshpande (Company Secretary and Compliance Officer) E-mail: 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	1. Reasonable Assurance for BRSR Core Indicators. 2. Limited Assurance for other selected Indicators

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.	Pharmaceuticals, Medicinal and API products	210	100%

Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants[1]	Number of offices	Total
National	17	10	27
International	0	24	24

[1] 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)	All states and Union Territories across 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 demand and enhance exports, with exports accounting for 72.3% 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	16,121	14,313	88.78	1,808	11.22
Other than Permanent	1,138	723	63.53	415	36.47
Total employees	**17,259**	**15,036**	**87.12**	**2,223**	**12.88**
Workers					
Permanent	5,393	5,091	94.40	302	5.60
Other than	6,273	5,507	87.79	766	12.21
Permanent Total workers	**11,666**	**10,598**	**90.85**	**1,068**	**9.15**

b. *Differently abled Employees and workers:*

Particulars	Total (A)	Male		Female	
		No. (B)	% (B / A)	No. (C)	% (C / A)
Differently abled Employees					
Permanent	3	3	100.00	0	0.00
Other than Permanent	0	0	-	0	-
Total differently abled employees	**3**	**3**	**100.00**	**0**	**0.00**
Differently abled Workers					
Permanent	0	0	-	0	-
Other than permanent	0	0	-	0	-
Total differently abled workers	**0**	**0**	**-**	**0**	**-**

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	2	25%
Key Management Personnel	2	1	50%

22. Turnover rate for permanent employees and workers

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	13.25%	12.66%	13.18%	14.09%	12.64%	13.90%	13.90%	11.29%	13.59%
Permanent Workers	6.54%	3.80%	6.32%	7.39%	2.16%	6.95%	7.11%	2.82%	6.78%

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, 2026 are available on page 314 of our Annual Report for FY 2025-26. 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):	207,546.4
	(iii)	Net Worth (as per Companies Act) (in ₹ Million):	182,056.3

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 2025-26			FY 2024-25		
		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 utilizes 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	-
Investors (other than shareholders)	No	0	0	-	-	-	-
Shareholders	Yes, the company has a procedure for resolving shareholder grievances. MUFG 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.	51	2	-	40	2	
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. Global Whistle Blower Policy	9	0	-	7	1	-
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/	2265[(2)]	59	-	1,100[(2)]	65	-
Value Chain Partners	Yes, value chain partners can file complaints via email, shared service helpdesk, or the Global Whistleblower mechanism.	0	0	-	0	0	-

[(2)] 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

Please indicate 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, as per the following format:

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:** Non-compliance 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 and 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 programmes 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.

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)
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.
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 programmes, competitive compensation, fostering an inclusive work culture, and offering employee benefits programmes. 2. We have established a formal succession planning programme 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.

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)
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 programmes 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. 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.
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 programmes into place to maximise renewable 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.

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)
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.
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 programmes.	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.

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)
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 programmes 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. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Whether the entity has translated the policy into procedures. (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 Organization (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.	To reduce absolute carbon emissions (Scope 1 and 2) by 35% in FY 2029-30, considering the baseline of 2020.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Reduction in absolute carbon emissions (Scope 1 and Scope 2) by 16.7 % in FY 2025-26 as compared to the baseline of 2020.								
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 and Chief Executive 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	Principle 1, 4, 9 1) (i) Forex Policy (ii) Investor perception 2) India Business Function 3) (i) US Business (ii) Ongoing US Litigations 4) IT and Cyber security	100%
Key Managerial Personnel	4	Principle 1,4, 9 1) (i) Forex Policy (ii) Investor perception 2) India Business Function 3) (i) US Business (ii) Ongoing US Litigations 4) IT and Cyber security	100%
Employees other than BoD and KMPs Workers	610 [3]	Periodic awareness programmes were organized and conducted on Global Code of Conduct (GCOC), Safety Awareness Programmes, etc.	100%

[3] 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	Regional Director, North Western Region, Ministry of Corporate Affairs	A total penalty of ₹ 1,450,000/- was imposed on the Company and its directors as follows: Sun Pharmaceutical Industries Limited - ₹ 250,000/- Mr. Dilip Shanghvi - ₹ 250,000/- Mr. Sailesh Desai - ₹ 250,000/- Mr. Sudhir Valia - ₹ 250,000/- Mr. Kalyanasundaram Subramanian - ₹ 100,000/- Mr. Uday Baldota - ₹ 250,000/- Mr. C.S. Muralidharan - ₹ 100,000/-	Section 158 of Companies Act, 2013 Non-disclosure of DIN in the Financial Statements of the Company for the financial years 2014-15 to 2017-18.	No
Settlement	NA	NA	Nil	NA	NA
Compounding Fee	NA	NA	Nil	NA	NA

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.

   Not Applicable

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 2025-26	FY 2024-25
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest:

Particulars	FY 2025-26		FY 2024-25	
	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.

   Not Applicable

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured):

Particulars	FY 2025-26	FY 2024-25
Number of days of accounts payables	235.8	209.6

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 2025-26	FY 2024-25
Concentration of Purchases	Purchases from trading houses as % of total purchases	15.55%	17.58%
	Number of trading houses where purchases are made from	463	627
	Purchases from top 10 trading houses as % of total purchases from trading houses	35.12%	29.52%
Concentration of Sales	Sales to dealers / distributors as % of total sales	83.69%	85.96%
	Number of dealers / distributors to whom sales are made	106	121
	Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	74.08%	79.63%

Parameter	Metrics	FY 2025-26		FY 2024-25	
		Subsidiaries	Others	Subsidiaries	Others
Share of Related Party Transactions (RPTs) in	Purchases (Purchases with related Parties/Total Purchases)	20.03%	0.03%	19.62%	0.01%
	Sales (Sales to related parties/Total Sales)	78.93%	0.01%	82.97%	0.05%
	Loans & advances (Loans & advances given to related parties/Total loans & advances)	99.56%	0.00%	99.55%	-
	Investments (Investments in related parties/Total Investments made)	99.96%	0.00%	99.94%	-

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

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics/Principles covered under training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	1- Employee Well-being 2- Human Rights 3- Environment Protection 4- Ethical governance	2.64%

2. 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 2025-26	FY 2024-25	Details of improvements in environmental social impacts
R&D	100%	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	4.23%	4.07 %	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 authorized third 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 2025-26			FY 2024-25		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging) [4]	0	4,309 MT	0	0	4,251 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

[4] This is as per Extended Producer's Responsibility (EPR) compliance requirement

3. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate Product category	Reclaimed products and their packaging materials as a % of total products sold in respective category
Pharmaceuticals	4.68%

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	14,313	14,313	100	14,313	100	-	-	14,313	100	14,313	100
Female	1,808	1,808	100	1,808	100	1,808	100	-		1,808	100
Total	**16,121**	**16,121**	**100**	**16,121**	**100**	**1,808**	**100**	**14,313**	**100**	**16,121**	**100**
Other than Permanent employees											
Male	723	723	100	723	100	-	-	723	100	723	100
Female	415	415	100	415	100	415	100	-	-	415	100
Total	**1,138**	**1,138**	**100**	**1,138**	**100**	**415**	**100**	**723**	**100**	**1,138**	**100**

b. *Details of measures for the well-being of workers:*

Category	Total (A)	% of workers 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 workers											
Male	5,091	5,091	100	5,091	100	-	-	5,091	100	5,091	100
Female	302	302	100	302	100	302	100	-	-	302	100
Total	**5,393**	**5,393**	**100**	**5,393**	**100**	**302**	**100**	**5,091**	**100**	**5,393**	**100**
Other than Permanent Workers											
Male	5,507	5,507	100	5,507	100	-	-	5,507	100	5,507	100
Female	766	766	100	766	100	766	100			766	100
Total	**6,273**	**6,273**	**100**	**6,273**	**100**	**766**	**100**	**5,507**	**100**	**6,273**	**100**

c. *Spending on measures towards well-being of employees and workers (including permanent and other than permanent).*

(To be updated after declaration of full year results)

Particulars	FY 2025-26	FY 2024-25
Cost incurred on well-being measures as a % of total revenue from operations of the Company	0.33%[5]	0.29%

[5] Salaries paid to employees at the time of maternity/paternity leaves are not included in the well-being cost spending.

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. Details of retirement benefits

Benefits	FY 2025-26			FY 2024-25		
	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 posited with the Authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	1.80%[6]	16.64%	Yes	13.10%	26.20%	Yes
Others: please specify	-	-	-	-	-	-

[6] % reduction in ESI Limit is due to the reason of ESI Limit not being revised because of annual increment gross salary of some employees keeping them out from ESI.

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, color, religion, sex, national origin, ancestry, age, marital status, sexual orientation or disability.

Web-link to the policy - 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	90.70%	89.12%	93.26%	92.67%
Female	96.30%	84.75%	100.00%	100.00%
Total	**91.16%**	**88.81%**	**93.49%**	**92.83%**

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 a 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 Whistle blower 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 other than 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 Whistle blower 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 2025-26			FY 2024-25		
	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	14,313	0	0	13,089	0	-
Female	1,808	0	0	1,586	0	-
Total	**16,121**	**0**	**0**	**14,675**	**0**	**-**
Permanent Workers						
Male	5,091	655	12.87%	4,394	792	18.02%
Female	302	47	15.56%	228	91	39.91%
Total	**5,393**	**702**	**13.02%**	**4,622**	**883**	**19.10%**

8. Details of training given to employees and workers[7]

Category	FY 2025-26					FY 2024-25				
	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	14,313	14,313	100%	14,313	100%	13,089	13,089	100%	13,089	100%
Female	1,808	1,808	100%	1,808	100%	1,586	1,586	100%	1,586	100%
Total	**16,121**	**16,121**	**100%**	**16,121**	**100%**	**14,675**	**14,675**	**100%**	**14,675**	**100%**
Workers										
Male	5,091	5,091	100%	5,091	100%	4,394	4,394	100%	4,394	100%
Female	302	302	100%	302	100%	228	228	100%	228	100%
Total	**5,393**	**5,393**	**100%**	**5,393**	**100%**	**4,622**	**4,622**	**100%**	**4,622**	**100%**

[7] The number of people given training includes only permanent employees and workers

9. Details of performance and career development reviews of employees and workers[8]

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	14,313	14,313	100%	13,089	13,089	100%
Female	1,808	1,808	100%	1,586	1,586	100%
Total	**16,121**	**16,121**	**100%**	**14,675**	**14,675**	**100%**
Workers						
Male	5,091	5,091	100%	4,394	4,394	100%
Female	302	302	100%	228	228	100%
Total	**5,393**	**5,393**	**100%**	**4,622**	**4,622**	**100%**

[8] Disclosure boundary only covers permanent employees and workers.

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 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR)	Employees	0	0.065
	Workers	0.088	0
Total recordable work-related injuries	Employees	6	17
	Workers	8	10
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

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

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, ISO 14001, 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 programmes 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 programmes, among others, to encourage healthy lifestyle practices.

13. Number of Complaints on the following made by employees and workers:

Category	FY 2025-26			FY 2024-25		
	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. 81.25% 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).

Particulars	Response Type (Y/N)
Employees	Yes
Workers	Yes

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 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programmes 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 (E-mail, 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 • E-mail	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

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (E-mail, 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
Community	Yes	• In-person meetings • Engagement through NGO partners	Ongoing	Community development programmes initiated by the Company helps in driving a positive impact on the community members. The key areas of interest for community are: • Community development programmes with a focus on health, education, sanitation and infrastructure development
Customers B2B	No	• In-person meetings • E-mail • 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 • E-mail • 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 FY 2020-21, material issues were identified and presented to the highest governing member 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) programmes to determine and prioritise the focus areas for community development. The Company has implemented a number of such CSR projects in six priority areas, including disaster assistance, rural development, sanitation, and drinking water projects. 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 2025-26			FY 2024-25		
	Total (A)	No. of employees / Workers covered (B)	% (B/A)	Total (C)	No. of Employees/ workers covered (D)	% (D/C)
Employees						
Permanent	16,121	16,121	100	14,675	14,675	100
Other than permanent	1,138	1,138	100	1,348	1,348	100
Total	**17,259**	**17,259**	**100**	**16,023**	**16,023**	**100**
Workers						
Permanent	5,393	5,393	100	4,622	4,622	100
Other than permanent	6,273	6,273	100	5,229	5,229	100
Total	**11,666**	**11,666**	**100**	**9,851**	**9,851**	**100**

2. Details of minimum wages paid to employees and workers:

Category	FY 2025-26					FY 2024-25				
	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	**16,121**	**0**	**0**	**16,121**	**100**	**14,675**	**0**	**0**	**14,675**	**100**
Male	14,313	0	0	14,313	100	13,089	0	0	13,089	100
Female	1,808	0	0	1,808	100	1,586	0	0	1,586	100
Other than Permanent	**1,138**	**0**	**0**	**1,138**	**100**	**1,348**	**0**	**0**	**1,348**	**100**
Male	723	0	0	723	100	792	0	0	792	100
Female	415	0	0	415	100	556	0	0	556	100
Workers										
Permanent	**5,393**	**0**	**0**	**5,393**	**100**	**4,622**	**0**	**0**	**4,622**	**100**
Male	5,091	0	0	5,091	100	4,394	0	0	4,394	100
Female	302	0	0	302	100	228	0	0	228	100
Other than Permanent	**6,273**	**0**	**0**	**6,273**	**100**	**5,229**	**0**	**0**	**5,229**	**100**
Male	5,507	0	0	5,507	100	4,562	0	0	4,562	100
Female	766	0	0	766	100	667	0	0	667	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) [9]	5	10,900,000	1	7,300,000
Key Managerial Personnel (KMP) [9]	1	8,526,516	0	0
Employees other than BoD and KMP	14313	10,02,000	1808	7,36,372
Workers	5091	4,54,000	3021	2,59,000

[9] Directors and Key Managerial Personnel who were on the Board of Directors for part of the year are not included in the median salary of the directors.

b. *Gross wages paid to females as a % of total wages paid by the entity:*

Particulars	FY 2025-26	FY 2024-25
Gross wages paid to females as a % of total wages [10]	9.09%	8.52%

[10] Wages paid to non-permanent workers and employees are excluded from the calculation.

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. 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 E-mail: ombudsmanSPIL@sunpharma.com.

6. Number of Complaints on the following made by employees and workers:

Particulars	FY 2025-26			FY 2024-25		
	Filed	Pending	Remarks	Filed	Pending	Remarks
Sexual Harassment	9	0	-	7	1	-
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 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	9	7
Complaints on POSH as a % of female employees/workers	0.28	0.23
Complaints on POSH upheld	9	6

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. 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 [11]:

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%

[11] 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

Note: For the Intensity calculations:

- Environment data relating energy, water and waste have been considered for 17 plants SPIL own manufacturing boundary.
- Revenue and production data have been considered for SPIL sales boundary resulted from SPIL own and contract manufacturing plants.

1. Details of total energy consumption (in Joules or multiples) and energy intensity:

Parameter	FY 2025-26 [13]	FY 2024-25
From renewable sources (in Giga Joules)		
Total Electricity consumption (A)	323,398	287,384
Total fuel consumption (B)	709,201	562,138
Energy consumption through other sources (C)	693,115	597,677
Total energy consumed from renewable sources (A+B+C)	1,725,714	1,447,199
Percentage of total energy from renewable sources	52.55%	49.77%
From non-renewable sources		
Total electricity consumption (D)	1,324,244	1,147,831
Total fuel consumption (E)	234,040	280,832
Energy consumption through other sources (F)	0	31,879
Total energy consumed from nonrenewable sources (D+E+F)	**1,558,284**	**1,460,543**
Total energy consumed (A+B+C+D+E+F)	**3,283,998**	**2,907,742**
Energy intensity per rupee of turnover (Total energy consumption in Giga Joule / Revenue from operations in ₹ Million)	15.82	12.64
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) [12] (Total energy consumed in Giga Joule / Revenue from operations adjusted for PPP in USD Million)	321.84	261.15
Energy intensity in terms of physical output (Total energy consumption in Giga Joule / Metric Tonnes production)	254.79	233.45

[12] The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2026 by IMF for India which is 20.34. For the year 2024-25, 20.66 by World Bank was considered. This year, and henceforth, IMF factors would be used as suggested in BRSR Guidance Standard.

[13] The variance in numbers compared to last year is due to a change in the reporting boundary.

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 2025-26 [15]	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	472,519	258,702
(ii) Groundwater	559,569	565,222
(iii) Third party water	1,038,970	960,814
(iv) Seawater / desalinated water	-	0
(v) Others	-	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**2,071,058**	**1,784,738**
Total volume of water consumption (in kilolitres)	**1,972,179**	**1,687,965**
Water intensity per rupee of turnover (Total water consumption in kilolitres / Revenue from operations in ₹ Million)	9.50	7.34
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) [14] (Total water consumption in kilolitres / Revenue from operations adjusted for PPP in USD Million)	193.28	151.60
Water intensity in terms of physical output (Total water consumption in kilolitres / Metric Tonnes production)	153.01	135.52

(14) The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2026 by IMF for India which is 20.34. For the year 2024-25, 20.66 by World Bank was considered. This year, and henceforth, IMF factors would be used as suggested in BRSR Guidance Standard.

(15) The variance in numbers compared to last year is due to a change in the reporting boundary.

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 2025-26	FY 2024-25
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	11,218	9,853
Secondary treatment	621	-
Tertiary treatment	87,040	86,920
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	**98,879**	**96,773**

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 2025-26	FY 2024-25
NOx	MT	125	129
SOx	MT	64	96
Particulate matter (PM)	MT	101	198
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 2025-26*	FY 2024-25
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	63,388	156,242
• CO_2	tCO_2	15,165	18,571
• CH_4	tCO_2e	15	22
• N_2O	tCO_2e	28	37
• HFC	tCO_2e	48,181	137,612
Total Scope 2 emissions^ (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	tCO_2	261,170	236,080
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	1.56	1.71
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) [16] (Total Scope 1 and Scope 2 GHG emissions Metric Tonnes of CO_2e/Revenue from operations adjusted for PPP in USD Million)	tCO_2e / Revenue from operations adjusted for PPP in USD Million	31.81	35.24
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	25.18	31.50

[16] The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2026 by IMF for India which is 20.34. For the year 2024-25, 20.66 by World Bank was considered. This year, and henceforth, IMF factors would be used as suggested in BRSR Guidance Note.

* The variance in numbers compared to last year is due to a change in the reporting boundary.

^ Total Scope 2 emissions have been calculated using market based approach, wherever applicable.

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 utilized 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 replaced with renewable biomass briquettes for steam generation, contributing to reduced environmental impact.

9. Details related to waste management by the entity:

Parameter	FY 2025-26 [18]	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste (A)	2,030	1,112
E-waste (B)	9	8
Bio-medical waste (C)	99	73
Construction and demolition waste (D)	822	1,111
Battery waste (E)	34	17
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)	20,044	20,816
Other Non-hazardous waste generated (H) – Aluminium, Boiler ash, Corrugated box, Food waste, General scrap, Glass waste, Insulation (Non-hazardous), Metal, Paper, Pre-filter, Rubber, Waste cloth, Wood, Spent Raney Nickel	24,699	15,953
Total (A+B + C + D + E + F + G + H)	**47,737**	**39,089**
Waste intensity per rupee of turnover (Total waste generated in Metric Tonnes / Revenue from operations in ₹ Million)	0.23	0.17
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)[17] (Total waste generated in Metric Tonnes / Revenue from operations adjusted for PPP in USD Million)	4.68	3.51
Waste intensity in terms of physical output (Total Metric Tonnes Waste / Metric Tonnes production)	3.70	3.14
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Hazardous Waste		
(i) Recycled	10,788	11,341
(ii) Re-used	0	36.78
(iii) Other recovery operations	133	0
Total	**10921**	**11,378**
Non-hazardous Waste		
(i) Recycled	22,954	14,590
(ii) Re-used	755	424
(iii) Other recovery operations	3321	3,045
Total	**27,030**	**18,058**
E-waste		
(i) Recycled	9	8
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	**9**	**8**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes) Hazardous Waste		
(i) Incineration	208	358
(ii) Landfilling	3,232	4,567
(iii) Co-processing	5,157	4,325
(iv) Other disposal operations	12	0
Total	**8,609**	**9,250**
Non-hazardous Waste		
(i) Co-processing	0	0
(ii) Landfilling	0.5	0
(iii) Other disposal operations	1832	0
Total	**1832.5**	**0**

(17) The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2026 by IMF for India which is 20.34. For the year 2024-25, 20.66 by World Bank was considered. This year, and henceforth, IMF factors would be used as suggested in BRSR Guidance Standard.

(18) The variance in numbers compared to last year is due to a change in the reporting boundary.

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 e 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. The approval from National Board of Wild Life (NBWL), for the proposed expansion is applied.

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.

Sr. No.	Specify the law/ regulation/guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/ action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
1	Environment Protection Act/Rules	On complaint of an NGO, NGT South Zone opined that we have not obtained necessary environmental clearance before expansion of the project in the year 2006-07	10.0 Crores	1. Environmental Clearance for the revised capacity is obtained in March 2022. 2. The NGT Order of imposing penalties is challenged before the HC and is stayed.

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: SPIL Dewas API, SPIL Dewas SGO, SPIL Ahmednagar, SPIL Vadodra, SPIL Gurugram, SPIL Toansa, SPIL Mohali, SPIL Bengaluru

   (ii) Nature of operations: Manufacturing, R&D center

   (iii) Water withdrawal, consumption and discharge:

   Note: The numbers of water withdrawal and intensity has been increased due to increase in number of water stressed sites. This year, 8 sites come under Water Stress area compared to last year's 5 sites.

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	6,600
(ii) Groundwater	279057	113,144
(iii) Third party water	763516	573,872
(iv) Seawater / desalinated water		0
(v) Others		0
Total volume of water withdrawal (in kilolitres)	1,042,573	693,616
Total volume of water consumption (in kilolitres)	990,860	637,056
Water intensity per rupee of turnover (Total Water consumed in kilolitres / Revenue from operations in ₹ Million)	4.77	2.77
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 (In house ETP treatment, post which sent to the Municipality sewage drain)	51,712	56,560
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	**51,712**	**56,560**

   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 optimizes water utilization by minimizing 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 optimizes 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 optimized 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.**

In 2025-26 the company conducted ESG assessment of 64 vendors which had a spend of around 260 crore. They were top spend vendors from all verticals of purchase. In coming years, the company plans to increase the share of value chain partners that will go ESG assessment.

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.	The Federation of Indian Chambers of Commerce and Industry (FICCI)	National
3.	Confederation of Indian Industry (CII)	National
4.	Indian Drug Manufacturing Association (IDMA)	National
5.	Federation of Gujarat Industries (FGI)	State
6.	Indian Pharmaceutical Alliance (IPA)	National
7.	Gujarat Employers Organisation (GEO)	State

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 (Y/N)	Results communicated in public domain	Relevant web-link
NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA

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 2025-26	FY 2024-25
Directly sourced from MSME/small producers	16.00%	13.19%
Directly from within India	68.00%	72.61%

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. 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[19]

Location	FY 2025-26	FY 2024-25
Rural	2.95%	2.98%
Semi-urban	2.78%	2.27%
Urban	26.91%	27.51%
Metropolitan	67.36%	67.24%

[19] Actual Wages paid to other than permanent employees/workers are excluded.

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

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 INR
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 the projects	% of beneficiaries from vulnerable and marginalized groups
1.	Mobile Health Care Unit	2,18,897	100%
2.	Support towards setting-up of Cancer/Eye Sanatorium Institute, Wadala	964	100%
3.	Community drinking water	240	100%
4.	Healthcare Infra	12693	100%
5.	Cancer Care	7663	100%
6.	Medicine supply	150	100%
7.	Education & Anganwadi Infra	32869	100%
8.	SMART Classrooms	19711	100%
9.	STEM Lab	1238	100%
10.	Plantation	87950	100%
11.	Solar lights	1900	100%
12.	Water conservation	31895	100%
13.	Smokeless Chulha Distribution	49445	100%
14.	Entrepreneurship Development and Training	225	100%
15.	Skill Development and Training (IPA & Others)	1981	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), and registered in the Company's system, it is acknowledged, and a preliminary assessment is undertaken. In certain markets, 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, a follow-up is initiated for requesting the complaint sample and 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. 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[20].**

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	-

[20] 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 2025-26			FY 2024-25		
	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	20	The reasons for recall of products were product quality complaint, deviation and out of specification /out of trend results for various test.
Forced recalls	1	The reason for recall is regulatory notification.

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 2025–26, the Company did not receive any complaints relating to advertising, delivery of essential services, cybersecurity, or customer data privacy.

   The Company continues to maintain robust systems for addressing product quality concerns. All quality-related complaints and product recalls are managed through structured corrective and preventive action (CAPA) frameworks, supported by established root cause analysis processes. These systems are designed to drive continuous improvement and minimize the risk of recurrence.

   In India, the Halol facility (Gujarat) was inspected in June 2025 and was subsequently classified as Official Action Indicated (OAI) in September 2025. Similarly, the Baska facility (Gujarat) was inspected in September 2025 and was classified as Official Action Indicated (OAI) in December 2025. The OAI classification indicates that the facilities require improvement towards the compliance.

   In response, the Company has initiated and continues to implement comprehensive corrective and preventive actions to address the observations. These actions include strengthening quality management systems, enhancing manufacturing and compliance processes, and reinforcing oversight mechanisms. The Company is actively engaging with the USFDA to resolve the observations and to restore full compliance within the applicable regulatory framework.

   The Company remains committed to upholding the highest standards of product quality, patient safety, and regulatory compliance across all its operations.

7. **Provide the following information relating to data breaches:**

   a. Number of instances of data breaches – Zero[21]

   b. Percentage of data breaches involving personally identifiable information of customers – Not Applicable

   c. Impact, if any, of the data breaches – Not Applicable

   [21] A third-party service provider reported a cyber security incident affecting its systems, which resulted in certain data relating to a subsidiary company (outside the SPIL boundary) being identified as available on the dark web. There has been no material impact on the operations of the Company or the Group arising from this incident. The incident occurred in December 2025 and was reported to the Company on 19 January 2026.

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 programmes 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) 2025-26. The disclosures include BRSR Core as per Annexure 17A of SEBI's Master Circular for BRSR (Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026, dated January 30, 2026).

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 2025-26 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 2025-26.

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) as per Master Circular No. HO/49/14/14(7)2025-CFD POD2/I/3762/2026, "Master circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities", dated January 30, 2026.
- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard.

Assurance Methodology/Standard and Level of Assurance

This assurance engagement 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. Apart from DNV's VeriSustain™ protocol (V6.0), DNV team has also followed ISO 14064-3 - Specification with guidance for the verification and validation of greenhouse gas statements to evaluate disclosures wrt. Greenhouse gases.

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 2025-26, 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 our independent assurance engagement, we have evaluated the reported environmental, social, and governance (ESG) information against the agreed criteria. Throughout the engagement, we exercised rigorous professional judgment and maintained a high level of professional skepticism to ensure the integrity and reliability of our conclusions.

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 also, 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,	
Chadha, Jas Sahib Singh — Digitally signed by Chadha, Jas Sahib Singh Date: 2026.07.01 18:14:11 +05'30'	Sharma, Anjana — Digitally signed by Sharma, Anjana Date: 2026.07.02 15:59:57 +05'30'
Jas Sahib Singh Chadha Lead Verifier	Anjana Sharma Assurance Reviewer
Assurance Team: Suraiya Rahman, Syed Rameez, Goutam Banik, Himanshu Babbar, Tapan Kumar Panda	

01/07/2026, Bengaluru, India.

Annexure I

BRSR Core KPIs - Reasonable level of assurance

- Section C: Principle Wise Performance Disclosure -
  - Principle 1- Essential Indicator 8, 9
  - Principle 3- Essential Indicator 1-c, 11
  - Principle 5- Essential Indicator 3-b, 7
  - Principle 6- Essential Indicator 1, 3, 4, 7*, 9
  - Principle 8- Essential Indicator 4, 5
  - 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. Scope 2 GHG emissions for India operations are calculated based on the emission factor for Grid Electricity in Central Electricity Authority, Govt. of India, CO2 baseline database for Indian Power Sector, version 21.

Annexure II

Sites selected for audits

S.no	Site	Location
1.	Corporate Office (onsite)	Mumbai
2.	Manufacturing Plants (onsite)	Halol, Gujarat Baska, Gujarat Toansa, Punjab Dewas, Madhya Pradesh
3.	Manufacturing Plants (remote audit)	Poanta Sahib, Punjab Ahmednagar, Maharashtra

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 2026, 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, 2026, 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 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 standalone 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 standalone Ind AS financial statements for the financial year ended March 31, 2026. 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 matters	How our audit addressed the key audit matter
Litigations (as described in Note 38 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 matters	How our audit addressed the key audit matter
Tax litigations and recognition of deferred tax assets (as described in Note 9 and 38(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 statement.
Identification and disclosures of Related Parties (as described in Note 49 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 49 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 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 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 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 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 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 standalone Ind AS financial statements for the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

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

   (g) With respect to the adequacy of the internal financial controls with reference to 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, 2026 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 38(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 27 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 ₹ 1.8 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 54(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 54(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 42 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, 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. Additionally, the audit trail of relevant prior years has been preserved by the Company in accordance with statutory record-retention requirements to the extent it was enabled and recorded in those respective years, except that for two applications where the audit trail relating to direct changes made using privileged/administrative access rights has not been preserved for the period May 24 to November 24, as stated in the note 54(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: 26408869TEYHRX9447
Place of Signature: Mumbai
Date: May 22, 2026

Annexure 1 referred to in paragraph 1 of our report of even date under the heading "Report on other legal and regulatory requirements"

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

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

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 54(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 (₹ Million)	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	0.1	No	11	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.
Building	Various	4.1		9	
Building	Sun Pharma Global FZE	89.9	No	5	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).
Freehold Land	Sun Pharmaceutical Medicare Limited	404.0	No	1	
Building	Sun Pharmaceutical Medicare Limited	1,169.1	No	1	

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 and stood guarantee to subsidiaries and employees as follows:

Amount in ₹ Million

Particulars	Loan	Guarantees
Aggregate amount provided during the year to -		
- Subsidiaries	104.8	1,629.2
- Employees	517.0	-
Balance outstanding as at balance sheet date in respect of above cases		
- Subsidiaries	-	1,629.2
- Employees	164.1	-

During the year the Company has not provided advances in the nature of loans 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 and guarantees to companies or any other parties are not prejudicial to the Company's interest. The Company has not 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 (in days)	Remarks, if any
Sun Pharmaceutical Industries, Inc.	9,077.5	17-01-2026	NA	NA	The loan was further extended.

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, 2026. 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
Sun Pharmaceutical Industries, Inc.	9,699.3	9,077.5	93.59%

* Includes loans 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 in AY 2011-12, 2014-15, 2015-16 and 2022-23	2,264.0
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	894.8
The Central Excise Act, 1944	Excise Duty, Interest and Penalty	Commissioner (Appeals)	2002-03 and 2008-09	4.3
The Central Excise Act, 1944	Excise Duty, Interest and Penalty	High Court	Various years from 2002-03 to 2013-14	43.7
The Central Excise Act, 1944	Excise Duty	Assessing Officer	2013-14 and 2014-15	1.2
Finance Act, 1994	Service Tax and Penalty	Commissioner (Appeals)	Various years from 2006-07 to 2011-12	4.8
Finance Act, 1994	Service Tax and Penalty	CESTAT	Various years from 2013-14 to 2017-18	7,010.8
The Goods and Service Tax Act	GST, Interest and Penalty	Commissioner (Appeals)	Various years from 2017-18 to 2022-23	4,501.2
The Goods and Service Tax Act	GST, Interest and Penalty	High Court	Various years from 2017-18 to 2021-22	1,602.3
The Goods and Service Tax Act	GST and Penalty	Deputy Commissioner - GST	Various years from 2019-20 to 2022-23	21.5
Sales Tax Act / VAT (Various States)	Sales Tax, Interest and Penalty	Assistant / Additional / Senior Joint Commissioner	Various years from 1999-00 to 2017-18	11.3
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 1999-20 to 2017-18	35.0
Custom Act, 1962	Customs Duty, Penalty and Interest	Commissioner (Appeals)	Various years from 2010-11 to 2022-23	384.3
Custom Act, 1962	Customs Duty, Penalty and Interest	CESTAT	Various years from 2010-11 to 2025-26	1,328.1

*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 the repayment of loans or other borrowings or in the payment of interest thereon to any lender. During the year, the terms of repayment of a loan, including accrued interest, aggregating to ₹ 1,34,199.9 million obtained from its wholly owned subsidiary were extended. Of this amount, ₹ 1,23,781.9 million was originally due for repayment during the current year, and ₹ 10,418.0 million was scheduled to mature in the subsequent financial year.

(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 54(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 54(8) to the standalone Ind AS financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub-section 6 of section 135 of the Act. This matter has been disclosed in note 54(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: 26408869TEYHRX9447
Place of Signature: Mumbai
Date: May 22, 2026

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, 2026 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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, 2026, 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: 26408869TEYHRX9447
Place of Signature: Mumbai
Date: May 22, 2026

Standalone Balance Sheet

As at March 31, 2026

₹ in Million

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3 (a) & 3 (b)	51,454.0	47,283.8
(b) Capital work-in-progress	3 (d)	6,521.6	7,083.6
(c) Goodwill	4	1,209.0	1,209.0
(d) Other intangible assets	4	23,467.9	25,231.5
(e) Intangible assets under development	5	2,472.3	3,758.4
(f) Financial assets			
(i) Investments	6 (a) & 6 (b) & 6 (c)	129,515.6	124,101.1
(ii) Loans	7	37,751.0	26,633.6
(iii) Other financial assets	8	501.1	617.5
(g) Deferred tax assets (Net)	9	7,394.0	11,676.4
(h) Other non-current assets	10	3,212.7	3,078.7
Total non-current assets		**263,499.2**	**250,673.6**
(2) Current assets			
(a) Inventories	11	43,022.7	39,341.3
(b) Financial assets			
(i) Trade receivables	12	101,662.3	117,015.4
(ii) Cash and cash equivalents	13	4,178.4	4,925.7
(iii) Bank balances other than (ii) above	14	191.3	4,184.8
(iv) Loans	15	659.9	8,698.2
(v) Other financial assets	16	2,602.0	4,097.5
(c) Other current assets	17	14,470.6	9,544.1
Total current assets		**166,787.2**	**187,807.0**
Assets classified as held for sale	3 (c)	309.0	304.1
TOTAL ASSETS		**430,595.4**	**438,784.7**

Standalone Balance Sheet

As at March 31, 2026

₹ in Million

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	18	2,399.3	2,399.3
(b) Other equity	19	221,308.3	236,603.6
Total equity		**223,707.6**	**239,002.9**
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	134,199.9	8,091.1
(ii) Lease liabilities	47	1,653.9	1,668.5
(iii) Other financial liabilities	21	19.6	1,781.5
(b) Other non-current liabilities	22	3,480.4	3,767.4
(c) Provisions	23	2,501.6	2,449.5
Total non-current liabilities		**141,855.4**	**17,758.0**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	24	-	109,544.7
(ii) Trade payables			
(a) total outstanding dues of micro and small enterprises	44	1,533.5	843.6
(b) total outstanding dues of creditors other than micro and small enterprises	44	33,800.6	33,851.7
(iii) Lease liabilities	47	193.5	166.4
(iv) Other financial liabilities	25	11,064.7	24,742.9
(b) Other current liabilities	26	7,002.4	5,636.9
(c) Provisions	27	7,517.3	5,067.8
(d) Current tax liabilities (Net)	28	3,920.4	2,169.8
Total current liabilities		**65,032.4**	**182,023.8**
Total liabilities		**206,887.8**	**199,781.8**
TOTAL EQUITY AND LIABILITIES		**430,595.4**	**438,784.7**

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, 2026

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

DILIP S. SHANGHVI
Executive Chairman
(DIN: 00005588)

KIRTI GANORKAR
Managing Director
(DIN: 10620142)

ANOOP DESHPANDE
Company Secretary and Compliance Officer

JAYASHREE SATAGOPAN
Chief Financial Officer
Mumbai, May 22, 2026

Standalone Statement of Profit and Loss

for the year ended March 31, 2026

₹ in Million

Particulars	Notes	Year ended March 31, 2026	Year ended March 31, 2025
(I) Revenue from operations	29	207,546.4	229,774.0
(II) Other income	30	4,193.3	3,791.4
(III) Total income (I + II)		**211,739.7**	**233,565.4**
(IV) Expenses			
Cost of materials consumed	31	43,832.7	44,167.9
Purchases of stock-in-trade		13,915.2	13,595.3
Changes in inventories of finished goods, stock-in-trade and work-in-progress	32	(3,058.3)	(551.4)
Employee benefits expense	33	29,113.0	26,913.1
Finance costs	34	9,478.4	9,538.9
Depreciation and amortisation expense	3 (a), 3 (b) & 4	13,117.2	12,867.4
Other expenses	35	75,507.9	79,824.0
Net (gain) / loss on foreign currency transactions		(13,571.0)	(2,551.9)
Total expenses (IV)		**168,335.1**	**183,803.3**
(V) Profit / (loss) before exceptional item and tax (III - IV)		**43,404.6**	**49,762.1**
(VI) Exceptional items	54 (2)	5,463.4	-
(VII) Profit / (loss) before tax (V - VI)		37,941.2	49,762.1
(VIII) Tax expense / (credit)			
Current tax	37	16,021.7	9,086.2
Deferred tax	9 & 37	(2,658.5)	(1,604.9)
Tax on exceptional items	54 (2), 9 & 37	(1,656.2)	-
Total tax expense (VIII)		**11,707.0**	**7,481.3**
(IX) Profit / (loss) for the year (VII - VIII)		**26,234.2**	**42,280.8**
(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		(36.6)	(189.3)
Income tax on above		9.2	65.5
b. Gain / (loss) on equity instrument measured at fair value through other comprehensive income		(27.8)	6.0
Income tax on above		7.0	(2.1)
Total - (A)		**(48.2)**	**(119.9)**

Standalone Statement of Profit and Loss

for the year ended March 31, 2026

₹ in Million

Particulars	Notes	Year ended March 31, 2026	Year ended March 31, 2025
B) Items that may be reclassified to profit or loss			
a. Effective portion of gain / (loss) on designated portion of hedging instruments in a cash flow hedge		(2,862.8)	(180.1)
Income tax on above		720.5	62.9
Total - (B)		**(2,142.3)**	**(117.2)**
(X) Total other comprehensive income (A+B)		**(2,190.5)**	**(237.1)**
(XI) Total comprehensive income for the year (IX+X)		**24,043.7**	**42,043.7**
Earnings per equity share (face value per equity share - ₹ 1)	45		
Basic (in ₹)		10.9	17.6
Diluted (in ₹)		10.9	17.6

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, 2026

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

DILIP S. SHANGHVI
Executive Chairman
(DIN: 00005588)

KIRTI GANORKAR
Managing Director
(DIN: 10620142)

ANOOP DESHPANDE
Company Secretary and Compliance Officer

JAYASHREE SATAGOPAN
Chief Financial Officer
Mumbai, May 22, 2026

Standalone Statement of Changes in Equity

for the year ended March 31, 2026

₹ in Million

Particulars	Equity share capital*	Other equity									Total
		Reserve 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, 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
Add - Transfer on merger [Refer Note 54 (11)]	-	2.5	-	-	-	-	(3,847.6)	-	-	-	(3,845.1)
Adjusted balance as at March 31, 2024	**2,399.3**	**22,261.0**	**11,874.1**	**43.8**	**7.5**	**51,435.0**	**123,462.8**	**(10.2)**	**21,543.5**	**82.1**	**233,098.9**
Profit for the year	-	-	-	-	-	-	42,280.8	-	-	-	42,280.8
Other comprehensive income for the year, net of tax	-	-	-	-	-	-	^ (123.8)	3.9	-	(117.2)	(237.1)
Total comprehensive income for the year	-	-	-	-	-	-	**42,157.0**	**3.9**	-	**(117.2)**	**42,043.7**
Payment of dividend	-	-	-	-	-	-	(36,139.7)	-	-	-	(36,139.7)
Balance as at March 31, 2025	**2,399.3**	**22,261.0**	**11,874.1**	**43.8**	**7.5**	**51,435.0**	**129,480.1**	**(6.3)**	**21,543.5**	**(35.1)**	**239,002.9**
Profit for the year	-	-	-	-	-	-	26,234.2	-	-	-	26,234.2
Other comprehensive income for the year, net of tax	-	-	-	-	-	-	(27.4)	(20.8)	-	(2,142.3)	(2,190.5)
Total comprehensive income for the year	-	-	-	-	-	-	**26,206.8**	**(20.8)**	-	**(2,142.3)**	**24,043.7**
Transfer from General reserve to Retained earnings	-	-	-	-	-	(51,435.0)	51,435.0	-	-	-	-
Payment of dividend	-	-	-	-	-	-	(39,339.0)	-	-	-	(39,339.0)
Balance as at March 31, 2026	**2,399.3**	**22,261.0**	**11,874.1**	**43.8**	**7.5**	-	**167,782.9**	**(27.1)**	**21,543.5**	**(2,177.4)**	**223,707.6**

^ Represents remeasurement of the defined benefit plans.

* Refer note 18 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, 2026

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

DILIP S. SHANGHVI
Executive Chairman
(DIN: 00005588)

KIRTI GANORKAR
Managing Director
(DIN: 10620142)

ANOOP DESHPANDE
Company Secretary and Compliance Officer

JAYASHREE SATAGOPAN
Chief Financial Officer
Mumbai, May 22, 2026

Standalone Statement of Cash Flow

for the year ended March 31, 2026

₹ in Million

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
A. Cash flow from operating activities		
Profit/ (loss) before tax	37,941.2	49,762.1
Adjustments for:		
Depreciation and amortisation expense	13,117.2	12,867.4
Net (gain) / loss on sale / write off / impairment of property, plant and equipment, other intangible assets and intangible assets under development	1,772.5	(9.8)
(Gain) / loss on derecognition of Right-of-use assets	-	(7.0)
Finance costs	9,478.4	9,538.9
Interest income	(3,329.8)	(3,307.1)
Net (gain) / loss on sale of financial assets measured at fair value through profit or loss	(25.6)	(25.9)
Provision / write off / (reversal) for doubtful trade receivables / advances	(366.5)	2,357.0
Sundry balances written back, net	(2.8)	(27.5)
Loss on assets acquired in merger	7.7	-
Impairment in value of investment	125.0	370.1
Effect of exchange rate changes	(6,134.3)	(3,922.5)
Operating profit / (loss) before working capital changes	**52,583.0**	**67,595.7**
Movements in working capital:		
(Increase) / decrease in inventories	(3,681.4)	(4,087.3)
(Increase) / decrease in trade receivables	20,888.4	(27,141.0)
(Increase) / decrease in other assets	(4,130.1)	1,551.8
Increase / (decrease) in trade payables	129.7	7,959.9
Increase / (decrease) in other liabilities	760.8	(989.5)
Increase / (decrease) in provisions	2,465.0	(1,032.6)
Cash generated from / (used in) operations	**69,015.4**	**43,857.0**
Net Income tax (paid) / refund received (including interest on refunds)	(4,006.7)	(1,337.3)
Net cash generated from / (used in) operating activities (A)	**65,008.7**	**42,519.7**
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)	(15,427.8)	(7,690.3)
Proceeds from disposal of property, plant and equipment and other intangible assets	284.2	572.1
Loans / Inter corporate deposits		
Given to / Placed		
Subsidiary companies	(105.3)	(299.1)
Received back / matured from		
Subsidiary companies	578.8	6,330.3
Purchase of investments		
Subsidiary companies	(5,450.5)	-
Associate	(125.0)	(125.0)
Others	(9,559.5)	(6,319.7)
Proceeds from sale of investments		
Others	9,586.2	6,345.5
Bank balances not considered as cash and cash equivalents		
Fixed deposits / margin money placed	-	(4,029.9)
Fixed deposits / margin money matured	4,024.2	-
Interest received	2,385.2	2,634.4
Net cash flow from / (used in) investing activities (B)	**(13,809.5)**	**(2,581.7)**

Standalone Statement of Cash Flow

for the year ended march 31, 2026

₹ in Million

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
C. Cash flow from financing activities		
Proceeds from borrowings		
Subsidiary company	118,092.8	118,692.2
Repayment of borrowings		
Subsidiary companies	(129,745.4)	(119,507.6)
Net increase / (decrease) in working capital demand loans	-	(106.0)
Repayment towards lease liabilities		
Subsidiary companies	(111.1)	(108.8)
Others	(68.4)	(38.7)
Interest paid on lease liabilities		
Subsidiary companies	(123.4)	(132.5)
Others	(39.9)	(22.9)
Interest paid	(967.4)	(997.3)
Dividend paid	(39,339.0)	(36,139.7)
Net cash flow from / (used in) financing activities (C)	**(52,301.8)**	**(38,361.3)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**(1,102.6)**	**1,576.7**
Cash and cash equivalents at the beginning of the year	4,925.7	3,273.7
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	355.3	75.3
Cash and cash equivalents at the end of the year	**4,178.4**	**4,925.7**

Notes:

1 Cash and cash equivalents comprises of

₹ in Million

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks		
In current accounts	4,167.3	4,900.5
In deposit accounts with original maturity less than 3 months	-	15.0
Cash on hand	11.1	10.2
Cash and cash equivalents in cash flow statement (Refer Note 13)	**4,178.4**	**4,925.7**

2 Change in financial liability / asset arising from financing activities

₹ in Million

Particulars	Year ended March 31,2026	Year ended March 31,2025
	Borrowings	Borrowings
Opening balance	**117,635.8**	**110,466.1**
Taken over on merger	-	8,091.1
Changes from financing cash flow	(11,652.6)	(921.4)
Other changes*	28,216.7	-
Closing balance	**134,199.9**	**117,635.8**

For movement of lease liabilities, Refer Note 47.

* Represents interest transferred to loan balance on the due date.

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, 2026

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

DILIP S. SHANGHVI
Executive Chairman
(DIN: 00005588)

KIRTI GANORKAR
Managing Director
(DIN: 10620142)

ANOOP DESHPANDE
Company Secretary and Compliance Officer

JAYASHREE SATAGOPAN
Chief Financial Officer
Mumbai, May 22, 2026

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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, 2026.

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

b. Business combinations

The Company determines that it has acquired a business when the acquired set of activities and

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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:

- 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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.

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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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.

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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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.

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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 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/ loss 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

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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.

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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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.

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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 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

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

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.

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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, 2026

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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

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

s. Exceptional items

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

t. Recent Accounting pronouncements

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

Amendment to Ind AS 1 'Presentation of Financial Statements'- Classification of Liabilities as current or non-current and non-current liabilities with covenants. The amendment includes specific provisions that will take effect for reporting periods beginning on or after April 01, 2026, retrospectively, as outlined below:

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

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

c) Disclose information about the timing of settlement to understand the impact of the liability on the standalone financial statements.

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

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

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, 2024	1,489.3	16,279.0	63,786.5	1,166.5	518.7	2,067.8	85,307.8
Taken over on merger	404.0	1,101.9	3,717.5	156.9	6.1	5.2	5,391.6
Additions	5.2	254.3	3,608.8	112.1	161.2	290.0	4,431.6
Disposals	-	(3.5)	(425.3)	(18.2)	(69.5)	(107.3)	(623.8)
Reclassified to Asset held for Sale	-	(176.0)	(711.8)	(16.7)	(0.1)	(2.0)	(906.6)
As at March 31, 2025	**1,898.5**	**17,455.7**	**69,975.7**	**1,400.6**	**616.4**	**2,253.7**	**93,600.6**
Additions	38.8	1,899.4	7,950.4	132.4	173.2	352.6	10,546.8
Disposals	-	(14.6)	(777.0)	(1.3)	(44.6)	(55.9)	(893.4)
As at March 31, 2026	**1,937.3**	**19,340.5**	**77,149.1**	**1,531.7**	**745.0**	**2,550.4**	**103,254.0**
Accumulated depreciation and impairment							
As at March 31, 2024	-	4,496.6	34,965.9	895.4	259.8	1,347.8	41,965.5
Taken over on merger	-	26.9	1,292.5	81.6	3.4	2.2	1,406.6
Depreciation expense	-	526.1	5,127.5	109.1	90.3	280.6	6,133.6
Disposals	-	(1.6)	(336.1)	(17.5)	(50.1)	(104.7)	(510.0)
Reclassified to Asset held for Sale	-	(57.8)	(532.5)	(14.8)	(0.1)	(1.9)	(607.1)
As at March 31, 2025	**-**	**4,990.2**	**40,517.3**	**1,053.8**	**303.3**	**1,524.0**	**48,388.6**
Depreciation expense	-	538.0	5,153.3	97.2	110.4	296.4	6,195.3
Disposals	-	(6.3)	(622.7)	(1.3)	(34.5)	(51.5)	(716.3)
As at March 31, 2026	**-**	**5,521.9**	**45,047.9**	**1,149.7**	**379.2**	**1,768.9**	**53,867.6**
Carrying amount							
As at March 31, 2025	**1,898.5**	**12,465.5**	**29,458.4**	**346.8**	**313.1**	**729.7**	**45,212.0**
As at March 31, 2026	**1,937.3**	**13,818.6**	**32,101.2**	**382.0**	**365.8**	**781.5**	**49,386.4**

Footnotes

(i) Buildings include ₹ 8,620 (As at March 31, 2025: ₹ 8,620) towards cost of shares in a co-operative housing society and also includes ₹ 1.1 Million (As at March 31, 2025: ₹ 1.1 Million) and ₹ 1,133.0 Million (As at March 31, 2025: ₹ 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, 2025: ₹ 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 ₹ 22.7 Million (March 31, 2025: ₹ 205.7 Million) and accumulated depreciation of ₹ 11.7 Million (March 31, 2025: ₹ 37.4 Million). The depreciation charge for the year in relation to them is ₹ 0.3 Million (March 31, 2025: ₹ 3.3 Million).

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

NOTE: 3 (b) RIGHT-OF-USE ASSETS

₹ in Million

	Leasehold Land	Building	Plant and equipment	Total
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**
Addition	-	192.1	-	192.1
Deletion	-	-	-	-
As at March 31, 2026	**420.8**	**794.7**	**1,959.4**	**3,174.9**
Accumulated depreciation				
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**
Depreciation expense	6.8	100.8	88.7	196.3
Deletion	-	-	-	-
As at March 31, 2026	**43.3**	**478.7**	**585.3**	**1,107.3**
Carrying amount				
As at March 31, 2025	**384.3**	**224.7**	**1,462.8**	**2,071.8**
As at March 31, 2026	**377.5**	**316.0**	**1,374.1**	**2,067.6**

Footnote

For details of Ind AS 116 disclosure refer Note 47.

NOTE: 3 (c) ASSETS CLASSIFIED AS HELD FOR SALE

₹ in Million

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

Footnotes

(i) Net of accumulated depreciation and amortisation.

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

NOTE: 3 (d) CAPITAL WORK-IN-PROGRESS

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Opening Balance	7,083.6	3,882.4
Taken over on merger	-	1,209.4
Additions	10,012.5	6,428.2
Capitalised	(10,546.8)	(4,431.6)
Disposals/Write off	(27.7)	(4.8)
Closing balance	**6,521.6**	**7,083.6**

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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, 2024	4,583.5	88,583.7	1,208.0	94,375.2
Taken over on Merger	6.0	-	1.0	7.0
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	**4,835.7**	**89,370.3**	**1,209.0**	**95,415.0**
Additions	681.4	4,280.6	-	4,962.0
Disposals	-	-	-	-
As at March 31, 2026	**5,517.1**	**93,650.9**	**1,209.0**	**100,377.0**
Accumulated amortisation and impairment				
As at March 31, 2024	2,580.1	59,819.1	-	62,399.2
Taken over on Merger	0.5	-	-	0.5
Amortisation expense	616.6	5,960.1	-	6,576.7
Disposals	* (0.0)	-	-	* (0.0)
Reclassified to Asset held for Sale	(1.9)	-	-	(1.9)
As at March 31, 2025	**3,195.3**	**65,779.2**	**-**	**68,974.5**
Amortisation expense	616.5	6,109.1	-	6,725.6
Disposals	-	-	-	-
As at March 31, 2026	**3,811.8**	**71,888.3**	**-**	**75,700.1**
Carrying amount				
As at March 31, 2025	**1,640.4**	**23,591.1**	**1,209.0**	**26,440.5**
As at March 31, 2026	**1,705.3**	**21,762.6**	**1,209.0**	**24,676.9**

* ₹ 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 54 (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, 2026 and 5.0% March 31, 2025. 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 9.2% for the years ended March 31, 2026 and 8.9% March 31, 2025. 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, 2026

NOTE: 5 INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Opening Balance	**3,758.4**	**3,778.7**
Additions	879.8	454.2
Capitalised	(490.7)	(404.6)
Disposals	-	-
Impairment [Refer Note 54(2) and 35]	(1,675.2)	(69.9)
Closing Balance	**2,472.3**	**3,758.4**

NOTE: 6 (a) INVESTMENTS IN THE NATURE OF EQUITY IN SUBSIDIARIES (NON-CURRENT)

	As at March 31, 2026		As at March 31, 2025	
	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
AO Ranbaxy				
Ordinary shares of RUB 1000 each fully paid	163,000	1,685.2	-	-
JSC Biosintez				
Shares of RUB 1 each fully paid	214,712	2,824.0	-	-
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
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
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
Skisen Labs Private Limited				
Shares of ₹ 10 each fully paid	-	-	16,360,000	163.6
Less: Impairment in value of investment		-		(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**

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

	As at March 31, 2026		As at March 31, 2025	
	Quantity	₹ in Million	Quantity	₹ in Million
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
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	-	21.3
Sun Pharma Science Foundation	-	19.2	-	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**
		57,024.3		**52,522.3**
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
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
JSC Biosintez				
Preferred type A preference share of RUB 1 each fully paid	71,571	941.3	-	-
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
		72,445.3		**71,504.0**
		129,469.6		**124,026.3**
Aggregate amount of unquoted investments before impairment		188,803.6		183,523.9
Aggregate book value (carrying value) of quoted investments before impairment		3,371.7		3,371.7
Aggregate amount of impairment in value of investments		62,705.7		62,869.3
Aggregate amount of quoted investments at market value		1,440.7		2,181.4

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, 2026

NOTE: 6 (b) INVESTMENTS IN THE NATURE OF EQUITY IN ASSOCIATES (NON-CURRENT)

	As at March 31, 2026		As at March 31, 2025	
	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	25,000,000	250.0	12,500,000	125.0
Less: Impairment in value of investment		(250.0)		(125.0)
		-		-
		-		-
Aggregate amount of unquoted investments before impairment		**495.1**		**370.1**
Aggregate amount of impairment in value of investments		**495.1**		**370.1**

For disclosure regarding principal place of business and percentage ownership, refer note 38 of the consolidated financial statements of the Group.

NOTE: 6 (c) INVESTMENTS (NON-CURRENT)

	As at March 31, 2026		As at March 31, 2025	
	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	41.5	1,036,943	69.3
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	178,620	1.9	283,500	2.9
Silverspot Trading LLP				
In capital of Limited Liability Partnership (LLP)		*0.00		-
* ₹ 19,171				
		46.0		**74.8**
Aggregate book value (carrying value) of quoted investments		41.5		69.3
Aggregate amount of quoted investments at market value		41.5		69.3
Aggregate amount of unquoted investments before impairment		939.0		940.0
Aggregate amount of impairment in value of investments		934.5		934.5

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

NOTE: 7 LOANS (NON-CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Loans to employees		
Unsecured, considered good	11.0	18.4
Loans to related parties (Refer Note 49 & 50)*		
Unsecured, considered good	37,740.0	26,615.2
	37,751.0	**26,633.6**

* Loans have been granted for the purpose of their business.

NOTE: 8 OTHER FINANCIAL ASSETS (NON-CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Interest accrued (unsecured, considered good)	-	171.8
Security deposits (unsecured, considered good)	469.5	414.1
Share application money pending allotment*	31.6	31.6
	501.1	**617.5**

* Sun Pharmaceutical (Bangladesh) Limited

NOTE: 9 DEFERRED TAX ASSETS (NET)

₹ in Million

	Opening balance April 01, 2025	Recognised in profit or loss *	Recognised in other comprehensive income	MAT Credit utilisation	Closing balance March 31, 2026
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	(8,884.9)	2,761.3	-		(6,123.6)
Lease liabilities	641.2	(176.2)	-		465.0
Difference in carrying value and tax base of financial assets of investments	64.1	(14.0)	7.0		57.1
Derivatives designated as hedges	24.5	(6.9)	720.5		738.1
Deferred revenue	1,699.4	(424.9)	-		1,274.5
Allowance for doubtful debts and advances	1,498.3	(517.4)	-		980.9
Expenses claimed for tax purpose on payment basis	1,583.5	285.9	9.2		1,878.6
Unabsorbed depreciation / carried forward losses	197.7	(197.7)	-		-
Other assets	0.2	(0.3)	-		(0.1)
	(3,176.0)	**1,709.8**	**736.7**		**(729.5)**
MAT credit entitlement/(utilisation)	14,852.4	1,599.8	-	(8,328.7)	8,123.5
	11,676.4	**3,309.6**	**736.7**	**(8,328.7)**	**7,394.0**

* Includes deferred tax disclosed as "Tax on exceptional items" amounting to ₹ 651.1 Million. [refer note 54(2)]

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

₹ 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	(9,153.5)	268.6	-	(8,884.9)
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	693.0	805.3	-	1,498.3
Expenses claimed for tax purpose on payment basis	1,495.4	22.6	65.5	1,583.5
Unabsorbed depreciation / carried forward losses	4,528.1	(4,330.4)	-	197.7
Other assets	0.5	(0.3)	-	0.2
	0.0	**(3,302.3)**	**126.3**	**(3,176.0)**
MAT credit entitlement	9,945.2	4,907.2	-	14,852.4
	9,947.2	**1,604.9**	**126.3**	**11,676.4**

₹ in Million

	As at March 31, 2026	As at March 31, 2025
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
Tax losses	-	1,278.1
Unabsorbed depreciation	-	2,777.4

The unused tax capital losses will expire from financial year 2027-28 to financial year 2030-31

NOTE: 10 OTHER ASSETS (NON-CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Capital advances	555.0	661.1
Prepaid expenses	64.5	81.4
Balances with government authorities*	2,593.2	2,336.2
	3,212.7	**3,078.7**

* includes amount paid under protest

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

NOTE: 11 INVENTORIES

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Lower of cost and net realisable value		
Raw materials and packing materials	17,801.0	17,013.0
Goods in transit	211.2	184.2
	18,012.2	**17,197.2**
Work-in-progress	11,523.8	11,364.7
Finished goods	11,689.5	8,908.8
Stock-in-trade	771.8	653.3
Stores and spares	1,025.4	1,217.3
	43,022.7	**39,341.3**

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 ₹ 8,756.5 Million (March 31, 2025: ₹ 10,162.0 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. During the year, the Company reassessed its estimation for non moving inventory provisioning leading to a reduction of inventory provision by ₹ 1,617.6 Million.

(ii) The cost of inventories recognised as an expense is disclosed in Notes 31, 32 and 35 and as purchases of stock-in-trade in the statement of profit and loss.

NOTE: 12 TRADE RECEIVABLES

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Unsecured		
Considered good	101,662.3	117,015.4
Credit impaired	1,526.9	1,913.4
	103,189.2	**118,928.8**
Less: Allowance for credit impaired	(1,526.9)	(1,913.4)
	101,662.3	**117,015.4**

NOTE: 13 CASH AND CASH EQUIVALENTS

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Balances with banks		
In current accounts	4,167.3	4,900.5
In deposit accounts with original maturity less than 3 months	-	15.0
Cash on hand	11.1	10.2
	4,178.4	**4,925.7**

There are no conditions or restrictions in using the cash and cash equivalent.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

NOTE: 14 BANK BALANCES OTHER THAN DISCLOSED IN NOTE 13 ABOVE

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Deposit accounts	12.0	4,026.5
Earmarked balances with banks		
Unpaid dividend accounts	179.0	148.3
Balances held as margin money or security against guarantees and other commitments	0.3	10.0
	191.3	**4,184.8**

NOTE: 15 LOANS (CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Loans to employees / others*		
Secured, considered good	0.4	0.6
Unsecured, considered good	158.8	150.6
Credit impaired	15.3	15.3
Less: Allowance for doubtful loans (expected credit loss allowance)	(15.3)	(15.3)
	159.2	**151.2**
Loans to related parties (Refer Note 49 and 50)*		
Unsecured, considered good	500.7	8,547.0
	659.9	**8,698.2**

* Loans have been granted for the purpose of their business.

NOTE: 16 OTHER FINANCIAL ASSETS (CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Interest accrued (unsecured, considered good)	353.6	258.3
Security deposits (unsecured, considered good)	38.2	32.3
Other receivables	1,800.7	1,762.9
Less: Allowance for doubtful balance*	(1,540.0)	(1,540.0)
	260.7	**222.9**
Refund due from government authorities	1,772.6	2,931.5
Derivatives not designated as hedges	176.9	652.4
Derivatives designated as hedges	-	0.1
	2,602.0	**4,097.5**

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

NOTE: 17 OTHER ASSETS (CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Export incentives receivable	84.5	84.9
Prepaid expenses	1,765.8	1,685.6
Advances for supply of goods and services		
Considered good	3,511.6	2,654.6
Considered doubtful	815.5	824.6
Less: Allowance for doubtful	(815.5)	(824.6)
	3,511.6	**2,654.6**
Balances with government authorities*	8,788.4	4,838.5
Other assets	320.3	280.5
	14,470.6	**9,544.1**

* includes balances of goods and service tax

NOTE: 18 EQUITY SHARE CAPITAL

	As at March 31, 2026		As at March 31, 2025	
	Number of shares	₹ in Million	Number of shares	₹ in Million
Authorised				
Equity shares of ₹ 1 each [refer note (iii) below]	6,169,700,000	6,169.7	5,990,000,000	5,990.0
Cumulative preference shares of ₹ 100 each	100,000	10.0	100,000	10.0
		6,179.7		**6,000.0**
Issued, subscribed and fully paid up				
Equity Shares of ₹ 1 each	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**

	Year ended March 31, 2026		Year ended March 31, 2025	
	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, 2026		As at March 31, 2025	
	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, 2026

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

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 year represents the sale of 15,000 shares by Kumud S. Shanghvi.

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

NOTE: 19 OTHER EQUITY

₹ in Million

	As at March 31, 2026	As at March 31, 2025
A) Reserve and surplus		
Capital reserve	22,261.0	22,261.0
Securities premium	11,874.1	11,874.1
Amalgamation reserve	43.8	43.8
Capital redemption reserve	7.5	7.5
General reserve [Refer Note 54 (11)]	-	51,435.0
Retained earnings	167,782.9	129,480.1
	201,969.3	**215,101.5**
B) Items of other comprehensive income (OCI)		
Equity instrument through OCI	(27.1)	(6.3)
Foreign currency translation reserve	21,543.5	21,543.5
Effective portion of cash flow hedges	(2,177.4)	(35.1)
	19,339.0	**21,502.1**
	221,308.3	**236,603.6**

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

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

Nature and purpose of each reserve

Capital reserve - During amalgamation / merger / acquisition, the excess of net assets taken, over the consideration paid, if any, is treated as capital reserve.

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, Add/less any transfers to/ from general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

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: 20 BORROWINGS (NON-CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Loans from related party (Unsecured) (Refer Note 48 and 49)	134,199.9	8,091.1
	134,199.9	**8,091.1**

NOTE: 21 OTHER FINANCIAL LIABILITIES (NON-CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Interest accrued (Refer Note 49)	19.6	1,781.5
	19.6	**1,781.5**

NOTE: 22 OTHER LIABILITIES (NON-CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Deferred revenue (Refer Note 53)	3,480.4	3,767.4
	3,480.4	**3,767.4**

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

NOTE: 23 PROVISIONS (NON-CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Employee benefits	2,501.6	2,449.5
	2,501.6	**2,449.5**

NOTE: 24 BORROWINGS (CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Loans from related party (Refer Note 48 and 49)		
Loans repayable on demand (Unsecured)	-	109,544.7
	-	**109,544.7**

NOTE: 25 OTHER FINANCIAL LIABILITIES (CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Interest accrued	-	18,423.1
Unpaid dividends	179.8	149.1
Security deposits	24.9	25.6
Payables on purchase of property, plant and equipment and other intangible assets	392.2	556.1
Product settlement, claims and trade commitments	2,661.7	3,116.4
Payables to employee	2,898.0	2,384.4
Derivatives not designated as hedge	1,975.1	17.9
Derivatives designated as hedge	2,933.0	70.3
	11,064.7	**24,742.9**

NOTE: 26 OTHER LIABILITIES (CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Statutory remittances	3,526.3	4,393.3
Advance from customers (Refer Note 53)	1,734.2	133.3
Deferred revenue (Refer Note 53)	1,583.5	1,095.9
Other advance received	158.4	14.4
	7,002.4	**5,636.9**

NOTE: 27 PROVISIONS (CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Employee benefits	4,672.4	2,251.1
Others [Refer Note 51]	2,844.9	2,816.7
	7,517.3	**5,067.8**

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

NOTE: 28 CURRENT TAX LIABILITIES (NET)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Provision for income tax (net of advance income tax)	3,920.4	2,169.8
Net of advances ₹ 36,893.6 Million [March 31, 2025: ₹ 26,157.1 Million]		
	3,920.4	**2,169.8**

NOTE: 29 REVENUE FROM OPERATIONS

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from contracts with customers (Refer Note 53)	2,06,090.2	2,25,984.0
Other operating revenues*	1,456.2	3,790.0
	2,07,546.4	**2,29,774.0**

* includes government grants of ₹ 1,193.7 Million (March 31, 2025: ₹ 3,379.9 Million)

NOTE: 30 OTHER INCOME

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Interest income on:		
Bank deposits at amortised cost	274.0	118.6
Loans at amortised cost	2,022.2	2,507.6
Others [includes interest on income tax refund of ₹ 1,021.1 Million (March 31, 2025: ₹ 575.6 Million)]	1,033.6	680.9
	3,329.8	**3,307.1**
Net gain on sale of financial assets measured at fair value through profit or loss	25.6	25.9
Profit on sale / write off of property, plant and equipment and intangible assets, net	-	79.7
Sundry balances written back, net	2.8	27.5
Gain on derecognition of Right-of-use assets	-	7.0
Insurance claims	116.0	38.2
Lease rental and hire charges	65.0	69.3
Miscellaneous income [includes refund of withholding tax ₹ 571.4 Million (March 31, 2025: ₹ Nil)]	654.1	236.7
	4,193.3	**3,791.4**

NOTE: 31 COST OF MATERIALS CONSUMED

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Raw materials and packing materials		
Inventories at the beginning of the year	17,197.2	14,133.1
Purchases during the year	44,647.7	47,232.0
Inventories at the end of the year	(18,012.2)	(17,197.2)
	43,832.7	**44,167.9**

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

NOTE: 32 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Inventories at the beginning of the year		
Finished goods	8,908.8	8,037.4
Stock-in-trade	653.3	658.5
Work-in-progress	11,364.7	11,679.5
	20,926.8	**20,375.4**
Less:		
Inventories at the end of the year		
Finished goods	11,689.5	8,908.8
Stock-in-trade	771.8	653.3
Work-in-progress	11,523.8	11,364.7
	23,985.1	**20,926.8**
Changes in inventories:		
Finished goods	(2,780.7)	(871.4)
Stock-in-trade	(118.5)	5.2
Work-in-progress	(159.1)	314.8
	(3,058.3)	**(551.4)**

NOTE: 33 EMPLOYEE BENEFITS EXPENSE

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	26,404.2	24,533.9
Contribution to provident and other funds*	2,026.5	1,704.4
Staff welfare expenses	682.3	674.8
	29,113.0	**26,913.1**

* includes gratuity expense of ₹ 727.9 Million (March 31, 2025: ₹ 544.4 Million)

NOTE: 34 FINANCE COSTS

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Interest expense for financial liabilities carried at amortised cost	8,923.5	9,110.3
Interest expense others (includes interest on income tax and lease liability)	554.9	428.6
	9,478.4	**9,538.9**

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

NOTE: 35 OTHER EXPENSES

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Consumption of materials, stores and spare parts	5,527.8	5,541.3
Conversion and other manufacturing charges	3,695.3	3,327.0
Power and fuel	4,887.1	4,634.0
Rent	91.8	83.9
Rates and taxes	4,018.0	3,264.4
Insurance	1,100.9	1,037.2
Selling, promotion and distribution	21,284.0	27,666.5
Commission on sales	138.6	254.6
Repairs and maintenance	5,120.5	4,326.2
Printing and stationery	658.7	611.0
Travelling and conveyance	3,122.9	2,707.8
Freight outward and handling charges	3,297.2	3,578.6
Communication	354.3	343.3
Provision / write off / (reversal) for doubtful trade receivables / advances / other receivables	(366.5)	2,357.0
Professional, legal and consultancy	17,212.3	15,903.9
Provision for impairment of investment	125.0	370.1
Donations	53.0	305.8
Loss on sale / write off of property, plant and equipment and intangible assets, net	97.3	-
Sitting fees to Directors	11.7	12.6
Commission to Directors	30.3	20.4
Payments to auditor (net of input credit, wherever applicable)		
For audit	48.5	41.1
For other services	0.7	3.9
Reimbursement of expenses	6.6	11.6
Impairment of property, plant and equipment, other intangible assets and intangible assets under development	160.3	69.9
Miscellaneous expenses	4,831.6	3,351.9
	75,507.9	**79,824.0**

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

NOTE: 36 RESEARCH AND DEVELOPMENT EXPENDITURE INCLUDED IN THE STATEMENT OF PROFIT AND LOSS

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	4,884.5	4,608.0
Contribution to provident and other funds	287.3	334.8
Staff welfare expenses	36.9	35.0
Consumption of materials, stores and spare parts	3,453.3	3,451.9
Power and fuel	268.3	311.1
Rent	42.3	41.6
Rates and taxes	717.6	434.3
Insurance	88.3	93.4
Repairs and maintenance	657.6	632.3
Printing and stationery	15.5	16.7
Travelling and conveyance	143.5	144.8
Communication	31.2	26.8
Professional, legal and consultancy	10,798.0	8,597.2
Miscellaneous expenses	210.7	498.3
	21,635.0	**19,226.2**
Less:		
Receipts from research activities	799.3	976.6
Miscellaneous income	18.1	17.9
	20,817.6	**18,231.7**

NOTE: 37 TAX RECONCILIATION

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Reconciliation of tax expense		
Profit before tax	37,941.2	49,762.1
Income tax rate (%) applicable to the Company#	34.944%	34.944%
Income tax calculated at income tax rate	13,258.2	17,388.9
Effect of expenses that are not deductible	246.2	385.9
Effect of deferred tax liability reversal on account of rate change [Refer note 54 (20)]	(550.0)	-
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	-	(10,242.6)
Effect of reversal/creation of Minimum Alternate Tax (MAT) credit entitlement [Refer note 54 (11)]	(1,401.9)	-
Others	154.5	(50.9)
Income tax expense recognised in statement of profit and loss	11,707.0	7,481.3
Effective tax rate	30.86%	15.03%

The tax rate used for reconciliation above is the corporate tax rate of 34.944% (March 31, 2025: 34.944%) at which the Company is liable to pay tax on taxable income under the Indian Tax Law.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

NOTE: 38 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

₹ in Million

		As at March 31, 2026	As at March 31, 2025
i	**Contingent liabilities**		
a	Claims against the Company not acknowledged as debts	443.6	407.6
b	Liabilities disputed - appeals filed with respect to:		
	Income tax on account of disallowances / additions (Company appeals) *	5,608.5	13,457.5
	Sales tax on account of rebate / classification	63.2	84.5
	Goods and service tax / Excise duty / service tax on account of valuation / cenvat credit / custom duty	526.2	438.3
	ESIC contribution on account of applicability	5.3	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.	76.7	76.3
	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 parent company and certain of its subsidiaries were named as defendants in a number of putative class action lawsuits and individual actions brought by purchasers and payors in the U.S. alleging that the subsidiaries violated antitrust laws in connection with a 2008 patent litigation settlement agreement with Pfizer concerning generic Lipitor (Atorvastatin). The cases have been transferred to the U.S. District Court for the District of New Jersey for coordinated pre-trial proceedings. Discovery commenced in January 2020 but was stayed in March 2020 pending mediation. Pursuant to the mediator's order of June 03, 2021, mediation briefing and oral argument on certain issues were completed in March 2022. Limited discovery as to certain issues resumed in July 2022. Briefing for class certification and summary judgement motions were completed in 2023. In late-November 2023, the court held argument on defendants' summary judgement motion and plaintiffs' class certification motions. On June 06, 2024, the Court granted Ranbaxy's motion for summary judgment and denied both EPPs' and DPPs' motions for class certification. Plaintiffs appealed the grant of summary judgment and the denial of both class certification motions to the Third Circuit, and oral argument was heard on September 30, 2025. On October 03, 2025, DPPs moved for leave to file a post-argument brief; Ranbaxy opposed that motion on October 06, 2025; and DPPs filed a reply on October 07, 2025. On October 09, 2025, the Third Circuit denied DPPs' motion for leave to file a post-argument brief.

On February 03, 2025, an end payor plaintiff that opted out of Pfizer's and EPPs' settlement—filed a motion seeking trial and pretrial dates in the district court. Ranbaxy and Pfizer filed oppositions on February 18, 2025, and February 28, 2025, respectively, filed a reply on March 07, 2025, and Ranbaxy and Pfizer both filed sur-replies on March 14, 2025. On July 03, 2025, the end payor plaintiff filed a motion to supplement her pending motion to set pretrial and trial dates. Pfizer and Ranbaxy filed oppositions on July 21, 2025, and the end payor plaintiff filed a reply on July 28, 2025. On October 05, 2025, the end payor plaintiff filed a motion for a hearing on its motion to set a trial date or in the alternative to remand the case to California. Ranbaxy and Pfizer opposed the end payor plaintiff's motion for a hearing on its motion to set a trial date or in the alternative to remand the case to California on October 20, 2025. On October 23, 2025, the end payor plaintiff submitted a letter request for an in-person hearing on her motion to set a trial date or in the alternative to remand the case to California, which request was denied on October 24, 2025. On January 14, 2026, the end payor plaintiff filed another motion to schedule pretrial and trial dates or, in the alternative, to remand to the Northern District of California. Ranbaxy and Pfizer opposed the end payor plaintiff's motion on February 03, 2026, and the end payor plaintiff filed a reply on February 10, 2026. On April 09, 2026, the end payor plaintiff filed a renewed request for oral argument on her January 14, 2026 motion. Pfizer opposed the end payor plaintiff's renewed request for oral argument on April 28, 2026.

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

₹ in Million

		As at March 31, 2026	As at March 31, 2025
	Product Liability – Ranitidine / Zantac MDL: In June 2020, the parent company and certain of its subsidiaries were named as defendants in a complaint filed in the Zantac / Ranitidine Multi-District Litigation ("MDL") consolidated in the U.S. District Court for the Southern District of Florida. The lawsuits name over 100 defendants, including brand manufacturers, generic manufacturers, repackagers, distributors, and retailers, involving allegations of injury caused by nitrosamine impurities. On July 08, 2021, the court granted the generic Defendants' motion to dismiss with prejudice. That decision is on appeal. In addition to the federal court proceedings, the parent company and two of its affiliates were also named as defendants in state court actions pending California (actions previously pending in New York and Pennsylvania state court were voluntarily dismissed, and actions previously pending in Illinois state court were dismissed on the pleadings, as affirmed on appeal in one case. Finally, certain of the parent company's subsidiaries were named in various putative class actions pending in three Canadian provinces. The action pending in British Columbia is taking the lead and, in May 2023, the court in that action granted defendants' motion to strike and denied plaintiffs' motion for class certification. **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 behaviour, the NHS would have been able to buy cheaper generic alternatives of citalopram, rather than paying Lundbeck (another co-defendant) the full innovator price. At this stage it is also unclear how many claims will actually be made in practice in other countries. The Company believes, based on its internal assessment and that of its independent legal counsel, that it has favourable 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 ₹ 44,082.8 Million (March 31, 2025: ₹ 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] *	24,586.3	12,125.8
b	Uncalled liability on partly paid investments	0.5	0.5
c	Letters of credit for imports	358.5	486.0
	*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.		
iii	**Guarantees given by the bankers on behalf of the Company**	**2,712.6**	**1,351.7**

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

NOTE: 39 RESEARCH AND DEVELOPMENT EXPENDITURE

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Revenue, net (excluding depreciation) (Refer Note 36)	20,817.6	18,231.7
Capital	605.0	726.4

NOTE: 40 CATEGORIES OF FINANCIAL INSTRUMENTS

₹ in Million

	As at March 31, 2026		
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost
Financial assets			
Investments*			
Equity instruments	-	41.5	-
Equity instruments - unquoted	4.5	-	-
Loans to related parties	-	-	38,240.7
Loans to employees / others	-	-	170.2
Security deposits	-	-	507.7
Share application money pending allotment	-	-	31.6
Trade receivables	-	-	101,662.3
Cash and cash equivalents	-	-	4,178.4
Bank balances other than cash and cash equivalents	-	-	191.3
Interest accrued	-	-	353.6
Refund due from government authorities	-	-	1,772.6
Other receivables	-	-	260.7
Derivatives not designated as hedges	176.9	-	-
	181.4	**41.5**	**147,369.1**
Financial liabilities			
Borrowings	-	-	134,199.9
Interest accrued	-	-	19.6
Trade payables	-	-	35,334.1
Payables to employee	-	-	2,898.0
Unpaid dividends	-	-	179.8
Security deposits	-	-	24.9
Payables on purchase of property, plant and equipment and other intangible assets	-	-	392.2
Product settlement, claims, recall charges and trade commitments	-	-	2,661.7
Lease liabilities	-	-	1,847.4
Derivatives designated as hedges	-	2,933.0	-
Derivatives not designated as hedges	1,975.1	-	-
	1,975.1	**2,933.0**	**177,557.6**

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

₹ 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 / securities - quoted	-	69.3	-
Equity instruments / mutual funds - unquoted	5.5	-	-
Loans to related parties	-	-	35,162.2
Loans to employees / others	-	-	169.6
Security deposits	-	-	446.4
Share application money pending allotment	-	-	31.6
Trade receivables	-	-	117,015.4
Cash and cash equivalents	-	-	4,925.7
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**	**165,520.2**
Financial liabilities			
Borrowings	-	-	117,635.8
Interest accrued	-	-	20,204.6
Trade payables	-	-	34,695.3
Payables to employee	-	-	2,384.4
Unpaid dividends	-	-	149.1
Security deposits	-	-	25.6
Payables on purchase of property, plant and equipment and other intangible assets	-	-	556.1
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**	**180,602.2**

*Exclude investment in subsidiaries and associates ₹ 129,469.6 Million (March 31, 2025: ₹ 124,026.3 Million) measured at cost (Refer Note 6 (a) and 6 (b)).

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

NOTE: 41 FAIR VALUE HIERARCHY

₹ in Million

	As at March 31, 2026		
	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#	41.5	-	-
Investments in equity - unquoted	-	-	4.5
Derivatives not designated as hedges	-	176.9	-
	41.5	**176.9**	**4.5**
Financial liabilities			
Derivatives not designated as hedges	-	1,975.1	-
Derivatives designated as hedges	-	2,933.0	-
	-	**4,908.1**	**-**

₹ 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**	**-**

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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

Reconciliation of Level 3 fair value measurements

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Unlisted shares valued at fair value		
Balance at the beginning of the year	5.5	5.5
Taken over on Merger	*0.00	-
Sold during the year	(1.1)	-
Balance at the end of the year	4.5	5.5

* ₹ 19,171

NOTE: 42 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.

(i) Debt equity ratio

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Debt (includes borrowings and lease liabilities)	136,047.3	119,470.7
Total equity, including reserves	223,707.6	239,002.9
Debt to total equity ratio	0.61	0.50

(ii) Dividend on equity shares paid during the year

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Dividend on equity shares		
Final dividend for the year ended March 31, 2025 of ₹ 5.50 (year ended March 31, 2024: ₹ 5.0) per fully paid share	13,196.3	11,996.7
Interim dividend for the year ended March 31, 2026 of ₹ 11.0 (year ended March 31, 2025: ₹ 10.5) per fully paid share	26,142.7	24,143.0

Dividend is net of waiver, wherever applicable.

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

1 The Board of Directors at it's meeting held on May 22, 2026 has recommended payment of final dividend of ₹ 5.00 per share of face value of ₹ 1 each for the year ended March 31, 2026. The same amounts to ₹ 11,996.7 Million.

2 This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting and hence not recognised as liability.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

NOTE: 43 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 counter-parties, 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.

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, 2026
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	59,509.5	34,850.2	4,662.8	2,319.7	106.5	213.6	101,662.3
Undisputed Trade Receivables – credit impaired	35.1	35.8	9.3	17.8	1.0	1,369.2	1,468.2
Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	58.7	58.7
	59,544.6	**34,886.0**	**4,672.1**	**2,337.5**	**107.5**	**1,641.5**	**103,189.2**

₹ 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	88,212.1	19,166.7	4,400.8	4,641.9	292.9	301.0	117,015.4
Undisputed Trade Receivables – credit impaired	30.3	72.3	41.4	18.8	403.4	1,288.5	1,854.7
Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-		58.7	58.7
	88,242.4	**19,239.0**	**4,442.2**	**4,660.7**	**696.3**	**1,648.2**	**118,928.8**

Footnote

Trade receivables from parties are non-interest bearing and are generally on terms of 10 to 270 days.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Movement in the expected credit loss allowance on trade receivables		
Balance at the beginning of the year	1,913.4	681.7
Taken over on merger	-	21.4
Addition	32.7	1,355.1
Recoveries / write-offs	(419.2)	(144.8)
Balance at the end of the year	**1,526.9**	**1,913.4**

Other than trade receivables, the Company has recognised an allowance of ₹ 15.3 Million (March 31, 2025: ₹ 15.3 Million) against past due loans/advance including interest and ₹ 1,540.0 Million (March 31, 2025: ₹ 1,540.0 Million) of other receivables based on assessment regarding its future recoverability.

Liquidity risk

Liquidity risk is the risk that the 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 ₹ 38,085.0 Million as on March 31, 2026 (March 31, 2025: ₹ 30,193.3 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, 2026
Non derivatives				
Borrowings	-	134,199.9	-	134,199.9
Trade payables	35,334.1	-	-	35,334.1
Lease liabilities	193.5	331.2	1,322.7	1,847.4
Other financial liabilities	6,156.6	19.6	-	6,176.2
Interest payout liabilities	10,065.0	20,102.4	-	30,167.4
	51,749.2	**1,54,653.1**	**1,322.7**	**2,07,725.0**
Derivatives	4,908.1	-	-	4,908.1
	4,908.1	**-**	**-**	**4,908.1**

₹ in Million

	Less than 1 year	1 - 3 years	More than 3 years	As at March 31, 2025
Non derivatives				
Borrowings	109,544.7	8,091.1	-	117,635.8
Trade payables	34,695.3	-	-	34,695.3
Lease liabilities	166.4	301.8	1,366.7	1,834.9
Other financial liabilities	24,654.7	1,781.5	-	26,436.2
Interest payout liabilities	8,800.2	605.2	-	9,405.4
	1,77,861.3	**10,779.6**	**1,366.7**	**1,90,007.6**
Derivatives	88.2	-	-	88.2
	88.2	**-**	**-**	**88.2**

Market risk

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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, 2026						
	US Dollar	Euro	Russian Rouble	South African Rand	Brazilian Real	Others	Total
Financial assets							
Trade receivables	63,952.2	9,701.4	6,672.4	960.0	8,558.6	3,758.9	93,603.5
Cash and cash equivalents	1,427.5	2,312.0	70.5	-	-	200.3	4,010.3
Loans to subsidiaries	37,740.0	-	-	-	-	-	37,740.0
Interest accrued	182.7	-	-	-	-	-	182.7
	103,302.4	**12,013.4**	**6,742.9**	**960.0**	**8,558.6**	**3,959.2**	**135,536.5**
Financial liabilities							
Trade payables	14,358.8	1,825.7	1,341.2	-	5.7	570.6	18,102.0
Payables on purchase of property, plant and equipment and other intangible assets	0.5	3.1	-	-	-	5.4	9.0
Product settlement, claims, recall charges and trade commitments	2,661.7	-	-	-	-	-	2,661.7
	17,021.0	**1,828.8**	**1,341.2**	**-**	**5.7**	**576.0**	**20,772.7**

₹ 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	14,080.6	2,430.1	1,261.3	-	4.7	754.7	18,531.4
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
	17,220.0	**2,457.6**	**1,261.3**	**-**	**4.7**	**772.5**	**21,716.1**

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

b) Sensitivity

For the years ended March 31, 2026 and March 31, 2025, 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 ₹ (5,738.2) Million and ₹ (6,202.2) 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 not representative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

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 ₹ 2,862.8 Million for the year ended March 31, 2026 and net loss of ₹ 180.1 Million for the year ended March 31, 2025 in other comprehensive income. The Company also recorded hedges as a component of revenue, loss of ₹ 1,478.2 Million for the year ended March 31, 2026 and loss of ₹ 108.3 Million for the year ended March 31, 2025 on occurrence of forecasted sale transaction.

Changes in the fair value of forward contracts and option contracts that economically hedge monetary assets and liabilities in foreign currencies, and for which no hedge accounting is applied, are recognised in the 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.

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

Amount in Million

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

Interest rate risk

As at March 31, 2026 and March 31, 2025, the Company has loan facilities on fixed interest rates. Hence the Company is not exposed to interest rate risk.

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

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, 2026, the Company had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

NOTE: 44

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, 2026	As at March 31, 2025
Principal amount remaining unpaid to any supplier as at the end of the accounting year	1,533.5	843.6

There is no Interest paid during the year (March 31, 2025: ₹ 0.01 Million towards principal paid amounting for March 31, 2025: ₹ 0.75 Million) to supplier registered under MSMED Act, beyond the appointed day during the year. Interest amounting to ₹ 0.04 Million (March 31, 2025: Nil) have been accrued during the year and remains unpaid at the end of current accounting year.

b) Trade payables ageing

₹ in Million

	Not due	Outstanding for following periods from due date of payment				As at March 31, 2026
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Outstanding dues of micro and small enterprises	1,320.6	-	-	-	-	1,320.6
Outstanding dues of other than micro and small enterprises	29,617.6	2,672.6	107.4	47.5	1,355.5	33,800.6
Disputed dues of micro and small enterprises	-	179.8	16.9	10.6	5.6	212.9
Disputed dues of other than micro and small enterprises	-	-	-	-	-	-
	30,938.2	**2,852.4**	**124.3**	**58.1**	**1,361.1**	**35,334.1**

₹ 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	737.3	-	-	-	-	737.3
Outstanding dues of other than micro and small enterprises	27,302.2	4,655.1	605.8	35.1	1,253.5	33,851.7
Disputed dues of micro and small enterprises	-	91.4	10.0	2.5	2.4	106.3
Disputed dues of other than micro and small enterprises	-	-	-	-	-	-
	28,039.5	**4,746.5**	**615.8**	**37.6**	**1,255.9**	**34,695.3**

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

NOTE: 45 EARNINGS PER SHARE

	Year ended March 31, 2026	Year ended March 31, 2025
Profit / (loss) for the year (₹ in Million) - used as numerator for calculating earnings per share	26,234.2	42,280.8
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 ₹)	10.9	17.6
Diluted earnings per share (in ₹)	10.9	17.6

NOTE: 46

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 ₹ 1251.2 Million (March 31, 2025: ₹ 1,149.4 Million).

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Contribution to Provident Fund and Family Pension Fund	1,155.1	1,036.3
Contribution to Superannuation Fund	66.3	71.9
Contribution to ESIC and Employees Deposit Linked Insurance (EDLI)	28.2	39.7
Contribution to Labour Welfare Fund	1.6	1.5

Defined benefit plan

a) Gratuity

In accordance with Indian Law, the Company operate a scheme of gratuity which is a defined benefit plan. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment in accordance with the provisions under the Code on Social Security, 2020 or as per the Company Scheme, as applicable. Vesting occurs upon completion of contractual period of continuous years of service as defined in the Code on Social Security, 2020. The Company manage the plan by contributing to LIC's Recognised Group Gratuity Fund Scheme. Provision for gratuity is based on actuarial valuation done by an independent actuary as at the year end. Each year, the Company review the level of funding in gratuity fund. The company decide its contribution based on the results of its annual review. The company 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 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.

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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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 including impact on account of new labour code amounting to ₹ 1,066.8 Million [March 31, 2025: ₹ 550.9 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.

₹ in Million

	Year ended March 31, 2026			Year ended March 31, 2025		
	Covid-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)	Covid-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)
Expense recognised in the statement of profit and loss (Refer Note 33)						
Current service cost	-	-	590.5	-	-	459.9
Interest cost	4.0	70.3	419.0	4.4	73.5	366.0
Expected return on plan assets	-	-	(281.6)	-	-	(281.5)
Past service cost	-	-	1,947.4	-	-	-
Curtailments*	-	(490.4)	-	-	-	-
Expense charged to the statement of profit and loss	4.0	(420.1)	2,675.3	4.4	73.5	544.4
Remeasurement of defined benefit obligation recognised in other comprehensive income						
Actuarial loss / (gain) on defined benefit obligation	(8.0)	171.6	(149.3)	(4.7)	15.0	266.0
Actuarial loss / (gain) on plan assets	-	-	22.3	-	-	(87.0)
Expense/(income) charged to other comprehensive income	(8.0)	171.6	(127.0)	(4.7)	15.0	179.0
Reconciliation of defined benefit obligations						
Obligation as at the beginning of the year	60.2	1,058.4	5,735.8	62.5	1,028.5	5,021.7
Taken over on merger	-	-	-	-	-	101.2
Current service cost	-	-	590.5	-	-	459.9
Interest cost	4.0	70.3	419.0	4.4	73.5	366.0
Past service cost	-	-	1,947.4	-	-	-
Curtailments*	-	(490.4)	-	-	-	-
Benefits paid	(2.3)	(62.6)	(438.4)	(2.0)	(58.6)	(479.0)
Actuarial (gains)/losses on obligations						
- due to change in demographic assumptions	-	-	(5.5)	-	-	112.7
- due to change in financial assumptions	(0.6)	(10.1)	(160.4)	1.7	39.6	169.8
- due to experience	(7.4)	181.7	16.6	(6.4)	(24.6)	(16.5)
Obligation as at the year end	53.9	747.3	8,105.0	60.2	1,058.4	5,735.8

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

₹ in Million

	As at March 31, 2026 Gratuity (Funded)	As at March 31, 2025 Gratuity (Funded)
Reconciliation of liability recognised in the financial statement		
Present value of commitments (as per Actuarial Valuation)	8,105.0	5,735.8
Fair value of plan assets	(4,587.1)	(4,345.2)
Net liability recognised in the financial statement	**3,517.9**	**1,390.6**

₹ in Million

	Year ended March 31, 2026 Gratuity (Funded)	Year ended March 31, 2025 Gratuity (Funded)
Reconciliation of plan assets		
Plan assets as at the beginning of the year	4,345.2	3,873.0
Taken over on merger	-	67.3
Expected return	281.6	281.5
Actuarial gain/ (loss)	(22.3)	87.0
Employer's contribution during the year	421.0	515.4
Benefits paid	(438.4)	(479.0)
Plan assets as at the year end	**4,587.1**	**4,345.2**

	As at March 31, 2026			As at March 31, 2025		
	Covid-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)	Covid-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)
Assumptions:						
Discount rate	6.90%	6.90%	6.90%	6.70%	6.65%	6.60%
Expected return on plan assets	N.A.	N.A.	6.60%	N.A.	N.A.	6.60%
Expected rate of salary increase	N.A.	N.A.	10.54%-11.20%	N.A.	N.A.	10.54%-11.20%
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.	11.30% - 12.20%
Retirement Age (years)	N.A.	N.A.	60	N.A.	N.A.	60

₹ in Million

	As at March 31, 2026			As at March 31, 2025		
	Covid-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)	Covid-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)
Sensitivity analysis:						
The sensitivity analysis have been determined based on method that extrapolates the impact on defined benefit obligation as a reasonable change in key assumptions occuring at the end of the reporting period						
Impact on defined benefit obligation						
Delta effect of +1% change in discount rate	(2.7)	(29.5)	(472.7)	(3.2)	(65.3)	(341.7)
Delta effect of -1% change in discount rate	3.0	29.1	531.4	3.6	69.6	385.6
Delta effect of +1% change in salary escalation rate	-	-	507.3	-	-	366.9
Delta effect of -1% change in salary escalation rate	-	-	(461.3)	-	-	(332.6)
Delta effect of +1% change in rate of employee turnover	-	-	(96.2)	-	-	(75.7)
Delta effect of -1% change in rate of employee turnover	-	-	106.5	-	-	84.2

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

₹ in Million

	As at March 31, 2026			As at March 31, 2025		
	Covid-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)	Covid-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)
Maturity analysis of projected benefit obligation for next						
1st year	4.5	216.5	1,518.9	4.6	157.8	1,071.4
2nd year	4.9	69.9	998.0	5.6	97.2	676.9
3rd year	5.6	67.6	961.1	5.2	95.0	656.2
4th year	4.6	65.1	883.2	5.9	92.7	629.7
5th year	5.3	62.4	862.6	4.9	90.2	572.6
Thereafter	50.7	728.1	8,445.4	59.4	1,563.3	5,956.3
The major categories of plan assets are as under						
Insurer managed funds (Funded with LIC, break-up not available)	-	-	4,587.1	-	-	4,345.2

The contribution expected to be made by the Company for gratuity, during financial year ending March 31, 2027 is ₹ 4204.6 Million (March 31, 2026: ₹ 1,885.9 Million)

NOTE: 47 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, 2026 is ₹ 46.13 Million (March 31, 2025: ₹ 44.65 Million).

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Lease liabilities - Maturity analysis - contractual undiscounted cashflows		
Not later than one year	345.4	314.8
Later than one year and not later than five years	1,009.8	965.1
Later than five years	2,177.3	2,299.3
	3,532.5	**3,579.2**

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Movement of lease liabilities		
Opening balance	1,834.9	1,803.0
Additions	192.1	183.8
Interest on lease liabilities	163.3	155.4
Deletions	-	(4.4)
Payment towards lease liabilities	(342.9)	(302.9)
Closing balance	**1,847.4**	**1,834.9**

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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

NOTE: 48 BORROWINGS

Details of long term borrowings

(I) Unsecured loan from related party of ₹ 134,199.9 Million (March 31, 2025: ₹ 117,635.8 Million). The loan was renewed on March 30, 2026 and are repayable by March 30, 2029. The interest rate is 7.5 % p.a.

NOTE: 49 RELATED PARTY DISCLOSURES (IND AS 24) AS PER ANNEXURE "A"

NOTE: 50 LOANS / ADVANCES GIVEN TO SUBSIDIARIES

	As at March 31, 2026			Maximum balance
	Maturity date	Rate of interest	Closing balance	2025-26
Loans / advances outstanding from subsidiaries				
Realstone Infra Limited, India	March 24, 2027	7.5%	500.7	500.7
Sun Pharmaceutical Inc. USA	January 15, 2029	SOFR 3 months + 135 bps	9,435.0	9,435.0
Sun Pharmaceutical Inc. USA	February 09, 2029	SOFR 3 months + 135 bps	28,305.0	28,305.0
Neetnav Realestate Private Limited	March 14, 2028	7.5%	-	578.8

These loans have been granted to the above entities for the purpose of their business.

	As at March 31, 2025			Maximum balance
	Maturity date	Rate of interest	Closing balance	2024-25
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.

NOTE: 51

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, 2026*	Year ended March 31, 2025*
At the commencement of the year	2,816.7	4,135.8
Add: Provision for the year	1,447.6	1,381.0
Less: Utilisation / settlement / reversal / actualized.	(1,419.4)	(2,700.1)
At the end of the year	2,844.9	2,816.7

(*) includes provision for trade commitments, discounts, rebates, price reduction and product returns.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

NOTE: 52 USE OF ESTIMATES, JUDGMENTS 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 38]

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: 53 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company has recorded an additional amount of ₹ 870.7 Million (March 31, 2025: ₹ 285.2 Million) as deferred revenue pursuant to the requirements of Ind AS 115. Revenue of ₹ 632.6 Million (March 31,2025: ₹ 507.6 Million) has been recognised as Revenue from contract with customer pursuant to completion of performance obligation in respect of the above contracts. Further, deferred revenue amounting to ₹ 37.5 million has been reversed during the year due to cancellation of agreement.

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

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Revenue as per contracted price, net of returns	218,119.3	219,930.4
Add / (Less):		
Provision for sales return	(28.2)	303.0
Rebates, discounts, price reduction and others	(12,000.9)	5,750.6
	(12,029.1)	**6,053.6**
Revenue from contract with customers	**206,090.2**	**225,984.0**

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Disaggregation of revenue		
Sale of products	191,758.1	215,290.2
Sale of service / others	14,332.1	10,693.8
	206,090.2	**225,984.0**

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Contract balances		
Trade receivables	101,662.3	117,015.4
Contract liabilities	6,798.1	4,996.6

Contract balances of Trade receivables and Contract liabilities as on April 01. 2024 were ₹ 88,353.1 Million and ₹ 5,278.2 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 ₹ 100.2 Million (March 31, 2025 ₹ 148.6 Million) from the amounts included under advance received from customers at the beginning of the year.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

NOTE: 54

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 of ₹ 5,463.4 Million and Exceptional tax expense of ₹ 1,656.2 Million for year ended March 31, 2026 includes:

a) Discontinuation of development work of SCD-044, and includes, (i) Impairment of acquired intangible asset under development of ₹ 1,514.9 Million and (ii) Other costs of ₹ 1,361.5 Million (included in research and development expenses). Exceptional tax credit on this charge is ₹ 1,005.1 Million.

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

The Company has assessed the implications of the New Labour Codes and has recognized an incremental cost of ₹ 2,587.0 Million and related tax credit of ₹ 651.1 Million.

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

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

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

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

7 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.

8 Corporate social responsibility (CSR)

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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 2025-26 covered CSR activities in the areas - Healthcare; Education; Environment Conservation; Drinking Water Project; Disaster Relief and Rural Development Programme.

₹ in Million

		As at March 31, 2026	As at March 31, 2025
(a)	Amount required to be spent by the Company during the year	951.8	578.7
(b)	Amount of expenditure incurred	980.8	508.3
(c)	Set-off of excess spent of previous years, if any	-	0.9
(d)	Shortfall / (surplus) at the end of the year	(29.0)	69.5
(e)	Total of previous years shortfall	-	-
(f)	Reason for shortfall	N.A.	Refer footnote *
(g)	Details of related party transactions (as per Ind AS 24)#	445.6	235.9
(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.

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 31 March 2025. It was 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. Further, there are no instance of audit trail feature being tampered with. Additionally, the audit trail of relevant prior years has been preserved by the Company in accordance with statutory record retention requirements to the extent it was enabled and recorded in those respective years, except that for two applications where the audit trail relating to direct changes made using privileged/administrative access rights has not been preserved for the period May 2024 to November 2024.

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

On October 7, 2025, the National Company Law Tribunal approved the above scheme. As a result, the impact of the scheme for merger of Sun Pharmaceutical Medicare Limited including the tax credit on losses of ₹ 1,401.9 Million has been taken in the standalone Ind AS financial statements in accordance with Ind AS 103 – Business Combinations. The financial statements for prior year has been restated to reflect the effects of the merger.

The other subsidiaries do not constitute a business under IND AS 103, and are accounted as an asset acquisition. The Company has acquired a net liability from the said subsidiaries amounting to ₹ 7.7 Million and thus the impact on the financial position of the Company is not material on account of these subsidiaries.

12 Ratios

Ratios and Formulae	Remarks	As at March 31, 2026	As at March 31, 2025	Variance (in %)
a) Current ratio = Current assets / Current liabilities	Change due to decrease in current liabilities on account of classification of borrowing as non current during the year.	2.56	1.03	148.5%
b) Debt equity ratio = (Long-term borrowings + Short-term borrowings and lease liabilities) / Total equity		0.61	0.50	22.0%
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 classification of loans taken as non-current loans during the year.	5.44	0.54	907.4%
d) Return on equity ratio (%) = Net profit/(loss) after tax / Equity share capital	Change due to decrease in net profit after tax	1093.41%	1762.20%	(38.0%)
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		1.37	1.58	(13.3%)
f) Trade receivables turnover ratio in no. of days = (Average trade receivables * no. of days) / Revenue from contracts with customers		194	166	16.9%
g) Trade payable turnover ratio in no. of days = (Average trade payable * no. of days) / Purchases during the year		218	184	18.5%
h) Net capital turnover ratio = Revenue from contracts with customers / (Current assets - Current liabilities)	Change due to decrease in revenue and decrease in current liabilities on account of classification of borrowing to non-current during the year.	2.03	39.03	(94.8%)
i) Net profit ratio (%) = Net profit/(loss) after tax / Total revenue from operations	Change due to decrease in profit in current year	12.64%	18.40%	(31.3%)
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 decrease in net profit	7.89%	12.88%	(38.7%)
k) Return on investment (%) = Income generated from FVTPL Investment / Weighted average FVTPL investment		5.89%	7.27%	(19.0%)

Footnote

Current assets and current liabilities are excluding held for sale assets and liabilities.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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.

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

The Company has remeasured its deferred tax assets and liabilities at the new applicable rate as at March 31, 2026, in accordance with Ind AS 12, 'Income Taxes'. This has resulted in a net credit to tax expense of ₹ 550.0 Million for the year ended March 31, 2026.

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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

23 Details of property not in the name of the Company as at March 31, 2026

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	0.1	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.
Building	4.1	Various	No	08-Sep-17	
Freehold Land	404.0	Sun Pharmaceutical Medicare Limited	No	01-Apr-23	
Building	1,169.1	Sun Pharmaceutical Medicare Limited	No	01-Apr-23	
Building	89.9	Sun Pharma Global FZE	No	01-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, 2026
Ageing of Capital work-in-progress					
Projects in progress	4,491.5	308.1	166.4	1,555.6	6,521.6
Projects temporarily suspended	-	-	-	-	-
	4,491.5	**308.1**	**166.4**	**1,555.6**	**6,521.6**

₹ 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	3,634.0	1,636.0	318.2	1,324.1	6,912.3
Projects temporarily suspended	-	5.4	-	165.9	171.3
	3,634.0	**1,641.4**	**318.2**	**1,490.0**	**7,083.6**

₹ in Million

	To be completed in				As at March 31, 2026
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Overdue Capital work-in-progress					
Projects in progress					
Domestic formulation	1,345.5	-	-	-	1,345.5
Active Pharmaceutical Ingredient	557.4	-	-	-	557.4
Others	82.7	-	-	-	82.7
Projects temporarily suspended	-	-	-	-	-
	1,985.6	**-**	**-**	**-**	**1,985.6**

₹ 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	2,863.0	-	-	-	2,863.0
Active Pharmaceutical Ingredient	598.7	-	-	-	598.7
Others	90.7	-	-	-	90.7
Projects temporarily suspended	-	-	171.3	-	171.3
	3,552.4	**-**	**171.3**	**-**	**3,723.7**

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

₹ in Million

	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2026
Ageing of Intangible assets under development					
Projects in progress	787.5	71.7	92.9	1,520.2	2,472.3
Projects temporarily suspended	-	-	-	-	-
	787.5	**71.7**	**92.9**	**1,520.2**	**2,472.3**

₹ 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

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

₹ 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**

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 3 shareholders holding 5,505 shares (March 31, 2025 - 35 shareholders holding 27,037 shares).

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, 2026

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

DILIP S. SHANGHVI
Executive Chairman
(DIN: 00005588)

KIRTI GANORKAR
Managing Director
(DIN: 10620142)

ANOOP DESHPANDE
Company Secretary and Compliance Officer

JAYASHREE SATAGOPAN
Chief Financial Officer
Mumbai, May 22, 2026

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

ANNEXURE "A"

Ind AS- 24 - "RELATED PARTY DISCLOSURES"

(I) Names of related parties and description of relationships

a **Subsidiaries**

Green Eco Development Centre Limited (Refer Footnote 9)	Ranbaxy Farmaceutica Ltda.
Sun Pharmaceutical (Bangladesh) Limited	Sun Pharma Canada Inc. (Refer Footnote 3)
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 (Refer Footnote 9)	SC Terapia SA
Neetnav Real Estate Private Limited	AO Ranbaxy
Realstone Multitrade Private Limited (Refer Footnote 9)	Ranbaxy South Africa (Pty) Ltd
Skisen Labs Private Limited (Refer Footnote 9)	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 (Refer Footnote 9)
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 Pharma Philippines, Inc.	Sun Pharma Distributors Limited
Caraco Pharmaceuticals Private Limited	Realstone Infra Limited
Sun Pharma Japan Ltd.	Sun Pharmaceuticals (EZ) Limited
Sun Laboratories FZE	Sun Pharma (Shanghai) Limited
Taro Pharmaceutical Industries Ltd. (TARO) (Refer Footnote 4)	Sun Pharma Japan Technical Operations Limited (Refer Footnote 8)

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

ANNEXURE "A"

Ind AS- 24 - "RELATED PARTY DISCLOSURES"

(I) Names of related parties and description of relationships

a **Subsidiaries**

Taro Pharmaceuticals Inc. (Name changed to Sun Pharma Canada Inc. w.e.f April 01, 2025)	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. (Refer Footnote 10)	The Proactiv Company KK
Taro International Ltd.	Alchemee Skincare Corporation (Formerly known as The Proactiv Company Corporation)
3 Skyline LLC	Concert Pharma Ireland Limited
One Commerce Drive LLC	Sun Pharma New Milford Parent LLC
2 Independence Way LLC	Sun Pharma Housatonic LLC
Universal Enterprises Private Limited	Sun Pharma Housatonic II LLC
Sun Pharma Switzerland Limited	Sun Pharma Housatonic III LLC
Sun Pharma East Africa Limited	Sun Pharma Middle East FZE LLC
PI Real Estate Ventures, LLC	Libra Merger Ltd (Refer Footnote 7)
Sun Pharma ANZ Pty Ltd	Taro Pharma Corporation, Inc.
Checkpoint Therapeutics, Inc. (Refer Footnote 1)	Vivaldis Health and Foods Private Limited
	Snoopy Merger Sub Inc (Refer Footnote 2 & 5)
	Antibe Therapeutics Inc (Refer Footnote 2 & 6)
	Sun Pharma Science Foundation
	Sun Pharma Community Health Care Society
	Sun Pharmaceuticals North Africa (Formerly known as Kemipharm S.A) (Refer Footnote 2)
	Sun Pharma Luxembourg S.A (Formerly known as Valstar S.A.) (Refer Footnote 2)
	Sun Pharma (Hainan) Company Ltd (Refer Footnote 1)

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

ANNEXURE "A"

Ind AS- 24 - " RELATED PARTY DISCLOSURES"

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

b	**Associate**	
	Dr. Py Institute LLC (merged with Medinstill LLC w.e.f November 30, 2024)	
	Medinstill Development 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	Executive Chairman (w.e.f September 01, 2025) (Chairman and Managing Director upto August 31, 2025) (Managing Director upto May 21, 2024)
	Sudhir Vrundavandas Valia	Non-Executive Director and Non-Independent Director (upto May 22, 2025)
	Aalok D. Shanghvi	Wholetime Director
	Vidhi Shanghvi	Wholetime Director (w.e.f. May 22, 2025)
	Kirti W Ganorkar	Managing Director (w.e.f September 01, 2025)
d	**Relatives of Key Management Personnel**	
	Vidhi Shanghvi (appointed as Wholetime Director w.e.f May 22, 2025)	
e	**Independent Directors**	
	Gautam Doshi	
	Pawan Kumar Goenka	
	Rama Bijapurkar (upto May 20, 2026)	
	Rolf Karl Heinz Hoffmann	
	Sanjay Khatau Asher (upto March 31, 2025)	
	Satyavati Berera (w.e.f May 08, 2026)	
	Dr. Andreas Busch (w.e.f May 12, 2026)	
f	**Others (Entities in which the KMP, Independent Directors and relatives of KMP have control or Significant influence)**	
	Sun Pharma Advanced Research Company Limited	
	Sun Petrochemicals Private Limited	
	Sidmak Laboratories (India) Private Limited	
	Alfa Infraprop Private Limited	
	Shantilal Shanghvi Foundation	
	Anshul Speciality Molecules Pvt Ltd	
	Navbio Ag	
	Airamatrix Private Limited	
	Crawford Bayley and Co. (upto March 31, 2025)	
	DNS Hospitals Pvt. Ltd	
	Navjivan Rasayan Guj Pvt Ltd	

Footnotes

1 Incorporated / Acquired during the year

2 Incorporated / Acquired during the previous year

3 With effect from April 01, 2025, Sun Pharma Canada Inc was merged with Taro Pharmaceutical Inc.

4 Holds voting power of 100% (beneficial ownership 100%)] [March 31, 2025 99.99% (beneficial ownership 99.99%)]

5 With effect from May 30, 2025, Snoopy Merger Sub, Inc. was merged with Checkpoint Therapeutics, Inc.

6 With effect from June 01, 2025, Antibe Therapeutics Inc. was amalgamated with Sun Pharma Canada 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

9 With effect from October 07, 2025, merged with Sun Pharmaceutical Industries Limited

10 With effect from August 18, 2025, Taro Pharmaceuticals Europe B.V. was merged with Sun Pharmaceutical Industries (Europe) B.V.

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

ANNEXURE "A"

Ind AS- 24 - " RELATED PARTY DISCLOSURES"

(II) Detail of related party transaction during the year ended March 31, 2026

₹ in Million

Type of Transaction	Year ended March 31, 2026	Year ended March 31, 2025
Purchase of goods	**9,567.6**	**8,758.4**
Subsidiaries	9,550.1	8,753.3
Associate	-	0.1
Others	17.5	5.0
Purchase of property, plant and equipment	**690.6**	**12.1**
Subsidiaries	690.6	0.8
Others	-	11.3
Revenue from contracts with customers, net of returns	**161,357.4**	**186,380.8**
Subsidiaries	161,342.7	186,264.5
Others	14.7	116.3
Sale of property, plant and equipment	**5.5**	**20.6**
Subsidiaries	5.5	20.0
Others	-	0.6
Other operating income /Other Income	**3.9**	**96.3**
Subsidiaries	-	83.8
Others	3.9	12.5
Receiving of service	**3,453.1**	**3,172.1**
Subsidiaries	3,029.6	2,626.2
Associates	2.6	0.7
Others	420.9	545.2
Reimbursement of expenses (paid)	**7,805.3**	**18,663.0**
Subsidiaries	7,779.2	18,633.8
Others	26.1	29.2
Rendering of service	**1,148.0**	**1,199.2**
Subsidiaries*	1,145.2	1,193.3
Others	2.8	5.9
Reimbursement of expenses (received)	**1,056.1**	**1,246.5**
Subsidiaries	1,013.4	1,203.7
Others	42.7	42.8
Loans given	**105.3**	**299.1**
Subsidiaries	105.3	299.1
Loans received back	**578.8**	**6,330.3**
Subsidiaries	578.8	6,330.3
Investments In Subsidiary	**5,450.5**	-
Subsidiaries	5,450.5	-

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

ANNEXURE "A"

Ind AS- 24 - " RELATED PARTY DISCLOSURES"

(II) Detail of related party transaction during the year ended March 31, 2026:

₹ in Million

Type of Transaction	Year ended March 31, 2026	Year ended March 31, 2025
Investment	**125.0**	**125.0**
Associate	125.0	125.0
Purchase of Intangible Assets	**-**	**137.4**
Others	-	137.4
Loan taken including portion of unpaid interest	**146,309.5**	**118,692.2**
Subsidiaries	146,309.5	118,692.2
Loan repaid	**129,745.4**	**119,507.6**
Subsidiaries	129,745.4	119,507.6
Interest income	**2,010.7**	**2,498.3**
Subsidiaries	2,010.7	2,498.3
Interest expense	**8,923.5**	**9,108.0**
Subsidiaries	8,923.5	9,108.0
Lease rental and hire charges (Income)	**63.9**	**52.3**
Subsidiaries	36.0	24.4
Others	27.9	27.9
Rent expense / Payment towards Lease Liabilities	**235.3**	**241.6**
Subsidiaries	235.3	241.6
CSR	**445.6**	**235.9**
Subsidiaries	45.6	35.9
Others	400.0	200.0
Remuneration / Compensation	**244.0**	**160.9**
Key management personnel(#)	244.0	142.9
Relatives of Key management personnel	-	18.0
Sitting Fees and Commission paid to Independent Directors	**40.1**	**30.9**

Note:
As disclosed in note 54 (11), the Company has acquired a net liability of INR 7.7 Million (March 31, 2025: Nil) from its wholly owned subsidiaries (Green Eco Development Centre Limited, Faststone Mercantile Company Private Limited, Realstone Multitrade Private Limited and Skisen Labs Private Limited) pursuant to approval by National Company Law Tribunal of the scheme for merger of the said entities on October 07, 2025. The said subsidiaries do not constitute a business under IND AS 103, and are accounted as an asset acquisition. The net liability acquired was charged to the statement of profit and loss.

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 commission amounting to ₹ 1.2 Million (March 31, 2025: Nil) for Corporate Guarantee and Financial SBLC given to Sun Pharma (Hainan) Company Ltd amounting to ₹ 1,629.2 Million (March 31, 2025: Nil).

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

ANNEXURE "A"

Ind AS- 24 - " RELATED PARTY DISCLOSURES"

Balance outstanding as at the end of the year

₹ in Million

Particulars	As at March 31, 2026	As at March 31, 2025
Receivables	**91,487.2**	**104,472.8**
Subsidiaries	91,463.2	104,472.8
Associate [March 31, 2026 ₹ 5,623 (March 31, 2025 ₹ 5,623)]	0.0	0.0
Others (March 31, 2025 ₹ 9,687)	24.0	0.0
Payable	**5,607.4**	**7,041.2**
Subsidiaries	5,568.8	6,941.5
Associates	1.0	0.2
Key Management Personnel	-	0.1
Independent Directors	0.1	1.0
Others	37.5	98.4
Loan taken	**134,199.9**	**117,635.8**
Subsidiaries	134,199.9	117,635.8
Loan given	**38,240.7**	**35,162.2**
Subsidiaries	38,240.7	35,162.2
Security Deposit given	**73.4**	**73.4**
Subsidiaries	73.4	73.4
Security Deposit Received	**0.1**	**0.1**
Subsidiaries	0.1	0.1
Other liabilities	**2,661.7**	**3,116.4**
Subsidiaries	2,661.7	3,116.4
Advance from customers	**1,332.2**	**1.1**
Subsidiaries	1,332.2	-
Others (March 31, 2026 - ₹ 17,245)	0.0	1.1
Advance to Suppliers	**4.4**	**67.4**
Subsidiaries	4.4	67.4
Accrued Interest income on loans and advances	**351.7**	**355.6**
Subsidiaries	351.7	355.6
Accrued Interest from borrowings	**19.6**	**20,204.6**
Subsidiaries	19.6	20,204.6
Corporate Guarantee and Financial SBLC	**1,629.2**	**-**
Subsidiaries	1,629.2	-
Lease liabilities	**1,386.8**	**1,498.0**
Subsidiaries	1,386.8	1,498.0

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, 2026, the Company has credit impairment of receivables relating to amounts owed by related parties(wholly owned subsidiaries) amounting to ₹ 863.57 Million (March 31, 2025: ₹ 1,139.40 Million).

b) Revenue from contracts with customers, net of returns

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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

ANNEXURE "A"

Ind AS- 24 - " RELATED PARTY DISCLOSURES"

Disclosure of Material related party transaction as per Company's policy

c) 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.

d) 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.

e) 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.

Disclosure of Material related party transaction as per Company's policy

₹ in Million

Type of Transaction	Year ended March 31, 2026	Year ended March 31, 2025
Revenue From Contracts With Customers, Net of Returns		
Sun Pharma Distributors Limited	47,000.8	46,860.5
Sun Pharmaceutical Industries, Inc.	34,665.5	66,700.7
Reimbursement Of Expenses - Paid		
Sun Pharmaceutical Industries, Inc.	3,447.4	11,985.7
Loan Taken Including Portion of Unpaid Interest		
Sun Pharma Laboratories Limited	146,309.5	118,692.2
Loan Repaid		
Sun Pharma Laboratories Limited	129,745.4	119,507.6

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

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

Basis for Opinion

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

Key Audit Matters

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

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

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

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

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

Other Information

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

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

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

Responsibilities of Management for the Consolidated Ind AS Financial Statements

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Other Matters

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

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

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

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

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

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

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

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

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

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

Opinion

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

Other Matters

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

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

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

Consolidated Balance Sheet

As at March 31, 2026

₹ in Million

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

Consolidated Balance Sheet

As at March 31, 2026

₹ in Million

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

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

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

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

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

DILIP S. SHANGHVI
Executive Chairman
(DIN: 00005588)

KIRTI GANORKAR
Managing Director
(DIN: 10620142)

ANOOP DESHPANDE
Company Secretary and Compliance Officer

JAYASHREE SATAGOPAN
Chief Financial Officer
Mumbai, May 22, 2026

Consolidated Statement of Profit and Loss

for the year ended March 31, 2026

₹ in Million

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

Consolidated Statement of Profit and Loss

for the year ended March 31, 2026

₹ in Million

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

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

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

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

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

DILIP S. SHANGHVI
Executive Chairman
(DIN: 00005588)

KIRTI GANORKAR
Managing Director
(DIN: 10620142)

ANOOP DESHPANDE
Company Secretary and Compliance Officer

JAYASHREE SATAGOPAN
Chief Financial Officer
Mumbai, May 22, 2026

Consolidated Statement of Changes in Equity

for the year ended March 31, 2026

₹ in Million

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

* Represents remeasurement of the defined benefit plans

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

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

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

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

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

DILIP S. SHANGHVI
Executive Chairman
(DIN: 00005588)

KIRTI GANORKAR
Managing Director
(DIN: 10620142)

ANOOP DESHPANDE
Company Secretary and Compliance Officer

JAYASHREE SATAGOPAN
Chief Financial Officer
Mumbai, May 22, 2026

Consolidated Statement of Cash Flow

for the year ended March 31, 2026

₹ in Million

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

Consolidated Statement of Cash Flow

For The Year Ended March 31, 2026

₹ in Million

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

Notes:

₹ in Million

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

Consolidated Statement of Cash Flow

For The Year Ended March 31, 2026

Change in financial liability/ asset arising from financing activities

₹ in Million

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

₹ in Million

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

For movement of lease liabilities, Refer note 54.

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

As per our report of even date

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

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

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

DILIP S. SHANGHVI
Executive Chairman
(DIN: 00005588)

KIRTI GANORKAR
Managing Director
(DIN: 10620142)

ANOOP DESHPANDE
Company Secretary and Compliance Officer

JAYASHREE SATAGOPAN
Chief Financial Officer
Mumbai, May 22, 2026

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

1. General information

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

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

2. Material accounting policies

2.1 Statement of compliance

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

2.2 Basis of preparation and presentation

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

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

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

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

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

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

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

a. Basis of consolidation

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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

b. Current vs. Non-current

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

c. Business combinations

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

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

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

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

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

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

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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

d. Foreign currency

Foreign currency transactions

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

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

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

Foreign operations

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

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

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

e. Segment reporting

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

f. Property, plant and equipment

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

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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

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

The estimated useful lives are as follows:

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

* Includes assets given under operating lease

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

g. Goodwill and Other Intangible assets

Goodwill

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

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

Other Intangible assets

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

Research and development

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

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

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

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

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

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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

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

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

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

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

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

De-recognition of intangible assets

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

h. Impairment of non-financial assets other than goodwill

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

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

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

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

i. Non-current assets held for sale

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

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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

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

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

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

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

j. Financial instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

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

Debt instruments at amortised cost

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

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

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

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

Debt instrument at FVTOCI

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

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

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

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Debt instrument at FVTPL

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

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

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

Equity instruments

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

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

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

De-recognition

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

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

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

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

Impairment of financial assets

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

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

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

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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

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

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

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

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

Compound financial instruments

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

Initial recognition and measurement

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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

Financial liabilities subsequently measured at amortised cost

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

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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

De-recognition

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

Reclassification of financial assets

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

Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

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

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

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

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

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

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

(i) Fair value hedges

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

(ii) Cash flow hedges

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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

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

(iii) Net Investment Hedge

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

k. Leases

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

Group as a lessee

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

Group as a lessor

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

l. Inventories

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

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

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

m. Provisions, contingent liabilities and contingent assets

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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

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

Restructuring

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

Onerous contracts

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

Contingent liabilities and contingent assets

Contingent liability is disclosed for,

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

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

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

n. Revenue

Sale of goods

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

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

Profit Sharing Revenues

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

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

Out-licensing arrangements

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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

Sales returns

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

Contract balances

Contract assets

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

Trade receivables

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

Contract liabilities

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

Rendering of services

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

Royalties

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

o. Dividend and interest income

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

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

p. Government grants

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

q. Employee benefits

Defined benefit plans

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

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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

Termination benefits

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

Short-term and Other long-term employee benefits

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

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

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

Defined contribution plans

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

r. Income tax

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

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

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

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

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

against which the temporary difference can be utilised except:

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

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

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

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

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

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

s. Exceptional items

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

t. Recent Accounting pronouncements

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

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

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

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

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

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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

₹ in Million

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

Footnotes

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

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

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

₹ in Million

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

(i) For details of Ind AS 116 disclosure refer Note 54.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 3B OTHER INTANGIBLE ASSETS OTHER THAN INTERNALLY GENERATED

₹ in Million

	Computer Software	Product related intangibles	Total
At cost or deemed cost			
As at March 31, 2024	5,569.0	124,262.3	129,831.3
Foreign currency translation difference	17.9	898.6	916.5
Taken over on acquisition	-	952.4	952.4
Additions	286.1	2,032.6	2,318.7
Disposals	(1.1)	(17.2)	(18.3)
Reclassified to Assets held for Sale	(5.9)	-	(5.9)
As at March 31, 2025	**5,866.0**	**128,128.7**	**133,994.7**
Foreign currency translation difference	94.1	12,288.0	12,382.1
Additions	832.6	91,518.6	92,351.2
Disposals	(4.5)	(134.0)	(138.5)
As at March 31, 2026	**6,788.2**	**231,801.3**	**238,589.5**
Accumulated amortisation and impairment			
As at March 31, 2024	**3,344.4**	**81,618.5**	**84,962.9**
Foreign currency translation difference	12.0	611.1	623.1
Amortisation expense	681.2	11,622.1	12,303.3
Disposals	(0.8)	(1.1)	(1.9)
Reclassified to Asset held for sale	(1.9)	-	(1.9)
As at March 31, 2025	**4,034.9**	**93,850.6**	**97,885.5**
Foreign currency translation difference	74.2	6,339.7	6,413.9
Amortisation expense	686.5	14,980.0	15,666.5
Disposals	(3.0)	(124.2)	(127.2)
As at March 31, 2026	**4,792.6**	**115,046.1**	**119,838.7**
Carrying amount			
As at March 31, 2025	**1,831.1**	**34,278.1**	**36,109.2**
As at March 31, 2026	**1,995.6**	**116,755.2**	**118,750.8**

Footnotes to 3A and 3B:

(a) Buildings include ₹ 8,620 (March 31, 2025: ₹ 8,620) towards cost of shares in a co-operative housing society and also include ₹ 4.5 Million (March 31, 2025 : ₹ 4.5 Million) towards cost of flats not registered in the name of the parent company but is entitled to right of use and occupancy.

(b) Product related intangibles consisting of trademarks, brands acquired, research and development, designs, technical know-how, licences, non-compete fees and other intangible assets are available to the Group in perpetuity. The amortisable amount of intangible assets is arrived at, based on the management's best estimates of useful lives of such assets after due consideration as regards their expected usage, the product life cycles, technical and technological obsolescence, market demand for products, competition and their expected future benefits to the Group.

(c) The aggregate amortisation has been included under depreciation and amortisation expense in the consolidated statement of profit and loss.

(d) During the year, the Company has not revalued its property, plant and equipment (including right-of-use assets) or intangibles or both.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 3C ASSETS CLASSIFIED AS HELD FOR SALE

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Buildings	118.2	118.2
Computer Software	4.0	4.0
Furniture and fixtures	1.9	1.9
Leasehold land	6.5	0.6
Office equipment	0.1	0.1
Plant and equipment	178.3	179.3
	309.0	**304.1**

Net of accumulated depreciation and amortisation

The Company as a part of its ongoing initiative of network strategy and optimization of manufacturing facilities had identified divestment of its Ankleshwar facility. The plan involves transferring above assets and liabilities to a prospective buyer. The transfer is expected to be completed during the year 2026-27 and hence, these have been classified as held for sale. These assets and liabilities have been carried at cost as the same is lower than the fair value expected out of sale.

NOTE: 3D CAPITAL WORK-IN-PROGRESS

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Opening balance	**12,343.4**	**11,077.3**
Additions	15,907.6	9,025.1
Capitalised	(14,705.3)	(7,672.3)
Write offs	(36.0)	(41.2)
Foreign currency translation difference	296.8	(45.5)
Closing balance	**13,806.5**	**12,343.4**

NOTE: 3E INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Opening balance	**54,096.2**	**42,461.5**
Additions	3,259.2	11,428.7
Capitalised	(42,049.6)	(859.0)
Impairment (Refer note 61 A and 36)	(1,701.0)	(71.3)
Foreign currency translation difference	3,106.0	1,136.3
Closing balance	**16,710.8**	**54,096.2**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

4. INVESTMENT IN ASSOCIATES (NON-CURRENT)

	As at March 31, 2026		As at March 31, 2025	
	Quantity	₹ in Million	Quantity	₹ in Million
(Carrying amount determined using equity method of accounting)				
Unquoted, fully paid				
Equity instruments				
Medinstill LLC	2,176	284.5	1,999	501.6
Tarsier Pharma Ltd	476,284	343.4	476,284	390.5
Intact Solutions LLC	153	-	153	-
WRS Bioproducts Pty Ltd	428,571	209.7	740,071	193.2
Remidio Innovative Solutions Private Limited	1,077	-	1,077	-
Ezerx Health Tech Private Limited	6,315	307.3	6,315	295.4
Agatsa Software Private Limited	8,538	225.0	8,538	225.0
Less: Impairment in value of investment	-	(225.0)	-	(225.0)
Indian Foundation for Quality Management	25,000,000	250.0	12,500,000	125.0
Less: Impairment in value of investment	-	(250.0)	-	(125.0)
Haystack Analytics Private Limited	1	-	1	-
Preference shares				
Remidio Innovative Solutions Private Limited	474,511	1,407.3	474,511	1,415.1
Surgimatix Inc	627,184	205.1	627,184	229.4
Haystack Analytics Private Limited	20,184	334.9	18,319	312.1
Pharmazz Inc.	5,256,776	2,354.3	-	-
Limited liability partnership				
Trumpcard Advisors and Finvest LLP		665.3		677.1
Generic Solar Power LLP* [₹ Nil (March 31, 2025: ₹ Nil)]		-		-
		6,111.8		**4,014.4**
Aggregate carrying value of unquoted investments		6,111.8		4,014.4
Aggregate amount of impairment in value of investments		475.0		350.0

* Generic Solar Power LLP has been struck off during current year.

5. INVESTMENT IN JOINT VENTURE (NON-CURRENT)

	As at March 31, 2026		As at March 31, 2025	
	Quantity	₹ in Million	Quantity	₹ in Million
(Carrying amount determined using equity method of accounting)				
Unquoted, fully paid				
Equity instruments				
Artes Biotechnology GmbH	15,853	400.4	15,853	472.9
		400.4		**472.9**
Aggregate carrying value of unquoted investments		400.4		472.9

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

6. INVESTMENTS (NON-CURRENT)

	As at March 31, 2026		As at March 31, 2025	
	Quantity	₹ in Million	Quantity	₹ in Million
Equity instruments - Quoted - At fair value through other comprehensive income				
Krebs Biochemicals and Industries Limited	1,036,943	41.5	1,036,943	69.3
Shares of ₹ 10 each fully paid				
Krystal Biotech, Inc.	500,000	12,186.9	817,483	12,598.3
Shares of USD 0.00001 each fully paid				
scPharmaceuticals Inc.	-	-	1,702,679	382.8
Shares of USD 0.0001 each fully paid				
Organon & Co.	12,500,000	7,064.8	-	-
Shares of USD 0.01 each fully paid				
Others (equity instruments received as part of distribution)		138.0		89.5
Equity instruments - Quoted - At fair value through Profit or Loss		596.6		646.6
Equity instruments - Unquoted - At fair value through Profit or Loss				
Shimal Research Laboratories Limited	9,340,000	934.0	9,340,000	934.0
Shares of ₹ 10 each fully paid				
Less: Impairment in value of investment		(934.0)		(934.0)
Biotech Consortium India Limited	50,000	0.5	50,000	0.5
Shares of ₹ 10 each fully paid				
Less: Impairment in value of investment		(0.5)		(0.5)
Reanal Finomvegyszergyar Zrt.	38,894	228.7	38,894	220.1
Less: Impairment in value of investment		(228.7)		(220.1)
Lyndra Therapeutics Inc	78,661,289	2,830.7	78,661,289	2,564.3
Shares of USD 0.001 each fully paid				
Less: Impairment in value of investment		(2,830.7)		(2,564.3)
Cosmose Inc		556.7		247.9
Triveni Bio, Inc	4,969,560	377.4	4,969,560	341.9
Shares of USD 0.00001 each fully paid				
Others		6.8		7.5
Limited liability partnership - Unquoted - At fair value through other comprehensive income				
ABCD Technologies LLP		519.0		404.1
Debentures/bonds - Quoted - At fair value through other comprehensive income				
Bonds (various small denomination)*		3,813.9		19,490.4
Adani Ports and Special Economic Zone Ltd 4.00% maturing July 30, 2027	15,000,000	1,391.1	11,000,000	888.4
Vedanta Resources Finance II Plc 10.25% maturing June 03, 2028	12,000,000	1,153.6	12,000,000	1,087.1
Adani Transmission Step-One Ltd 4.00% maturing August 03, 2026	-	-	10,000,000	826.1
ONGC Videsh Vankorneft Pte Ltd 3.75% maturing July 27, 2026	-	-	7,700,000	654.0
Goldman Sachs Bank USA 5.283% maturing March 18, 2027	-	-	5,080,000	437.8
Venture funds - Unquoted - At fair value through Profit or Loss		**3,181.7**		**3,010.5**
Others - Quoted - At fair value through other comprehensive income (small denomination U.S. Treasuries, certificate of deposits, commercial papers, etc.)		350.5		1,307.5
		31,378.5		**42,489.7**
Aggregate book value (carrying value) of quoted investments		26,736.9		38,477.8
Aggregate amount of quoted investments at market value		26,736.9		38,477.8
Aggregate amount of unquoted investments before impairment		8,635.5		7,730.8
Aggregate amount of impairment in value of investments		3,993.9		3,718.9

*Various small denomination bonds individually below USD 5 Million comprised of sovereign bonds, corporate bonds, perpetual bonds, etc.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

NOTE: 7 LOANS (NON-CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Loans to employees		
Unsecured, considered good	17.6	27.9
	17.6	**27.9**

NOTE: 8 OTHER FINANCIAL ASSETS (NON-CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Security deposits - unsecured, considered good	638.7	524.8
Share application money pending allotment and money paid towards equity based agreements*	-	641.1
Others	27.4	604.5
	666.1	**1,770.4**

* March 2025: Pharmazz Inc.

NOTE: 9 INCOME TAX ASSET (NET) [NON-CURRENT]

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Advance income tax (net of provisions)*	6,451.3	4,206.7
	6,451.3	**4,206.7**

* Includes amount paid under protest

NOTE: 10 OTHER ASSETS (NON-CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Capital advances	1,425.6	2,164.7
Prepaid expenses	489.9	636.8
Balances with government authorities*	2,794.5	2,599.7
	4,710.0	**5,401.2**

* Include amount paid under protest

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 11 INVENTORIES

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Lower of cost and net realisable value		
Raw materials and packing materials	41,277.4	33,870.3
Goods-in-transit	513.4	492.9
	41,790.8	**34,363.2**
Work-in-progress	19,125.5	20,192.3
Finished goods	41,335.0	37,094.2
Stock-in-trade	10,489.9	8,550.0
Goods-in-transit	100.9	94.4
	10,590.8	**8,644.4**
Stores and spares	2,087.2	2,139.2
	114,929.3	**102,433.3**

(i) Inventory write downs are accounted considering the nature of inventory, estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products as well as the provisioning policy. Write downs of inventories amounted to ₹ 24,397.0 Million (March 31, 2025: ₹ 25,357.9 Million). The impact of write downs are recognised in the consolidated statement of profit and loss. During the year the Group reassessed its estimation for non moving inventory provisioning leading to a reduction of inventory provision by ₹ 1,686.1 Million.

(ii) The cost of inventories recognised as an expense is disclosed in notes 32, 33 and 36 and as purchases of stock-in-trade in the consolidated statement of profit and loss.

NOTE: 12 INVESTMENTS (CURRENT)

	As at March 31, 2026		As at March 31, 2025	
	Quantity	₹ in Million	Quantity	₹ in Million
Equity instruments - Quoted - At fair value through Profit or Loss		**261.6**		**175.8**
Bonds/debentures - Quoted - At fair value through other comprehensive income				
Bonds (various small denomination investments)#		14,686.5		19,942.0
NTPC Ltd 4.25% maturing February 26, 2026	-	-	24,243,000	2,072.3
Bharat Petroleum Corporation Ltd 4.00% maturing May 08, 2025	-	-	10,140,000	879.7
AT&T Inc 1.70% maturing March 25, 2026	-	-	5,821,000	484.1
Adani Transmission Step-One Ltd 4.00% maturing August 03, 2026	5,000,000	474.3	-	-
Mutual funds * - Unquoted - At fair value through Profit or Loss				
Aditya Birla Sun Life liquid Fund Growth Direct Plan	31,551,926	14,042.2	17,495,203	7,325.7
Axis Liquid Fund - Direct Growth	3,895,495	11,938.2	2,527,042	7,287.0
Bandhan Liquid Fund -Direct Plan - Growth	2,537,826	8,442.8	1,238,746	3,880.4
DSP Liquidity Fund - Direct Plan - Growth	2,511,470	9,897.2	1,424,412	5,282.1
Bajaj Finserv Liquid Fund - Direct Plan - Growth	2,482,368	2,985.0	1,472,033	1,666.4
Franklin India Liquid Fund-Super Institutional Plan - Direct Plan - Growth	392,727	1,626.3	81,622	318.1
Mirae Asset Liquid Fund (formerly Mirae Asset Cash Management Fund) Direct Plan Growth	2,218,600	6,456.8	1,420,608	3,891.8
HDFC Liquid Fund - Direct Plan - Growth Option	2,272,828	12,295.7	1,423,275	7,249.4
ICICI Prudential Liquid plan - Direct Plan - Growth	33,469,039	13,644.8	19,280,885	7,401.8
Invesco India Liquid Fund - Direct Plan - Growth	2,002,094	7,569.4	1,054,299	3,753.2
Kotak Liquid Fund- Direct Plan - Growth	2,486,695	13,839.6	1,418,056	7,429.7
Baroda BNP Paribas Liquid Fund - Direct Growth	2,022,272	6,422.8	1,412,187	4,223.4

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

	As at March 31, 2026		As at March 31, 2025	
	Quantity	₹ in Million	Quantity	₹ in Million
Edelweiss Liquid Fund - Direct Plan - Growth	1,483,152	5,281.3	658,590	2,207.0
LIC Mutual Fund Liquid Fund - Direct Plan - Growth	1,357,819	6,791.1	774,127	3,645.5
SBI Liquid Fund Direct Growth	2,633,590	11,340.5	1,765,499	7,160.8
Nippon India Liquid Fund Direct Plan- Growth	1,762,332	11,885.3	1,143,489	7,257.6
HSBC Liquid Fund - Direct Growth (Formerly known as HSBC Cash Fund Growth Direct Plan)	3,261,754	8,953.4	2,420,077	6,254.3
UTI Liquid Fund - Direct Plan - Growth	2,168,586	9,795.4	1,703,228	7,240.8
Canara Robeco Liquid - Direct Growth	1,089,690	3,598.9	488,453	1,518.1
JM High Liquid Fund (Direct) - Growth Option	16,578,226	1,246.4	12,351,398	874.8
Sundaram Liquid Fund Direct Plan Growth	1,245,337	3,031.3	1,065,047	2,440.8
Tata Liquid Fund-Direct Plan - Growth	2,478,518	10,780.8	1,789,746	7,323.8
Union Liquid Fund Growth - Direct Plan	1,497,470	3,980.1	705,515	1,764.9
TRUSTMF Liquid Fund (LF - DG)	300,659	401.0	-	-
Mahindra Manulife Liquid Fund Direct Growth	279,379	501.4	-	-
Parag Parikh Liquid Fund Direct - Growth	1,154,356	1,758.6	-	-
JioBlackRock Liquid Fund - Direct - Growth	4,177,011	4,362.7	-	-
Others - Quoted - At fair value through other comprehensive income (small denomination U.S Treasuries, certificate of deposits, commercial papers, etc.)		**1,043.1**		**5,609.7**
		209,334.5		**136,561.0**
Aggregate book value (carrying value) of quoted investments		16,465.5		29,163.6
Aggregate amount of quoted investments at market value		16,465.5		29,163.6
Aggregate amount of unquoted investments before impairment		192,869.0		107,397.4
Aggregate amount of impairment in value of investments		-		-

*Investments in mutual funds have been fair valued at closing net asset value (NAV).

#Various small denomination bonds individually below USD 5 Million comprised of sovereign bonds, corporate bonds, perpetual bonds, etc .

NOTE: 13 TRADE RECEIVABLES

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Unsecured		
Considered good	155,096.7	130,461.1
Credit impaired	2,924.1	3,262.0
	158,020.8	**133,723.1**
Less : Allowance for credit impaired	(2,924.1)	(3,262.0)
	155,096.7	**130,461.1**

NOTE: 14 CASH AND CASH EQUIVALENTS

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Balance with banks		
In current accounts	54,572.8	32,245.4
In deposit accounts with original maturity less than 3 months	42,694.8	69,718.2
Cheques, drafts on hand	419.8	708.2
Cash on hand	17.7	15.9
	97,705.1	**102,687.7**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 15 BANK BALANCES OTHER THAN DISCLOSED IN NOTE 14 ABOVE

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Deposit accounts (with original maturity more than 3 months but less than 12 months)	18,106.2	10,428.5
Earmarked balances with banks		
Unpaid dividend accounts	179.0	148.3
Balances held as margin money or security against guarantees and other commitments	40.5	51.7
	18,325.7	**10,628.5**

NOTE: 16 LOANS (CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Loans to related parties		
Unsecured, considered good (Refer note 68)	282.9	256.3
Unsecured, credit impaired (Refer note 68)	1,548.9	1,403.1
Less : Allowance for credit impaired	(1,548.9)	(1,403.1)
	282.9	**256.3**
Loans to employees/others*		
Secured, considered good	0.4	0.6
Unsecured, considered good	243.7	226.9
Unsecured, credit impaired	125.4	115.1
Less : Allowance for credit impaired	(125.4)	(115.1)
	244.1	**227.5**
	527.0	**483.8**

* Others: Loans given to various parties at prevailing market interest rate.

NOTE: 17 OTHER FINANCIAL ASSETS (CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Interest accrued on investments/ balances with banks	525.2	615.4
Security deposits (unsecured, considered good)	260.5	227.0
Derivatives designated as hedges	-	0.1
Derivatives not designated as hedges	176.9	652.4
Refund due from government authorities	1,945.5	3,803.9
Unbilled Revenue (Refer note 53)	-	148.6
Bank deposit with an original maturity more than 12 months, but with a remaining maturity of less than 12 months	10,020.0	11,550.0
Other receivables (unsecured)	2,648.8	1,949.2
Less : Allowance for doubtful receivables*	(1,540.0)	(1,540.0)
	14,036.9	**17,406.6**

* The Group is carrying an allowance of ₹ 1,540.0 Million (March 31, 2025 : ₹ 1,540.0 Million) based on assessment regarding its future recoverability.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 18 OTHER ASSETS (CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Export incentives receivable	84.5	84.9
Prepaid expenses	4,589.1	3,749.9
Advances for supply of goods and services		
Considered good	5,655.8	5,160.0
Considered doubtful	833.0	855.1
Less : Allowance for doubtful	(833.0)	(855.1)
Balances with government authorities*	17,651.3	15,550.3
Others	667.0	733.5
	28,647.7	**25,278.6**

* Include balances of goods and services tax.

NOTE: 19 EQUITY SHARE CAPITAL

	As at March 31, 2026		As at March 31, 2025	
	Number of shares	₹ in Million	Number of shares	₹ in Million
Authorised				
Equity shares of ₹ 1 each (Refer note 41)	6,169,700,000	6,169.7	5,990,000,000	5,990.0
Cumulative preference shares of ₹ 100 each	100,000	10.0	100,000	10.0
		6,179.7		**6,000.0**
Issued, subscribed and fully paid up				
Equity Shares of ₹ 1 each (Refer note 41)	2,399,334,970	2,399.3	2,399,334,970	2,399.3
	2,399,334,970	**2,399.3**	**2,399,334,970**	**2,399.3**

NOTE: 20 OTHER EQUITY

₹ in Million

	As at March 31, 2026	As at March 31, 2025
A) Reserve and surplus		
Capital reserve	3,681.7	3,681.7
Securities premium	11,874.1	11,874.1
Amalgamation reserve	43.8	43.8
Capital redemption reserve	7.5	7.5
Legal reserve	288.5	285.5
General reserve	841.7	35,621.0
Retained earnings	693,546.3	578,618.4
B) Items of other comprehensive income (OCI)		
Debt instrument through other comprehensive income	240.2	245.4
Equity instrument through other comprehensive income	6,761.9	9,509.2
Foreign currency translation reserve	118,142.8	79,878.9
Effective portion of cash flow hedges	(2,126.9)	15.4
	833,301.6	**719,780.9**

Refer consolidated statement of changes in equity for detailed movement in above balances.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Nature and purpose of each reserve

Capital reserve - During amalgamation / merger / acquisition, the excess of net assets taken, over the consideration paid, if any, is treated as capital reserve. This reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

Securities premium - The amount received in excess of face value of the equity shares is recognised in securities premium. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium. It is utilised in accordance with the provisions of the Companies Act, 2013.

Amalgamation reserve - The reserve was created pursuant to scheme of amalgamation in earlier years.

Capital redemption reserve - The Group has recognised capital redemption reserve on buyback of equity shares from its retained earnings. The amount in capital redemption reserve is equal to nominal amount of the equity shares bought back.

Legal reserve - The reserve has been created by an overseas subsidiaries in compliance with requirements of local laws.

General reserve - The reserve arises on transfer portion of the net profit pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

Retained earnings - The reserve is the profit/ (loss) that the Company has earned/ incurred till date, less/ add any transfers to/ from general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss/ (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

Debt instrument through OCI - This represents the cumulative gain and loss arising on fair valuation of debt instruments measured through other comprehensive income. This amount will be reclassified to statement of profit and loss account on derecognition of debt instrument.

Equity instrument through OCI - The Company has elected to recognise changes in the fair value of certain investments in equity instruments in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of equity instrument.

Foreign currency translation reserve - Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are recognised directly in the other comprehensive income and accumulated in foreign currency translation reserve. Exchange difference in the foreign currency translation reserve are reclassified to consolidated profit or loss on the disposal of the foreign operation.

Effective portion of cash flow hedges - The cash flow hedging reserve represents the cumulative effective portion of gain or loss arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on the changes of the fair value of the designated portion of the hedging instruments that are recognised and accumulated under the cash flow hedges reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

NOTE: 21 BORROWINGS (NON-CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Term loans		
From others (unsecured)	-	**25.2**
From banks (unsecured)	312.6	-
	312.6	**25.2**

Also refer note 66 for borrowings (non-current)

NOTE: 22 OTHER FINANCIAL LIABILITIES (NON-CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Deferred consideration on acquisition of subsidiary (Refer Note 77 and 79)	6,307.9	106.8
	6,307.9	**106.8**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 23 PROVISIONS (NON-CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Employee benefits	5,027.1	4,534.6
Others (Refer note 60)	94.7	115.8
	5,121.8	**4,650.4**

NOTE: 24 OTHER LIABILITIES (NON-CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Deferred revenue (Refer note 53)	3,480.4	3,767.4
Others	86.3	85.0
	3,566.7	**3,852.4**

NOTE: 25 BORROWINGS (CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Loans repayable on demand		
From banks (unsecured)	2,533.6	1,431.5
From Others (unsecured)	230.2	144.5
Other loans		
From banks (unsecured)	37,739.7	17,095.1
	40,503.5	**18,671.1**

Also refer note 67 for borrowings (current)

NOTE: 26 OTHER FINANCIAL LIABILITIES (CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Interest accrued	27.7	43.7
Unpaid dividends	179.8	149.1
Security deposits	77.3	73.2
Payables on purchase of property, plant and equipment and other intangible assets	5,957.5	6,735.8
Derivatives designated as hedges	2,933.0	70.3
Derivatives not designated as hedges	1,975.1	17.9
Payables to employee	14,226.0	11,625.7
Others*	345.4	762.7
	25,721.8	**19,478.4**

* Include claims, recall charges, milestone obligations, trade and other commitments.

NOTE: 27 OTHER LIABILITIES (CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Statutory remittances	8,643.8	10,242.2
Advance from customers (Refer note 53)	1,373.3	247.6
Deferred revenue (Refer note 53)	1,583.5	1,095.9
Others	274.7	112.2
	11,875.3	**11,697.9**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 28 PROVISIONS (CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Employee benefits	10,988.6	7,186.4
Others (Refer note 60)	48,452.0	54,364.9
	59,440.6	**61,551.3**

NOTE: 29 CURRENT TAX LIABILITIES (NET)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Provision for income tax (Net of advance income tax)	13,500.4	7,331.8
	13,500.4	**7,331.8**

NOTE: 30 REVENUE FROM OPERATIONS

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from contracts with customers (Refer note 53)	582,201.1	520,412.5
Other operating revenues*	2,419.3	5,371.9
	584,620.4	**525,784.4**

* include government grants of ₹ 1,986.3 Million (March 31, 2025: ₹ 4,252.3 Million) recognised by parent company and its Indian subsidiaries.

NOTE: 31 OTHER INCOME

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Interest income on:		
Bank deposits at amortised cost	5,407.2	4,767.2
Loans at amortised cost	17.9	10.5
Investments in debt instruments at fair value through other comprehensive income	1,971.0	3,603.5
Others [includes interest on income tax refund of ₹ 1,280.8 Million (March 31, 2025 : ₹ 3,510.6 Million)]	1,753.9	3,920.1
	9,150.0	**12,301.3**
Dividend income on investments	594.0	669.0
Net gain/ (loss) on sale of financial assets measured at fair value through profit or loss	7,799.4	3,958.1
Net gain/ (loss) on sale of financial assets measured at fair value through other comprehensive income	32.5	171.4
Net gain/ (loss) arising on financial assets measured at fair value through profit or loss	929.1	1,337.8
Profit on sale / write off of property, plant and equipment and intangible assets, net	31.6	119.0
Sundry balances written back, net	3.2	56.2
Insurance claims	169.1	230.4
Lease rental and hire charges	164.6	186.6
Miscellaneous income	843.7	620.6
	19,717.2	**19,650.4**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

NOTE: 32 COST OF MATERIALS CONSUMED

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Raw materials and packing materials		
Inventories at the beginning of the year	34,363.2	31,295.6
Purchases during the year	79,473.0	67,269.4
Foreign currency translation difference	1,844.8	289.2
Inventories at the end of the year	(41,790.8)	(34,363.2)
	73,890.2	**64,491.0**

NOTE: 33 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Inventories at the beginning of the year		
Finished goods	37,094.2	37,345.0
Stock-in-trade	8,644.4	8,462.7
Work-in-progress	20,192.3	20,097.6
	65,930.9	**65,905.3**
Less:		
Inventories at the end of the year		
Finished goods	41,335.0	37,094.2
Stock-in-trade	10,590.8	8,644.4
Work-in-progress	19,125.5	20,192.3
	71,051.3	**65,930.9**
Changes in inventories:		
Finished goods	(4,240.8)	250.8
Stock-in-trade	(1,946.4)	(181.7)
Work-in-progress	1,066.8	(94.7)
Inventories taken over on acquisition	-	76.8
Foreign currency translation difference	8,551.7	1,451.9
	3,431.3	**1,503.1**

NOTE: 34 EMPLOYEE BENEFITS EXPENSE

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	100,590.6	88,181.1
Contribution to provident and other funds*	7,796.3	6,573.9
Staff welfare expenses	5,801.7	4,976.2
	114,188.6	**99,731.2**

* Includes gratuity expense of ₹ 1,217.5 Million (March 31, 2025: ₹ 871.5 Million)

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

NOTE: 35 FINANCE COSTS

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Interest expense:		
- for financial liabilities carried at amortised cost	2,284.3	1,305.6
- others (includes interest on income tax and lease liability)	1,104.8	1,008.0
	3,389.1	**2,313.6**

NOTE: 36 OTHER EXPENSES

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Consumption of materials, stores and spare parts	9,621.4	8,258.9
Conversion and other manufacturing charges	6,673.2	6,242.6
Power and fuel	8,136.6	7,504.0
Rent	994.0	777.4
Rates and taxes	10,047.5	7,450.9
Insurance	3,190.3	3,272.3
Selling, promotion and distribution	66,105.6	54,600.9
Commission on sales	1,988.5	2,108.6
Repairs and maintenance	9,349.6	8,110.9
Printing and stationery	2,152.4	1,888.6
Travelling and conveyance	10,343.4	9,107.8
Freight outward and handling charges	9,388.3	9,059.1
Communication	1,183.5	976.2
Provision/ write off/ (reversal) for doubtful trade receivables/ advances	634.1	1,808.3
Professional, legal and consultancy	32,593.0	32,609.9
Donations	426.5	952.0
Loss on sale/ write off of property, plant and equipment and other intangible assets, net	96.1	65.5
Payment to auditors (net of input credit, wherever applicable)	324.9	377.5
Provision for impairment of investments	125.0	350.0
Loss on disposal of subsidiary	-	217.5
Impairment of property, plant and equipment, other intangible assets and intangible asset under development	193.4	71.3
Miscellaneous expenses	16,515.5	11,907.8
	190,082.8	**167,718.0**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

NOTE: 37 RESEARCH AND DEVELOPMENT EXPENDITURE INCLUDED IN THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	9,818.5	9,765.9
Contribution to provident and other funds	795.5	767.8
Staff welfare expenses	365.6	342.7
Consumption of materials, stores and spare parts	5,087.2	4,282.2
Power and fuel	319.3	345.4
Rates and taxes	1,206.1	908.9
Rent	350.7	223.4
Insurance	145.9	147.5
Repairs and maintenance	886.6	814.6
Printing and stationery	40.5	36.1
Travelling and conveyance	268.4	262.8
Communication	43.8	39.7
Professional, legal and consultancy	11,628.8	10,614.2
Miscellaneous expenses	3,784.1	2,990.7
	34,741.0	**31,541.9**
Less:		
Receipts from research activities	9.2	181.2
Miscellaneous income	18.1	17.9
	27.3	**199.1**
	34,713.7	**31,342.8**

NOTE: 38

a) List of entities included in the consolidated financial statements is as under:

		Country of Incorporation	Effective ownership for the year ended	
			As at March 31, 2026	As at March 31, 2025
	Parent Company			
	Sun Pharmaceutical Industries Limited			
1	Green Eco Development Centre Limited	India	- (Refer note e)	100.00%
2	Sun Pharmaceutical (Bangladesh) Limited	Bangladesh	72.50%	72.50%
3	Sun Pharma De Mexico S.A. DE C.V.	Mexico	100.00%	100.00%
4	Sun Pharma Japan Ltd.	Japan	100.00%	100.00%
5	Sun Pharma De Venezuela, C.A.	Venezuela	100.00%	100.00%
6	Sun Pharma Laboratories Limited	India	100.00%	100.00%
7	Faststone Mercantile Company Private Limited	India	- (Refer note e)	100.00%
8	Neetnav Real Estate Private Limited	India	100.00%	100.00%
9	Realstone Multitrade Private Limited	India	- (Refer note e)	100.00%
10	Skisen Labs Private Limited	India	- (Refer note e)	100.00%
11	Sun Pharma Holdings	Mauritius	100.00%	100.00%
12	Softdeal Pharmaceutical Private Limited	India	100.00%	100.00%
13	Sun Pharma (Netherlands) B.V.	Netherlands	100.00%	100.00%
14	Foundation for Disease Elimination and Control of India	India	100.00% (Refer note f)	100.00% (Refer note f)
15	Zenotech Laboratories Limited	India	68.84% (Refer note g)	68.84% (Refer note g)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

		Country of Incorporation	Effective ownership for the year ended	
			As at March 31, 2026	As at March 31, 2025
16	Sun Pharma Community Healthcare Society	India	100.00% (Refer note f)	100.00% (Refer note f)
17	Sun Pharma Science Foundation	India	100.00% (Refer note f)	100.00% (Refer note f)
18	Sun Farmaceutica do Brasil Ltda.	Brazil	100.00%	99.99%
19	Sun Pharma France	France	100.00%	100.00%
20	Sun Pharmaceutical Industries, Inc.	United States of America	100.00%	100.00%
21	Ranbaxy (Malaysia) SDN. BHD.	Malaysia	97.53%	96.10%
22	Ranbaxy Nigeria Limited	Nigeria	86.16%	86.16%
23	Chattem Chemicals Inc.	United States of America	100.00%	100.00%
24	The Taro Development Corporation	United States of America	100.00%	100.00%
25	Alkaloida Chemical Company Zrt.	Hungary	100.00%	99.99%
26	Sun Pharmaceutical Industries (Australia) Pty Limited	Australia	100.00%	100.00%
27	Aditya Acquisition Company Ltd.	Israel	100.00%	99.99%
28	Sun Pharmaceutical Industries (Europe) B.V.	Netherlands	100.00%	99.99%
29	Sun Pharmaceuticals Germany GmbH	Germany	100.00%	99.99%
30	Sun Pharma Philippines, Inc.	Philippines	100.00%	100.00%
31	Caraco Pharmaceuticals Private Limited	India	100.00%	100.00%
32	Sun Pharmaceutical Peru S.A.C.	Peru	100.00%	100.00%
33	Sun Laboratories FZE	United Arab Emirates	100.00%	100.00%
34	Taro Pharmaceutical Industries Ltd. (Taro)	Israel (Refer note b)	100.00%	99.99%
35	Sun Pharma Canada Inc. (Formerly known as Taro Pharmaceuticals Inc.)	Canada	100.00%	99.99%
36	Taro Pharmaceuticals U.S.A., Inc.	United States of America	100.00%	99.99%
37	Taro Pharmaceuticals North America, Inc.	Cayman Islands, British West Indies	100.00%	99.99%
38	Taro Pharmaceuticals Europe B.V.	Netherlands	- (Refer note h)	99.99%
39	Taro International Ltd.	Israel	100.00%	99.99%
40	3 Skyline LLC	United States of America	100.00%	99.99%
41	One Commerce Drive LLC	United States of America	100.00%	99.99%
42	2 Independence Way LLC	United States of America	100.00%	100.00%
43	Universal Enterprises Private Limited	India	100.00%	100.00%
44	Sun Pharma Switzerland Ltd.	Switzerland	100.00%	99.99%
45	Sun Pharma East Africa Limited	Kenya	100.00%	100.00%
46	PI Real Estate Ventures, LLC	United States of America	100.00%	100.00%
47	Sun Pharma ANZ Pty Ltd	Australia	100.00%	100.00%
48	Ranbaxy Farmaceutica Ltda.	Brazil	100.00%	100.00%
49	Sun Pharma Canada Inc.	Canada	- (Note i)	99.99%
50	Sun Pharma Egypt LLC	Egypt	100.00%	100.00%
51	Rexcel Egypt LLC	Egypt	100.00%	100.00%
52	Basics GmbH	Germany	100.00%	100.00%
53	Sun Pharma Italia srl	Italy	100.00%	100.00%
54	Sun Pharmaceutical Industries S.A.C.	Peru	100.00%	100.00%

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

		Country of Incorporation	Effective ownership for the year ended	
			As at March 31, 2026	As at March 31, 2025
55	Ranbaxy (Poland) SP. Z O.O.	Poland	100.00%	100.00%
56	SC Terapia SA	Romania	96.81%	96.81%
57	AO Ranbaxy	Russia	100.00%	100.00%
58	Ranbaxy South Africa (Pty) Ltd.	South Africa	100.00%	100.00%
59	Ranbaxy Pharmaceuticals (Pty) Ltd.	South Africa	100.00%	100.00%
60	Sonke Pharmaceuticals Proprietary Limited	South Africa	70.00%	70.00%
61	Sun Pharma Laboratorios, S.L.U.	Spain	100.00%	100.00%
62	Sun Pharma UK Limited	United Kingdom	100.00%	100.00%
63	Sun Pharma Holdings UK Limited	United Kingdom	100.00%	100.00%
64	Ranbaxy Inc.	United States of America	100.00%	100.00%
65	Ranbaxy (Thailand) Co., Ltd.	Thailand	100.00%	100.00%
66	Ohm Laboratories, Inc.	United States of America	100.00%	100.00%
67	Ranbaxy Signature LLC	United States of America	67.50%	67.50%
68	Sun Pharmaceuticals Morocco LLC	Morocco	100.00%	100.00%
69	Ranbaxy Pharmaceuticals Ukraine LLC	Ukraine	100.00%	100.00%
70	Sun Pharmaceutical Medicare Limited	India	- (Refer note e)	100.00%
71	JSC Biosintez	Russia	100.00%	100.00%
72	Sun Pharmaceuticals Holdings USA, Inc.	United States of America	100.00%	100.00%
73	Zenotech Inc	United States of America	68.84% (Refer note g)	68.84% (Refer note g)
74	Zenotech Farmaceutica Do Brasil Ltda.	Brazil	45.69% (Refer note g)	45.69% (Refer note g)
75	Sun Pharma Distributors Limited	India	100.00%	100.00%
76	Realstone Infra Limited	India	100.00%	100.00%
77	Sun Pharmaceuticals (EZ) Limited	Bangladesh	72.49%	72.49%
78	Sun Pharma (Shanghai) Co.,Ltd.	China	100.00%	100.00%
79	Sun Pharma Japan Technical Operations Limited	Japan	-	- (Refer note j)
80	Alchemee, LLC	United States of America	100.00%	99.99%
81	The Proactiv Company Holdings, Inc.	United States of America	100.00%	99.99%
82	Proactiv YK	Japan	100.00%	99.99%
83	The Proactiv Company KK	Japan	100.00%	99.99%
84	Alchemee Skincare Corporation	Canada	100.00%	99.99%
85	Concert Pharma Ireland Limited	Ireland	100.00%	100.00%
86	SP New Milford Parent LLC	United States of America	100.00%	100.00%
87	SP Housatonic LLC	United States of America	100.00%	100.00%
88	SP Housatonic II LLC	United States of America	100.00%	100.00%
89	SP Housatonic III LLC	United States of America	100.00%	100.00%
90	Sun Pharma Middle East FZ - LLC	United Arab Emirates	100.00%	100.00%
91	Libra Merger Ltd.	Israel	-	- (Refer note k)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

		Country of Incorporation	Effective ownership for the year ended	
			As at March 31, 2026	As at March 31, 2025
92	Taro Pharma Corporation, Inc.	United States of America	100.00%	99.99%
93	Vivaldis Health and Foods Private Limited	India	60.11%	60.11%
94	Sun Pharma Luxembourg S.A (Formerly known as Valstar S.A.)	Luxembourg	100.00%	100.00%
95	Sun Pharmaceuticals North Africa SA (Formerly Known as Kemipharm S.A.)	Morocco	100.00%	100.00%
96	Snoopy Merger Sub, Inc.	United States of America	- (Refer note l)	100.00%
97	Antibe Therapeutics Inc.	Canada	- (Refer note m)	99.99%
98	Sun Pharma (Hainan) Company Limited	China	100.00%	-
99	Checkpoint Therapeutics, Inc.	United States of America	100.00%	-
	Name of Joint Venture Entity			
100	Artes Biotechnology GmbH	Germany	45.00%	45.00%
	Name of Associates			
101	Medinstill LLC	United States of America	21.38%	21.38%
102	Generic Solar Power LLP	India	28.76% (Refer note o)	28.76%
103	Trumpcard Advisors and Finvest LLP	India	40.61%	40.61%
104	Tarsier Pharma Ltd.	Israel	17.68%	19.27%
105	WRS Bioproducts Pty Ltd.	Australia	12.50%	12.50%
106	Remidio Innovative Solutions Private Limited	India	29.15%	29.15%
107	Agasta Software Private Limited	India	23.47%	23.47%
108	Ezerx Health Tech Private Limited	India	35.84%	35.84%
109	Surgimatix Inc	United States of America	12.49%	13.64%
110	Haystack Analytics Private Limited	India	8.26%	8.16%
111	Indian Foundation for Quality Management	India	12.66%	9.09%
112	Pharmazz Inc.	United States of America	16.60%	-
	Name of Subsidiary of Associates			
113	Composite Power Generation LLP	India	36.90%	36.90%
114	Vintage Power Generation LLP	India	39.41%	39.41%
115	Vento Power Generation LLP	India	40.55%	40.55%
116	HRE LLC	United States of America	-	- (Refer note n)
117	HRE II LLC	United States of America	-	- (Refer note n)
118	HRE III LLC	United States of America	-	- (Refer note n)
119	Dr. Py Institute LLC	United States of America	-	- (Refer note n)
120	Medinstill Development LLC	United States of America	-	- (Refer note n)
121	ALPS LLC	United States of America	-	- (Refer note n)
122	Intact Pharmaceuticals LLC	United States of America	-	- (Refer note n)
123	Intact Media LLC	United States of America	-	- (Refer note n)
124	Intact Solutions LLC	United States of America	19.92%	19.92%

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

		Country of Incorporation	Effective ownership for the year ended	
			As at March 31, 2026	As at March 31, 2025
125	Intact Closed Transfer Connectors LLC	United States of America	-	- (Refer note n)
126	Intact PUR-Needle LLC	United States of America	-	- (Refer note n)
127	Medios Technologies Pte.Ltd.	Singapore	29.15%	29.15%
128	Remidio Innovative Solutions Inc.	United States of America	29.15%	29.15%
129	Pharmazz EU Limited	Ireland	16.60%	-
130	Pharmazz UK Limited	England	16.60%	-
131	Pharmazz Europe Limited	England and Wales	16.60% (Refer note p)	-
132	Pharmazz India Private Limited	India	12.62%	-
b	**Following are the details of the Group's holding in Taro:**			
	Voting power		100.00%	99.99%
	Beneficial ownership		100.00%	99.99%

c In respect of entities at Sr. Nos. 3, 32, 57, 69, 71, 78, 94, 98, 100, 101, 104, 105, 109, 112 and 124 the reporting date is different from the reporting date of the Parent Company.

d In respect of entities at Sr. No. 98 and 99 has been incorporated/ acquired during the year ended March 31, 2026. Also, for entity at Sr No. 112 and 129 to 132 investment has been made during the year ended March 31, 2026.

e On October 7, 2025, the National Company Law Tribunal approved Composite Scheme of Arrangement of amalgamation of five wholly-owned subsidiaries (Sun Pharmaceutical Medicare Limited, Green Eco Development Centre Limited, Faststone Mercantile Company Private Limited, Realstone Multitrade Private Limited and Skisen Labs Private Limited) into the Sun Pharmaceutical Industries Limited (Parent Company).

f Foundation for Disease Elimination and Control of India (a wholly owned subsidiary), Sun Pharma Community Healthcare Society (parent company being founder corporate member) and Sun Pharma Science Foundation (parent company being founder corporate member) are not for profit entities (NPEs). Based on recent clarifications issued on regulatory requirement, these entities were considered for consolidation from FY 2024-25. These entities are immaterial to the Group.

g Books of accounts and other related records/documents of the overseas subsidiaries of the Zenotech Laboratories Limited were missing and due to non-availability of those records/information, Zenotech Laboratories Limited is unable to prepare consolidated accounts.

h Taro Pharmaceuticals Europe B.V. was merged in to Sun Pharmaceutical Industries (Europe) B.V. w.e.f August 19, 2025.

i Sun Pharma Canada Inc. was merged in to Taro Pharmaceuticals Inc. w.e.f. April 1, 2025, and Taro Pharmaceuticals Inc. was subsequently renamed as Sun Pharma Canada Inc.

j With effect from January 31, 2025, Sun Pharma Japan Technical Operations Limited has been ceased to be the subsidiary of the Company.

k Libra Merger Ltd was merged in to Taro Pharmaceutical Industries Ltd. (Taro) w.e.f June 24, 2024.

l Snoopy Merger Sub, Inc. was merged in to Checkpoint Therapeutics, Inc. w.e.f May 30, 2025

m Antibe Therapeutics Inc. was merged with Sun Pharma Canada Inc. (Formely known as Taro Pharmaceuticals Inc.) w.e.f June 1, 2025

n HRE LLC, Dr. Py Institute LLC, Medinstill Development LLC, ALPS LLC, Intact Pharmaceuticals LLC, Intact Media LLC, Intact Closed Transfer Connectors LLC and Intact PUR-Needle LLC were merged in to Intact Solution LLC. HRE II LLC, HRE III LLC were merged in to Medinstill LLC w.e.f November 30, 2024.

o Generic Solar Power LLP is struck off as at March 31, 2026.

p With effect from November 11, 2025, Pharmazz Europe Limited has been dissolved.

q Material Accounting Policies and other Notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide for better understanding of the consolidated position of the Group. Recognising this purpose, the Group has disclosed only such policies and notes from the individual financial statements which fairly represent the needed disclosures. Lack of homogeneity and other similar considerations made it desirable to exclude some of them, which in the opinion of the management, could be better viewed when referred from the individual financial statements.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 39 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

₹ in Million

		As at March 31, 2026	As at March 31, 2025
A	**Contingent liabilities**		
I)	Claims against the Group not acknowledged as debts	445.5	454.2
II)	Liabilities disputed - appeals filed with respect to:		
	Income tax on account of disallowances / additions (Company appeals)*	7,109.1	35,403.1
	Sales tax on account of rebate / classification	63.2	84.5
	Goods and Service tax / Excise duty / service tax on account of valuation / cenvat credit/ Custom duty	991.7	1,048.8
	ESIC contribution on account of applicability	5.3	132.8
III)	Drug Price Equalisation Account [DPEA] on account of demand towards unintended benefit enjoyed by the Group	3,474.2	3,474.2
IV)	Other matters	733.5	546.5

Note: Includes interest till the date of demand, wherever applicable.

V) Legal proceedings:

The parent company and / or its subsidiaries are involved in various legal proceedings, including but not limited to product liability claims, contract disputes, intellectual property disputes, employment claims, antitrust matters, compliance matters, and other legal and regulatory matters relating to the conduct of its business. Some of the key matters are discussed below. Most of the legal proceedings involve complex issues, which are specific to the case and do not have precedents, and, hence, for a majority of these claims, it is not possible to make a reasonable estimate of the expected financial effect, if any, that will result from ultimate resolution of the proceedings. This is due to a number of factors, including the stage of the proceedings and the overall length of the discovery process; the entitlement of the parties to an action to appeal a decision; the extent of the claims, including the size of any potential class, particularly when damages are not specified or are indeterminate; the possible need for further legal proceedings to establish the appropriate amount of damages, if any; the settlement posture of the other parties to the litigation; and any other factors that may have a material effect on the litigation. The Company makes its assessment of likely outcomes based on the views of internal legal counsel and in consultation with external legal counsel representing the Company. The Company also believes that disclosure of the amount sought by plaintiffs would not be meaningful because historical evidence indicates that the amounts settled (if any) are significantly different than those claimed by plaintiffs. Some of the legal claims against the Company, if decided against the Company or settled by the Company, may result in significant impact on its consolidated financial statements.

Antitrust – Gx Drug Price Fixing Litigation :

SPIINC, Taro Pharmaceutical Industries Ltd. ("Taro Industries") and its subsidiaries, along with more than 70 other pharmaceutical companies and individuals, are named as defendants in lawsuits brought by several putative classes, state Attorneys Generals, municipalities, and individual company purchasers and payors, alleging violations of the antitrust and related laws in the U.S. and Canada.

The U.S. filed cases were filed in or were transferred to the U.S. District Court for the Eastern District of Pennsylvania for coordinated pre-trial proceedings (collectively, the "MDL"). The MDL court designated five complaints, including one Attorneys General complaint and four complaints filed by two putative classes, as "bellwethers" to begin the sequencing of proceedings. Discovery was substantially completed as to the bellwether cases in October 2023. Discovery as to most non-bellwether cases closed in October 2025, though discovery directed to a small number of individual plaintiffs is continuing and is expected to close in early 2027. The depositions of Sun and Taro witnesses are largely complete, though certain additional depositions may occur pursuant to non-bellwether discovery. Expert discovery and class certification proceedings directed to the bellwethers were completed in December 2024. On July 24, 2025 Taro and Sun Pharmaceutical Industries, Inc. (SPIINC) entered into a settlement agreement with the putative End Payer Plaintiffs class ("EPPs") without any admission of guilt or violation of any statute, law, rule or regulation, or of any liability or wrongdoing, pursuant to which Taro and SPIINC agreed to pay an aggregate amount of USD 200.0 Million (equivalent to ₹ 17,112.0 Million) (excluding opt outs), in exchange for a full release of all claims asserted against them (and all of their current and

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

former parents, affiliates, predecessors and successors as well as their current and former directors, officers, employees and representatives). The Company had taken a charge of USD 74.8 Million (equivalent to ₹ 6,443.1 Million) inclusive of legal charges of USD 14.8 Million (equivalent to ₹ 1,292.7 Million) (net of amount already provided in previous years) as an exceptional item during the year ended March 31, 2026. The settlement agreement was subject to court approval, and the court issued its order of approval on January 23, 2026, dismissing the EPP matters on the merits, in their entirety, with prejudice.

The MDL court designated two additional complaints, including one putative class complaint and one individual-plaintiff complaint, as bellwethers in October 2024. Summary judgment proceedings in the individual-plaintiff bellwether case are ongoing, and trial is scheduled to begin in September 2026. The MDL Court designated three additional individual-plaintiff complaints as bellwethers in September 2025. The first such bellwether is scheduled to begin summary judgment proceedings in January 2027 and trial in August 2027. The second such bellwether is scheduled to begin summary judgment proceedings in May 2027 and trial in January 2028. In April 2024, the Attorneys General bellwether complaint and two other Attorneys General complaints were transferred from the Eastern District of Pennsylvania to the District of Connecticut in which the complaints were originally filed. The Attorneys General cases are proceeding in parallel to the cases remaining in the Eastern District of Pennsylvania; summary judgment proceedings directed to the State AG bellwether began in September 2024 and are ongoing.

Speakes v. Taro Pharmaceutical Industries Ltd.:

Taro Industries and two of its former officers were named as defendants in a putative shareholder class action litigation in the U.S. District Court for the Southern District of New York, which asserted claims under Section 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) against all defendants and claims under Section 20(a) of the Exchange Act against the individual defendants. The lawsuit generally alleged that the defendants made material misstatements and omissions in connection with an alleged conspiracy to fix drug prices. On September 24, 2018, the court granted in part and denied in part the defendants’ motion to dismiss. On April 10, 2024, the parties executed a settlement agreement, in which Taro agreed to pay USD 36 Million, which was fully covered by insurance. A motion for preliminary approval of the settlement was filed with the court on April 15, 2024, and on May 8, 2024, the court entered its order granting preliminary approval. On August 23, 2024, the court entered a Final Order and Judgment approving the settlement.

Taro Industries Shareholders Litigation in Israel:

Derivative Action 53476-06-20 (Haifa District Court, the Economic Division)) Hayat et. al v. Taro Pharmaceutical Industries Ltd. et al.

On June 22, 2020, a motion seeking documents before filing a shareholder derivative action was filed by a single shareholder against Taro Industries and Taro U.S.A. in the Haifa District Court related to alleged U.S. antitrust violations. On September 22, 2020, a subsequent motion seeking documents was filed by a single shareholder against Taro Industries related to alleged misreporting to U.S. Medicaid and three prior state settlements. Both motions were consolidated on February 16, 2021, and remain pending before the Haifa District Court. The Proceedings against Taro Industries and Taro U.S.A. have been stayed by the Haifa District Court thus far, pending the parties providing required status updates regarding the related U.S. litigation to the Haifa District Court at upcoming scheduled status hearings. On August 2024, the parties approached the court with a mutual request to stay the proceedings in order to try to reach an out-of court resolution.

Class Action 30316-06-24 (Haifa District Court, the Economic Division)) Hayat et. al v. Taro Pharmaceutical Industries Ltd. et al.

On June 10, 2024, a motion to certify a class action was filed against Taro Industries, Sun Pharmaceutical Industries Limited and members of Taro’s board in the Haifa District Court. The motion relates to the consideration for the shares purchased by Sun from the minority shareholders in Taro Industries in the framework of a “Going Private” transaction, dated June 24, 2024, alleging damages of USD 245 Million in aggregate. On February 6, 2025, the parties approached the court with a mutual request to stay the proceedings in order to try to reach an out-of-court resolution.

The mediation between the Parties is expected to begin by the end of May 2026.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

Opioids:

SPIINC is a defendant in the National Prescription Opiate Multi-District Litigation that has been consolidated for pre-trial proceedings in the U.S. District Court for the Northern District of Ohio (consisting of the following cases brought against SPIINC: 73 cases brought by Cities / Counties / Subdivisions, 15 cases brought by Tribal Nations, and 4 cases brought by Hospitals), three additional federal court cases, 35 cases pending in New York state court, and several "placeholder" cases filed in Pennsylvania state court in 2024. These cases involve similar allegations and were brought against various manufacturers and distributors of opioid products seeking damages for alleged harms related to opioid use. In July 2024, SPIINC reached an agreement in principle on economic terms with the Cities / Counties / Subdivisions, the Tribes, and the States, with Sun agreeing to make a one-time payment of USD 36.75 Million (this is intended to resolve all but the MDL Hospital cases). SPIINC entered into two separate settlement agreements – one for the tribal cases and one for the state/subdivision cases. All Tribal cases brought against SPIINC were dismissed via Stipulations entered in 2025. All subdivisions nationwide that had sued SPIINC in the MDL and in various state and federal courts agreed to the settlement. The State/Subdivision Master Settlement Agreement became effective on January 29, 2026. A Stipulation of Dismissal of all the Sun MDL City/Counties/Subdivisions cases was entered on February 18, 2026. Almost all of the other subdivision cases in state and federal court cases against Sun have been dismissed. Only two cases remain in Pennsylvania and counsel for SPIINC is in the process of having them dismissed. SPIINC was also sued by 18 counties in Utah state court alleging opioid-related claims and, in 2023, SPIINC settled those Utah cases, agreeing to pay USD 0.4 Million, which was fully covered by insurance. In addition, SPIINC, the parent company, and Ranbaxy were also named as defendants in two individual Neonatal Abstinence Syndrome personal injury complaints filed in West Virginia state court in March 2022, which were consolidated with other similar cases before the West Virginia Mass Litigation Panel. In April 2023, the court granted all defendants' motions to dismiss and, in December of 2024, the dismissal was affirmed in part and reversed in part and that decision is now on appeal to the West Virginia Supreme Court, and briefing concluded in August 2025. The case is awaiting the scheduling of oral argument. SPIINC is also a defendant in West Virginia federal court in a case brought in 2024 by the Boards of Education for two West Virginia counties alleging damages related to the increased costs for the education of children suffering from Neonatal Abstinence Syndrome. The two Boards of Education submitted participation forms in the Sun State/Subdivision Settlement so, on May 11, 2026, a stipulation of dismissal was filed and entered by the Court, dismissing SPIINC with prejudice from the case. As for the Hospital cases in the MDL, only two remain and they are presently stayed, as one was previously dismissed and one participated in the Sun settlement. Finally, Sun was a party to one MDL Neonatal Abstinence Syndrome case but that case was voluntarily dismissed without prejudice in March 2026.

Separately, the parent company and Sun Pharma Canada Inc. are defendants in putative class actions pending in provinces in Canada on behalf of consumers, municipalities, and First Nations, as well as a government action brought on behalf of all federal, provincial, and territorial governments. These U.S. and Canadian matters involve similar allegations and were brought against various manufacturers and distributors of opioid products seeking damages for alleged harms related to opioid use or, as with the Canadian government action, recovery of historical healthcare costs. The Canadian actions are in preliminary stages. In 2024, the Quebec case was authorised as a class action against the majority of defendants and is in the pleadings and discovery stage. The government class action was certified as a class action in January 2025, the appeal from that decision was heard in December 2025 and is under reserve, and the case is in the documentary production stage.

Antitrust – Lipitor:

The parent company and certain of its subsidiaries were named as defendants in a number of putative class action lawsuits and individual actions brought by purchasers and payors in the U.S. alleging that the subsidiaries violated antitrust laws in connection with a 2008 patent litigation settlement agreement with Pfizer concerning generic Lipitor (Atorvastatin). The cases have been transferred to the U.S. District Court for the District of New Jersey for coordinated pre-trial proceedings. Discovery commenced in January 2020 but was stayed in March 2020 pending mediation. Pursuant to the mediator's order of June 03, 2021, mediation briefing and oral argument on certain issues were completed in March 2022. Limited discovery as to certain issues resumed in July 2022. Briefing for class certification and summary judgement motions were completed in 2023. In late-November 2023, the court held argument on defendants' summary judgement motion and plaintiffs' class certification motions. On June 06, 2024, the Court granted Ranbaxy's motion for summary judgment and denied both EPPs' and DPPs' motions for class certification. Plaintiffs appealed the grant of summary judgment and the denial of both class certification motions to the Third Circuit, and oral argument was heard on September 30, 2025. On October 03, 2025, DPPs moved for leave to file a post-argument brief; Ranbaxy opposed that motion on October 06,

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

2025; and DPPs filed a reply on October 07, 2025. On October 09, 2025, the Third Circuit denied DPPs' motion for leave to file a post-argument brief.

On February 03, 2025, an end payor plaintiff that opted out of Pfizer's and EPPs' settlement—filed a motion seeking trial and pretrial dates in the district court. Ranbaxy and Pfizer filed oppositions on February 18, 2025, and February 28, 2025, respectively, filed a reply on March 07, 2025, and Ranbaxy and Pfizer both filed sur-replies on March 14, 2025. On July 03, 2025, the end payor plaintiff filed a motion to supplement her pending motion to set pretrial and trial dates. Pfizer and Ranbaxy filed oppositions on July 21, 2025, and the end payor plaintiff filed a reply on July 28, 2025. On October 5, 2025, the end payor plaintiff filed a motion for a hearing on its motion to set a trial date or in the alternative to remand the case to California. Ranbaxy and Pfizer opposed the end payor plaintiff's motion for a hearing on its motion to set a trial date or in the alternative to remand the case to California on October 20, 2025. On October 23, 2025, the end payor plaintiff submitted a letter request for an in-person hearing on her motion to set a trial date or in the alternative to remand the case to California, which request was denied on October 24, 2025. On January 14, 2026, the end payor plaintiff filed another motion to schedule pretrial and trial dates or, in the alternative, to remand to the Northern District of California. Ranbaxy and Pfizer opposed the end payor plaintiff's motion on February 03, 2026, and the end payor plaintiff filed a reply on February 10, 2026. On April 09, 2026, the end payor plaintiff filed a renewed request for oral argument on her January 14, 2026 motion. Pfizer opposed the end payor plaintiff's renewed request for oral argument on April 28, 2026.

There also was an antitrust case pending in West Virginia state court that mirrored the allegations in the federal case. In that case, by agreement of the parties Sun settled all claims against it, without any admissions, in the amount of USD 8.25 Million. The parties executed a definitive settlement agreement on December 10, 2024, which the court formally approved on December 12, 2024. The definitive settlement agreement makes clear that Ranbaxy denies each and every one of the allegations against it and has not conceded or admitted any liability.

Product Liability – Ranitidine/Zantac MDL:

In June 2020, the parent company and certain of its subsidiaries were named as defendants in a complaint filed in the Zantac / Ranitidine Multi-District Litigation ("MDL") consolidated in the U.S. District Court for the Southern District of Florida. The lawsuits name over 100 defendants, including brand manufacturers, generic manufacturers, repackagers, distributors, and retailers, involving allegations of injury caused by nitrosamine impurities. On July 08, 2021, the court granted the generic Defendants' motion to dismiss with prejudice. That decision is on appeal. In addition to the federal court proceedings, the parent company and two of its affiliates were also named as defendants in state court actions pending California actions previously pending in New York and Pennsylvania state court were voluntarily dismissed, and actions previously pending in Illinois state court were dismissed on the pleadings, as affirmed on appeal in one case. Finally, certain of the parent company's subsidiaries were named in various putative class actions pending in three Canadian provinces.

The action pending in British Columbia is taking the lead and, in May 2023, the court in that action granted defendants' motion to strike and denied plaintiffs' motion for class certification.

BPO Litigation:

In March 2024, an FDA Citizen Petition was filed alleging the degradation of benzoyl peroxide ("BPO") products, including Proactiv and Taro products, into benzene. Thereafter, numerous lawsuits were filed against BPO manufacturers and sellers. All are "economic harm" class actions; no plaintiff has claimed any physical injury from the use of any BPO acne treatment product. In March and April 2024, six lawsuits were filed related to Proactiv; all named Alchemee, LLC as a defendant and five also named Taro entities (although only in relation to Proactiv). In September 2024 and in April 2025, all six lawsuits were dismissed with prejudice, and an appeal is pending.

Citalopram follow damages claim in the UK:

By judgement dated March 25, 2021, the CJEU (highest European court) upheld the fine against Ranbaxy (U.K.) Limited and Ranbaxy Laboratories Limited in full and ruled that a settlement agreement between Ranbaxy and Lundbeck (and the other agreements between Lundbeck and the other defendants in the case) had been anticompetitive. The Company may now be subject to "follow-on" claims in national courts of some countries in Europe. The Company has been served with a claim in the England & Wales, with the National Health Service ("NHS") as the Claimant, relating to the delayed entry of generic citalopram. The NHS's damages case is based upon the premise that, but for the anticompetitive behavior,

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

the NHS would have been able to buy cheaper generic alternatives of citalopram, rather than paying Lundbeck (another co-defendant) the full innovator price. At this stage it is also unclear how many claims will actually be made in practice in other countries. The Company believes, based on its internal assessment and that of its independent legal counsel, that it has favorable legal arguments in terms of defending the relevant claim and any other potential future damages claims.

Incyte litigation:

On January 19, 2023, the Company signed a definitive agreement to acquire Concert Pharmaceuticals, Inc. ("Concert") and completed the transaction on March 06, 2023, Concert later merged into Sun Pharmaceutical Industries, Inc. ("SPIINC") on March 31, 2023. Prior to the acquisition, Concert was involved in patent-related proceedings with Incyte Corporation ("Incyte"), both in the U.S. and Europe, in which Incyte challenged certain of Concert's patents before the U.S. Patent Trial and Appeal Board ("PTAB") and the European Patent Office, respectively (the "Concert Patent Challenges"). In one Concert Patent Challenge, Incyte was able to invalidate a Concert patent before the PTAB, which decision was later upheld by the U.S Court of Appeals for the Federal Circuit. In the other Patent Challenge in the U.S., the PTAB had ruled in Sun's favour and upheld the validity of the Concert Patent. On May 07, 2025, the U.S Court of Appeals for the Federal Circuit ruled in Sun's favour dismissing Incyte's appeal of the PTAB's decision. Sun and Incyte subsequently entered into a Settlement and License Agreement dated July 14, 2025, under which Incyte agreed not to seek further review of the Federal Circuit's dismissal of its appeal. Separately, under a February 06, 2026 Settlement and License Agreement, Incyte unconditionally withdrew its appeal of the European Patent Challenge before the EPO. As a result, these Concert patents remain in effect.

In addition, Incyte filed a patent infringement action against Sun in the U.S. District Court for the District of New Jersey. In connection with the litigation, the U.S. District Court of New Jersey granted a preliminary injunction temporarily delaying the launch of LEQSELVI® on November 01, 2024. On April 09, 2025 the U.S. Court of Appeals for the Federal Circuit ruled in favor of Sun Pharma and, effective immediately, vacated the preliminary injunction, which had previously prevented the launch of LEQSELVI® (deuruxolitinib). Sun and Incyte entered into a Settlement and License Agreement resolving the District Court of New Jersey lawsuit on July 14, 2025.

Note:

Future cash outflows in respect of the above matters are determinable only on receipt of judgements / decisions pending at various forums / authorities.

*Income tax matters where department has preferred an appeal against favourable orders received by the Company amounted to ₹ 64,396.1 Million (March 31, 2025: ₹ 38,665.7 Million). These matters are sub-judice in various forums and pertains to various financial years.

₹ in Million

		As at March 31, 2026	As at March 31, 2025
B	**Guarantees given by the bankers on behalf of the Group**	3,048.0	1,616.1

NOTE: 40 COMMITMENTS

₹ in Million

		As at March 31, 2026	As at March 31, 2025
i)	Estimated amount of contracts remaining to be executed on capital account (net of advances) *	34,898.4	24,279.1
ii)	Investment related commitments**	4,427.6	40,847.4
iii)	Letters of credit for imports	369.2	736.8

* The Group is committed to pay milestone payments on certain contracts, however, obligation to pay is contingent upon fulfilment of contractual obligation by parties to the contract.

**Previous year amount included commitment on account of acquisition of Checkpoint Therapeutics Inc.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 41 DISCLOSURES RELATING TO SHARE CAPITAL

i Rights, preferences and restrictions attached to equity shares

The equity shares of the Parent Company, having par value of ₹ 1 per share, rank pari passu in all respects including voting rights and entitlement to dividend.

ii Authorised capital is changed with effect from November 22, 2025, being the date of filing Form INC-28 with the Registrar of Companies pursuant to the Composite Scheme of Arrangement involving amalgamation of Wholly-owned subsidiary companies, viz. Sun Pharmaceutical Medicare Limited, Green Eco Development Centre Limited, Faststone Mercantile Company Private Limited, Realstone Multitrade Private Limited, Skisen Labs Private Limited ("Transferor Companies") with Sun Pharmaceutical Industries Limited ("Transferee Company" or "the Company"), as approved by the Hon'ble National Company Law Tribunal Ahmedabad Bench vide its Order dated October 07, 2025.

iii Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of reporting period

	Year ended March 31, 2026		Year ended March 31, 2025	
	Number of shares	₹ in Million	Number of shares	₹ in Million
Opening balance	2,399,334,970	2,399.3	2,399,334,970	2,399.3
Closing balance	2,399,334,970	2,399.3	2,399,334,970	2,399.3

iv Equity shares held by each shareholder holding more than 5 percent equity shares in the Parent Company are as follows:

Name of shareholders	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% of holding	Number of shares	% of holding
Shanghvi Finance Private Limited	967,051,732	40.3	967,051,732	40.3
Dilip Shantilal Shanghvi	230,385,155	9.6	230,385,155	9.6

Equity shares held by promoters / members of promoter group / person acting in concert	As at March 31, 2026			As at March 31, 2025		
	Number of shares	% of holding	% Change during the year	Number of shares	% of holding	% Change during the year
Dilip Shantilal Shanghvi	230,385,155	9.6	-	230,385,155	9.6	-
Shanghvi Finance Private Limited	967,051,732	40.3	-	967,051,732	40.3	-
Aditya Medisales Limited	40,153,960	1.7	-	40,153,960	1.7	-
Sudhir V. Valia	14,345,019	0.6	-	14,345,019	0.6	-
Raksha S. Valia	28,830,352	1.2	-	28,830,352	1.2	-
Vibha D. Shanghvi	8,840,280	0.4	-	8,840,280	0.4	-
Aalok D. Shanghvi	2,877,280	0.1	-	2,877,280	0.1	-
Vidhi D. Shanghvi	2,822,427	0.1	-	2,822,427	0.1	-
Shanghvi Family & Friends Benefit Trust (Kumud S. Shanghvi and Dilip S. Shanghvi are Trustees)	1,276,774	0.1	-	1,276,774	0.1	-
Kumud S. Shanghvi	85,000	0.0	(0.0)	100,000	0.0	-
Flamboyawer Finance Private Limited	20,865	0.0	-	20,865	0.0	-
Shanghvi Universal Private Limited (formerly known as Sanghvi Properties Private Limited)	15,479	0.0	-	15,479	0.0	-
Sun Petro Private Limited (formerly known as Gujarat Sun Pharmaceutical Industries Private Limited)	14,362	0.0	-	14,362	0.0	-
Unimed Investments Limited	10,400,850	0.4	-	10,400,850	0.4	-

Change in shareholding during the year represents the sale of 15,000 shares by Kumud S. Shanghvi.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 42 RESEARCH AND DEVELOPMENT EXPENDITURE

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Revenue, net (excluding depreciation) (Refer note 37)	34,713.7	31,342.8
Capital	799.1	942.5

NOTE: 43 CATEGORIES OF FINANCIAL INSTRUMENTS

₹ in Million

	As at March 31, 2026			
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Equity accounting
Financial assets				
Investments				
Equity instruments - quoted	858.2	19,431.2	-	-
Equity instruments - unquoted	940.9	519.0	-	-
Bonds/debentures - quoted	-	21,519.4	-	-
Investment in associates and joint venture	-	-	-	6,512.2
Mutual funds - unquoted	192,869.0	-	-	-
Venture funds - unquoted	3,181.7	-	-	-
Others - quoted	-	1,393.6	-	-
Loans to related party	-	-	282.9	-
Loans to employees/others	-	-	261.7	-
Trade receivables	-	-	155,096.7	-
Security deposits	-	-	899.2	-
Cash and cash equivalents	-	-	97,705.1	-
Bank balances other than cash and cash equivalents	-	-	18,325.7	-
Interest accrued on investments / balances with banks	-	-	525.2	-
Refund due from government authorities	-	-	1,945.5	-
Bank deposit with an original maturity more than 12 months, but with a remaining maturity of less than 12 months	-	-	10,020.0	-
Other financial assets	-	-	1,136.2	-
Derivatives not designated as hedges	176.9	-	-	-
Total	**198,026.7**	**42,863.2**	**286,198.2**	**6,512.2**
Financial liabilities				
Borrowings	-	-	40,816.1	-
Lease liabilities	-	-	5,457.1	-
Trade payables	-	-	73,338.0	-
Interest accrued	-	-	27.7	-
Unpaid dividends	-	-	179.8	-
Security deposits	-	-	77.3	-
Payable on purchase of property, plant and equipment and other intangible assets	-	-	5,957.5	-
Derivatives designated as hedges	-	2,933.0	-	-
Derivatives not designated as hedges	1,975.1	-	-	-
Payables to employee	-	-	14,226.0	-
Deferred consideration on acquisition of subsidiary	-	-	6,307.9	-
Other financial liabilities	-	-	345.4	-
Total	**1,975.1**	**2,933.0**	**146,732.8**	**-**

Corporate Overview
Statutory Reports
Financial Statements

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

₹ 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, 2026

NOTE: 44 FAIR VALUE HIERARCHY

Financial assets and liabilities measured at fair value on a recurring basis at the end of each reporting period

₹ in Million

	As at March 31, 2026		
	Level 1	Level 2	Level 3
Financial assets			
Investments			
Equity instruments - quoted#	19,431.2	-	-
Equity instruments - quoted	858.2	-	-
Equity instruments - unquoted	-	-	940.9
Equity instruments - unquoted#	-	-	519.0
Bonds/debentures - quoted	21,519.4	-	-
Mutual funds - unquoted	192,869.0	-	-
Venture funds - unquoted	-	3,181.7	-
Others - quoted	1,393.6	-	-
Derivatives not designated as hedges	-	176.9	-
Total	**236,071.4**	**3,358.6**	**1,459.9**
Financial liabilities			
Derivatives designated as hedges	-	2,933.0	-
Derivatives not designated as hedges	-	1,975.1	-
Total	**-**	**4,908.1**	**-**

₹ in Million

	As at March 31, 2025		
	Level 1	Level 2	Level 3
Financial assets			
Investments			
Equity instruments - quoted#	36,518.0	-	-
Equity instruments - quoted	822.4	-	-
Equity instruments - unquoted	-	-	597.3
Equity instruments - unquoted#	-	-	404.1
Bonds/debentures - quoted	23,383.8	-	-
Mutual funds - unquoted	107,397.4	-	-
Venture funds - unquoted	-	3,010.5	-
Others - quoted	6,917.2	-	-
Derivatives designated as hedges	-	0.1	-
Derivatives not designated as hedges	-	652.4	-
Total	**175,038.8**	**3,663.0**	**1,001.4**
Financial liabilities			
Derivatives designated as hedges	-	70.3	-
Derivatives not designated as hedges	-	17.9	-
Total	**-**	**88.2**	**-**

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the assets or liabilities, either directly or indirectly.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Level 3 inputs are unobservable inputs for the assets or liabilities.

The investments included in level 3 of fair value hierarchy have been valued using either cost approach or discounted cashflow method to arrive at their fair value. Where the cost approach is used, there is wide range of possible fair value measurements and the costs represents estimate to fair value within that range.

These investments in equity instruments are not held for trading. Upon the application of Ind AS 109, the Company has chosen to designate these investments in equity instruments at fair value through other comprehensive income.

There were no transfers between Level 1 and 2 in the periods.

The management considers that the carrying amount of financial assets and financial liabilities carried at amortised cost approximates their fair value.

Reconciliation of Level 3 fair value measurements

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Unlisted shares valued at fair value		
Balance at the beginning of the year	1,001.4	3,215.3
Purchases	377.2	269.1
Disposal	(1.0)	-
Provision for impairment of Investment (Refer Note 61B)	-	(2,603.0)
Fair value changes and foreign exchange fluctuations	82.3	120.0
Balance at the end of the year	**1,459.9**	**1,001.4**

NOTE: 45 CAPITAL MANAGEMENT

The Group's capital management objectives are:

- to ensure the Group's ability to continue as a going concern; and
- to provide an adequate return to shareholders through optimisation of debts and equity balance.

The Group monitors capital on the basis of the carrying amount of debt as presented in the consolidated financial statements. The Group's objective for capital management is to maintain an optimum overall financial structure.

(a) Debt equity ratio

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Debt (includes borrowings and lease liabilities)	46,273.2	23,621.9
Total equity, including reserves	835,700.9	722,180.2
Debt to total equity ratio	0.06	0.03

(b) Dividend on equity shares paid during the year

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Dividend on equity shares		
Final dividend for the year ended March 31, 2025 of ₹ 5.5 (year ended March 31, 2024 : ₹ 5.0) per fully paid share	13,196.3	11,996.7
Interim dividend for the year ended March 31, 2026 of ₹ 11.0 (year ended March 31, 2025 : ₹ 10.5) per fully paid share	26,142.7	24,143.0

Dividend is net of waiver, wherever applicable.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(c) Dividend not recognised at the end of the reporting period

1. The Board of Directors at it's meeting held on May 22, 2026 have recommended payment of final dividend of ₹ 5.00 per share of face value of ₹ 1 each for the year ended March 31, 2026 amounting to ₹ 11,996.7 Million.
2. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting and hence not recognised as liability.

NOTE: 46 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers, loans and investments. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of counterparty to which the Group grants credit terms in the normal course of business.

Investments

The Group limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Group does not expect any significant losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Trade receivables

The Group has used expected credit loss (ECL) model for assessing the impairment loss. For this purpose, the Group uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers.

Financial assets for which loss allowances is measured using the expected credit loss

₹ in Million

Trade receivables ageing	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2026
(i) Undisputed trade receivables – considered good	122,479.5	30,513.7	1,310.2	507.2	217.8	68.3	155,096.7
(ii) Undisputed trade receivables – credit impaired	61.5	185.0	622.3	178.3	159.4	1,018.3	2,224.8
(iii) Disputed trade receivables – credit impaired	-	-	-	178.9	188.1	332.3	699.3
	122,541.0	**30,698.7**	**1,932.5**	**864.4**	**565.3**	**1,418.9**	**158,020.8**

₹ in Million

Trade receivables ageing	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2025
(i) Undisputed trade receivables – considered good	110,336.7	18,275.2	892.0	661.6	146.9	148.7	130,461.1
(ii) Undisputed trade receivables – credit impaired	88.7	393.9	158.4	235.1	341.8	1,090.5	2,308.4
(iii) Disputed trade receivables – credit impaired	-	51.3	140.1	311.8	116.9	333.5	953.6
	110,425.4	**18,720.4**	**1,190.5**	**1,208.5**	**605.6**	**1,572.7**	**133,723.1**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

Unbilled revenue

As at March 31, 2026 is ₹ Nil (March 31, 2025 : ₹ 148.6 Million)

Trade receivables from parties are non-interest bearing and are generally on terms of 7 to 150 days.

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Movement in the expected credit loss allowance on trade receivables		
Balance at the beginning of the year	3,262.0	4,058.1
Addition	902.0	799.4
Recoveries / reversals / write-offs / foreign exchange fluctuation	(1,239.9)	(1,595.5)
Balance at the end of the year	**2,924.1**	**3,262.0**

Other than Trade receivables, the Group has recognised an allowance of ₹ 1,674.3 Million (March 31, 2025 : ₹ 1,518.2 Million) against past due loans including interest and ₹ 1,540 Million (March 31, 2025 : ₹ 1,540.0 Million) of other receivables based on assessment regarding its future recoverability.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Group's reputation.

The Group has unutilised working capital lines from banks of ₹ 128,547.3 Million as on March 31, 2026 (March 31, 2025 : ₹ 98,182.8 Million).

The table below provides details regarding the contractual maturities of significant financial liabilities:

₹ in Million

	As at March 31, 2026			
	Less than 1 year	1 - 3 years	More than 3 years	Total
Non derivatives				
Borrowings	40,503.5	312.6	-	40,816.1
Lease liabilities	1,840.8	2,762.5	853.8	5,457.1
Trade payables	73,338.0	-	-	73,338.0
Other financial liabilities	20,813.7	6,307.9	-	27,121.6
Interest payout liabilities	94.3	22.8	-	117.1
	136,590.3	**9,405.8**	**853.8**	**146,849.9**
Derivatives	4,908.1	-	-	4,908.1

₹ in Million

	As at March 31, 2025			
	Less than 1 year	1 - 3 years	More than 3 years	Total
Non derivatives				
Borrowings	18,671.1	25.2	-	18,696.3
Lease liabilities	1,368.2	2,504.1	1,053.3	4,925.6
Trade payables	61,843.4	-	-	61,843.4
Other financial liabilities	19,408.1	106.8	-	19,514.9
Interest payout liabilities	68.1	-	-	68.1
	101,358.9	**2,636.1**	**1,053.3**	**105,048.3**
Derivatives	88.2	-	-	88.2

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

The Group is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Group's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

Foreign exchange risk

The Group's foreign exchange risk arises from its foreign operations, foreign currency revenues and expenses (primarily in US Dollar, Euro, South African Rand, Japanese Yen, Brazilian Real and Russian Ruble) and foreign currency borrowings (primarily in US Dollar). As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Group's revenues and expenses measured in Indian rupees may decrease or increase and vice-versa. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. Consequently, the Group uses both derivative and non-derivative financial instruments, such as foreign exchange forward contracts, option contracts, currency swap contracts and foreign currency financial liabilities, to mitigate the risk of changes in foreign currency exchange rates in respect of its highly probable forecasted transactions and recognised assets and liabilities.

a) Significant foreign currency risk exposure relating to trade receivables, cash and cash equivalents, borrowings and trade payables

₹ in Million

	As at March 31, 2026						
	US Dollar	Euro	Russian Ruble	South African Rand	Japanese Yen	Brazilian Real	Total
Financial assets							
Receivables	103,064.5	11,490.5	6,893.6	960.0	563.3	8,558.6	131,530.5
Cash and cash equivalents	1,704.4	2,502.1	70.5	-	388.7	-	4,665.7
	104,768.9	**13,992.6**	**6,964.1**	**960.0**	**952.0**	**8,558.6**	**136,196.2**
Financial liabilities							
Borrowings	10,182.4	-	-	-	-	-	10,182.4
Payables	23,968.2	3,829.4	1,341.2	-	331.9	5.7	29,476.4
	34,150.6	**3,829.4**	**1,341.2**	**-**	**331.9**	**5.7**	**39,658.8**

₹ in Million

	As at March 31, 2025						
	US Dollar	Euro	Russian Ruble	South African Rand	Japanese Yen	Brazilian Real	Total
Financial assets							
Receivables	111,768.3	11,104.0	7,298.0	2,256.1	2,652.0	5,402.2	140,480.6
Cash and cash equivalents	3,720.1	1,731.6	110.0	-	-	-	5,561.7
	115,488.4	**12,835.6**	**7,408.0**	**2,256.1**	**2,652.0**	**5,402.2**	**146,042.3**
Financial liabilities							
Borrowings	10,287.7	438.5	-	-	-	-	10,726.2
Payables	21,259.7	3,565.2	1,261.3	-	542.5	4.7	26,633.4
	31,547.4	**4,003.7**	**1,261.3**	**-**	**542.5**	**4.7**	**37,359.6**

b) Sensitivity

For the years ended March 31, 2026 and March 31, 2025 every 5% strengthening of the Indian rupee against foreign currencies for the above mentioned financial assets/liabilities would decrease Group's profit and Group's equity by approximately ₹ 4,826.9 Million and approximately ₹ 5,434.1 Million respectively. A 5% weakening of the Indian rupee and the respective major currencies would lead to an equal but opposite effect.

In management's opinion, the sensitivity analysis is not representative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

c) Derivative contracts

The Group is exposed to exchange rate risk that arises from its foreign exchange revenues and expenses, primarily in US Dollar, Euro, South African Rand, Japanese Yen, Brazilian Real and Russian Ruble and foreign currency debt is primarily in US Dollar. The Group uses foreign currency forward contracts, foreign currency option contracts, interest rate swap and currency swap contracts (collectively "derivatives") to mitigate its risk of changes in foreign currency exchange rates. The counterparty for these contracts is generally a bank or a financial institution.

Hedges of highly probable forecasted transactions

The Group designates its derivative contracts that hedge foreign exchange risk associated with its highly probable forecasted transactions as cash flow hedges and measures them at fair value. The effective portion of such cash flow hedges is recorded in other comprehensive income, and re-classified in the income statement as revenue in the period corresponding to the occurrence of the forecasted transactions. The ineffective portion of such cash flow hedges is immediately recorded in the consolidated statement of profit and loss.

In respect of the aforesaid hedges of highly probable forecasted transactions, the Group has recorded a net loss of ₹ 2,862.8 Million for the year ended March 31, 2026 and net loss of ₹ 74.4 Million for the year ended March 31, 2025 in other comprehensive income. The Group also recorded hedges as a component of revenue, net loss of ₹ 1,478.2 Million for year ended March 31, 2026 and net loss of ₹ 108.3 Million for year ended March 31, 2025 on occurrence of forecasted sale transaction.

Changes in the fair value of forward contracts and option contracts that economically hedge monetary assets and liabilities in foreign currencies and for which no hedge accounting is applied, are recognised in the consolidated statement of profit and loss. The changes in fair value of the forward contracts and option contracts, as well as the foreign exchange gains and losses relating to the monetary items, are recognised in the consolidated statement of profit and loss.

The following table gives details in respect of the notional amount of outstanding foreign exchange derivative contracts:

Amount in Million

Hedge Type	Currency/Pair	Sold / Bought	As at March 31, 2026	As at March 31, 2025
Derivatives designated as hedges				
Forward contracts	ZAR/INR	Sold ZAR	ZAR 605.0	ZAR 376.9
Forward contracts	USD/INR	Sold USD	USD 582.0	USD 468.0
Derivatives not designated as hedges				
Option contracts	USD/INR	Sold USD	USD 125.0	-
Forward contracts	GBP/USD	Sold GBP	GBP 14.5	GBP 7.9
Forward contracts	EUR/USD	Sold EUR	EUR 33.5	EUR 5.0
Forward contracts	USD/MYR	Bought USD	USD 4.0	-
Currency swaps	USD/INR	Sold USD	USD 400.0	USD 400.0

Interest rate risk

The Group has loan facilities on floating interest rate, which exposes the Group to risk of changes in interest rates. The Group monitors the interest rate movement and manages the interest rate risk by evaluating interest rate swaps etc. based on the market / risk perception.

For the year ended March 31, 2026 and March 31, 2025, every 50 basis point decrease in the floating interest rate component applicable on its closing balance of loans and borrowings would increase the Group's profit by approximately ₹ 204.1 Million and ₹ 93.4 Million respectively. A 50 basis point increase in floating interest rate would have led to an equal but opposite effect.

Commodity rate risk

Exposure to market risk with respect to commodity prices primarily arises from the Group's purchases and sales of active pharmaceutical ingredients, including the raw material components for such active pharmaceutical ingredients. These are commodity products, whose prices may fluctuate significantly over short periods of time. The prices of the Group's raw materials generally fluctuate in line with commodity cycles, although the prices of raw materials used in the Group's active pharmaceutical ingredients business are generally more volatile. Cost of raw materials forms the largest portion of the Group's cost of revenues. Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. As of March 31, 2026, the Group had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 47 GOODWILL (NET):

i) Goodwill acquired in business combination is allocated, at acquisition, to the cash generating units (CGUs) that are expected to benefit from that business combination. The carrying amount of goodwill has been allocated as follows:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Goodwill in respect of:		
Sun Pharmaceutical Industries, Inc.	34,712.5	31,452.7
Sun Pharmaceutical Industries, Inc. - Concert	14,376.9	13,023.9
Sun Farmaceutica do Brasil Ltda.	394.8	324.7
Sun Pharma Japan Ltd.	121.5	117.7
Taro Pharmaceutical Industries Ltd.	18,835.7	17,063.0
SC Terapia SA	25,142.9	22,760.6
Ranbaxy Farmaceutica Ltda.	522.1	473.0
Basics GmbH	498.2	424.3
Zenotech Laboratories Limited	595.4	595.4
Sun Pharmaceutical Industries Limited	1,678.4	1,678.4
Ranbaxy South Africa (Pty) Ltd	3.8	3.2
JSC Biosintez	253.4	219.7
Sun Pharma Luxembourg S.A (formerly known as Valstar S.A.)	1,863.9	1,651.5
Vivaldis Health and Foods Private Limited	887.2	887.2
Total (A)	**99,886.7**	**90,675.3**
Less:		
Capital reserve in respect of:		
Alkaloida Chemical Company Zrt.	1,444.7	1,177.9
Ranbaxy Nigeria Limited	2.1	1.8
Sun Pharmaceutical Industries Limited	27.5	27.5
Ranbaxy (Malaysia) SDN. BHD.	81.6	73.9
Total (B)	**1,555.9**	**1,281.1**
Total (A-B)	**98,330.8**	**89,394.2**

ii) Below is the reconciliation of the carrying amount of goodwill:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Opening balance	89,394.2	85,689.9
Add/ (less): Acquisition during the year (Refer note 77)	-	1,596.0
Add/ (less): Foreign currency translation difference	8,936.6	2,108.3
Closing balance	**98,330.8**	**89,394.2**

The carrying amount of goodwill is stated above. The recoverable amounts have been determined based on value in use calculations which uses cash flow projections covering a period of five years (which are based on key assumptions such as expected growth rates based on past experience, margins and Management's expectations/ extrapolation of normal increase/ steady terminal growth rate) and appropriate discount rates that reflects current market assessments of time value of money and risks specific to these investments. The cash flow projections include estimates for five years developed using internal forecasts and terminal growth rate thereafter. The planning horizon reflects the assumptions for short to mid-term market developments. The average growth rate used in extrapolating cash flows beyond the planning period ranged from (8.0%) to 5.5 % for March 31, 2026 [March 31, 2025 (8.0%) to 5.5 %]. Discount rate reflects the current market assessment of the risks

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

specific to a CGU or group of CGUs. The discount rate is estimated on the weighted average cost of capital for respective CGU or group of CGUs. Discount rate used ranged from 2.8% to 14.3 % for March 31, 2026 [March 31, 2025 4.5% to 14.8 %] . The discount rate considered for the Company's operation in the United States is 6.8% to 7.9% for March 31, 2026 [March 31, 2025 4.0% to 7.0 %] and for SC Terapia SA has been considered at 10.1% [March 31, 2025 9.2 %]. The management believes that any reasonable possible change in key assumptions on which recoverable amount is based is not expected to cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash generating unit.

NOTE: 48 Disclosures mandated by the Companies Act, 2013 Schedule III Part II by way of additional information is given in Annexure 'A'.

NOTE: 49 INCOME TAXES

Tax reconciliation

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Reconciliation of tax expense		
Profit before tax	151,188.8	137,521.3
Income tax rate in India (%)	34.944%	34.944%
Income tax expense calculated at corporate tax rate	52,831.4	48,055.4
Effect of deduction claimed under chapter VI A of Income Tax Act, 1961	(11,394.3)	(10,755.1)
Effect of expenses that are not deductible	1,846.4	2,305.3
Effect of incremental deduction allowed on account of research and development costs	(151.9)	(140.1)
Effect of unused tax losses and tax offsets not recognised as deferred tax assets (net)	376.1	(13,515.9)
Effect of difference between Indian and foreign tax rates and non taxable subsidiaries	(5,256.4)	(2,094.6)
Effect of reversal/creation of Minimum Alternate Tax (MAT) credit entitlement (Refer note 70)	(1,401.9)	-
Effect of deferred tax liability reversal on account of rate change (Refer note 63)	(1,030.0)	-
Reversal of deferred tax asset (Refer note 61 B)	-	3,774.8
Others	(275.8)	90.5
Income tax expense recognised in consolidated statement of profit and loss	**35,543.6**	**27,720.3**
Effective tax rate %	**23.5%**	**20.2%**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 50 DEFERRED TAX

(i) Deferred tax assets (Net)

₹ in Million

	Opening balance April 01, 2025	Profit/(loss) movement during the year*#	Other comprehensive income movement during the year	MAT Credit utilisation	Closing balance March 31, 2026
Deferred tax assets					
Expenses that are allowed on payment basis	10,005.2	377.8	12.1	-	10,395.1
Unabsorbed depreciation / carried forward losses	8,048.7	(786.1)	-	-	7,262.6
Inventory and other related items	19,183.6	(3,209.3)	-	-	15,974.3
Others	11,229.1	2,318.9	730.6	-	14,278.6
	48,466.6	**(1,298.7)**	**742.7**	**-**	**47,910.6**
MAT credit entitlement	16,498.2	1,599.6	-	(9,974.3)	8,123.5
	64,964.8	**300.9**	**742.7**	**(9,974.3)**	**56,034.1**
Less : Deferred tax liabilities					
Difference between written down value of property, plant and equipment, capital work-in-progress and intangible assets under development as per books of accounts and income tax	20,744.4	(5,851.4)	-	-	14,893.0
Others	144.9	531.6	-	-	676.5
	20,889.3	**(5,319.8)**	**-**	**-**	**15,569.5**
	44,075.5	**5,620.7**	**742.7**	**(9,974.3)**	**40,464.6**

₹ in Million

	Opening balance April 01, 2024	Profit/(loss) movement during the year *	Other comprehensive income movement during the year	Taken over on acquisition	MAT Credit utilisation	Closing balance March 31, 2025
Deferred tax assets						
Expenses that are allowed on payment basis	10,602.3	(734.8)	137.7	-	-	10,005.2
Unabsorbed depreciation / carried forward losses	13,322.5	(5,541.8)	-	268.0	-	8,048.7
Inventory and other related items	16,585.2	2,598.4	-	-	-	19,183.6
Others	10,920.7	170.1	138.3	-	-	11,229.1
	51,430.7	**(3,508.1)**	**276.0**	**268.0**	**-**	**48,466.6**
MAT credit entitlement	13,819.0	5,743.1	-	-	(3,063.9)	16,498.2
	65,249.7	**2,235.0**	**276.0**	**268.0**	**(3,063.9)**	**64,964.8**
Less : Deferred tax liabilities						
Difference between written down value of property, plant and equipment, capital work-in-progress and intangible assets under development as per books of accounts and income tax	23,845.7	(3,101.3)	-	-	-	20,744.4
Others	367.5	(277.3)	54.7	-	-	144.9
	24,213.2	**(3,378.6)**	**54.7**	**-**	**-**	**20,889.3**
	41,036.5	**5,613.6**	**221.3**	**268.0**	**(3,063.9)**	**44,075.5**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(ii) Deferred tax liabilities (Net)

₹ in Million

	Opening balance April 01, 2025	Profit/(loss) movement during the year *#	Other comprehensive income movement during the year	Closing balance March 31, 2026
Deferred tax liabilities				
Difference between written down value of property, plant and equipment and capital work-in-progress as per books of accounts and income tax and others	895.0	2,588.6	-	3,483.6
Difference in carrying value and tax base of investments	1,131.6	(493.6)	1,075.7	1,713.7
	2,026.6	**2,095.0**	**1,075.7**	**5,197.3**
Less : Deferred tax assets				
Expenses that are allowed on payment basis	144.7	1,189.1	(73.0)	1,260.8
Others	(42.5)	198.8	-	156.3
	102.2	**1,387.9**	**(73.0)**	**1,417.1**
MAT credit entitlement	-	-	-	-
	102.2	**1,387.9**	**(73.0)**	**1,417.1**
	1,924.4	**707.1**	**1,148.7**	**3,780.2**

₹ in Million

	Opening balance April 01, 2024	Profit/(loss) movement during the year *	Other comprehensive income movement during the year	Taken over on acquisition	Disposal of Subisidary	Closing balance March 31, 2025
Deferred tax liabilities						
Difference between written down value of property, plant and equipment and capital work-in-progress as per books of accounts and income tax and others	439.6	209.7	-	245.7	-	895.0
Difference in carrying value and tax base of investments	1,182.7	(149.0)	97.9	-	-	1,131.6
	1,622.3	**60.7**	**97.9**	**245.7**	**-**	**2,026.6**
Less : Deferred tax assets						
Expenses that are allowed on payment basis	9.0	135.7	-	-	-	144.7
Others	(105.3)	95.6	-	-	(32.8)	(42.5)
	(96.3)	**231.3**	**-**	**-**	**(32.8)**	**102.2**
	1,718.6	**(170.6)**	**97.9**	**245.7**	**32.8**	**1,924.4**

* Movement during the year includes foreign currency translation difference amounting to ₹ 1,388.5 Million (March 31, 2025 : ₹ 304.0 Million)

Includes deferred tax disclosed as "Tax on exceptional items" amounting to ₹ 944.4 Million. [Refer note 61]

(iii) Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following :

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Tax losses (include capital in nature)	117,043.2	66,361.6
Unabsorbed depreciation	2,886.9	2,374.6

Unused tax losses will expire from financial year 2026-27 to 2035-36. However, in case of certain overseas subsidiaries there is no expiry period for tax losses and unused tax credits.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 51 EARNINGS PER SHARE

	Year ended March 31, 2026	Year ended March 31, 2025
Profit for the year (₹ in Million) - used as numerator for calculating earnings per share	114,794.2	109,290.4
Weighted average number of shares used in computing basic and diluted earnings per share	2,399,334,970	2,399,334,970
Face value per share (in ₹)	1.0	1.0
Basic earnings per share (in ₹)	47.8	45.6
Diluted earnings per share (in ₹)	47.8	45.6

NOTE: 52 SEGMENT REPORTING

The Chief Operating Decision Maker ('CODM') evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by reportable segments. The Group's reportable segments are as follows:

1. India
2. United States of America
3. Emerging markets
4. Rest of the world

The reportable segments derives their revenues from the sale of pharmaceuticals products (generics, specialty, API, etc.). The CODM reviews revenue as the performance indicator. The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the Group's consolidated financial statements.

Revenue by geography

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
India	196,941.9	173,755.8
United States of America	176,198.6	170,076.6
Emerging markets	116,837.2	99,559.7
Rest of the world	92,223.4	77,020.4
	582,201.1	**520,412.5**

Non-current assets by geography in the below table include property, plant and equipment, capital work-in-progress, other intangible assets, intangible assets under development and other non-current assets.

₹ in Million

	As at March 31, 2026	As at March 31, 2025
India	109,425.6	107,116.0
United States of America	102,996.9	55,191.7
Emerging markets	28,992.7	24,260.9
Rest of the world	23,704.0	21,740.8
	265,119.2	**208,309.4**

In view of the interwoven / intermix nature of business and manufacturing facility, other segmental information is not ascertainable.

No customer contributed more than 10.0% of total revenues for the year ended March 31, 2026 and March 31, 2025.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

NOTE: 53 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company has recorded an additional amount of ₹ 870.7 Million (March 31, 2025 : ₹ 285.2 Million) as deferred revenue pursuant to the requirements of Ind AS 115. Revenue of ₹ 632.6 Million (March 31, 2025 : ₹ 1,153.6 Million) has been recognised as Revenue from contract with customer pursuant to completion of performance obligation in respect of the above contracts. Further, deferred revenue amounting to ₹ 37.5 million has been reversed during the year due to cancellation of agreement.

The reconciling items of revenue recognised in the consolidated statement of profit and loss with the contracted price are as follows:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Revenue as per contracted price, net of returns	898,177.1	788,661.0
Less:		
Provision for sales return	(7,439.3)	(5,935.3)
Chargebacks, Rebates, discounts and others	(308,536.7)	(262,313.2)
	(315,976.0)	**(268,248.5)**
Revenue from contracts with customers	**582,201.1**	**520,412.5**

Disaggregation of Revenue from contract with customers:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Sale of products	568,398.0	514,779.8
Sale of service/others	13,803.1	5,632.7
	582,201.1	**520,412.5**

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Contract balances		
Trade receivables	155,096.7	130,461.1
Contract assets	-	148.6
Contract liabilities	6,437.2	5,110.9

Contract balances of Trade receivables, Contract assets and Contract liabilities as at April 01, 2024 were ₹ 112,493.7 Million, ₹ 108.7 Million and ₹ 6,152.8 Million respectively.

Contract assets are initially recognised for revenue from sale of goods. Contract liabilities are on account of the upfront revenue received from customer for which performance obligation has not yet been completed.

The performance obligation is satisfied when control of the goods or services are transferred to the customers based on the contractual terms. Payment terms with customers vary depending upon the contractual terms of each contract.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

NOTE: 54 LEASES

(a) The Company has recognised a lease liability measured at the present value of the remaining lease payments, and right-of-use (ROU) asset at an amount equal to lease liability (adjusted for any related prepayments). Management has exercised judgement in determining whether extension and termination options are reasonably certain to be exercised. Expenses related to short term leases and low-value assets for the year ended March 31, 2026 is ₹ 267.5 Million (March 31, 2025 : ₹ 167.2 Million).

(b) The following is the movement of lease liabilities

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Balance as at beginning of the year	4,925.6	4,279.8
Additions	1,779.7	2,057.5
Deletions	(274.6)	(158.4)
Interest expense on lease liability	422.5	337.5
Payment towards lease liabilities	(1,936.2)	(1,682.6)
Foreign currency translation difference	540.1	91.8
Balance at end of the year	**5,457.1**	**4,925.6**

(c) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Less than one year	2,141.0	1,554.3
Later than one year and not later than five years	3,743.6	3,569.0
Later than five years	2,194.9	764.9

(d) The Company has given certain premises under operating lease or leave and license agreements. These are generally not non-cancellable and periods range between 11 months to 3 years under leave and license/lease and are renewable by mutual consent on mutually agreeable terms. The Company has received refundable interest free security deposits where applicable in accordance with the agreed terms.

NOTE: 55 EMPLOYEE BENEFITS

Defined contribution plan

Contributions are made to Regional Provident Fund (RPF), Family Pension Fund, Employees State Insurance Corporation (ESIC) and other Funds which covers all regular employees of the parent company and Indian subsidiaries. While the employees and the parent company and Indian subsidiaries make predetermined contributions to the Provident Fund and ESIC, contribution to the Family Pension Fund and other statutory funds are made only by the parent company and Indian subsidiaries. The contributions are normally based on a certain percentage of the employee's salary. Amount recognised as expense in respect of these defined contribution plans, aggregate to ₹ 1,884.9 Million (March 31, 2025 : ₹ 1,710.9 Million).

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Contribution to Provident Fund and Family Pension Fund	1,784.2	1,594.6
Contribution to Superannuation Fund	66.3	71.9
Contribution to ESIC and Employees Deposit Linked Insurance (EDLI)	32.6	42.7
Contribution to Labour Welfare Fund	1.8	1.7

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

Defined benefit plan

a) Gratuity

In accordance with Indian Law, the Parent Company and its Indian subsidiaries operate a scheme of gratuity which is a defined benefit plan. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment in accordance with the provisions under the Code on Social Security, 2020 or as per the Company Scheme, as applicable. Vesting occurs upon completion of contractual period of continuous years of service as defined in the Code on Social Security, 2020. The Parent Company and its Indian Subsidiaries manages the plan by contributing to LIC's Recognised Group Gratuity Fund Scheme. Provision for gratuity is based on actuarial valuation done by an independent actuary as at the year end. Each year, the parent company and Indian subsidiaries review the level of funding in gratuity fund. The parent company and Indian subsidiaries decides its contribution based on the results of its annual review. The parent company and Indian subsidiaries aim to keep annual contributions relatively stable at a level such that the fund assets meets the requirements of gratuity payments in short to medium term.

b) Pension fund

The parent company has an obligation towards pension, a defined benefit retirement plan, with respect to certain employees, who had already retired before March 01, 2013, will continue to receive the pension as per the pension plan.

c) Covid-19 Employee children education support

The parent company and its Indian subsidiaries have undertaken an obligation to provide financial support towards education expenses of the children of those employees who have lost their lives due to the COVID-19 pandemic.

Risks

These plans typically expose the parent company and its Indian subsidiaries to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

i) Investment risk - The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit. However, the risk is partially mitigated by investment in LIC managed fund.

ii) Interest rate risk - A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.

iii) Longevity risk - The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

iv) Salary risk - The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Other long term benefit plan

Actuarial valuation for compensated absences is done as at the year end and the provision is made as per the parent company and Indian subsidiaries rules with corresponding charge to the consolidated statement of profit and loss including impact on account of new labor code amounting to ₹ 1,681.9 Million (March 31, 2025: ₹ 974.1 Million) and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.

Obligation in respect of defined benefit plan and other long term employee benefit plans are actuarially determined as at the year end using the 'Projected Unit Credit' method. Gains and losses on changes in actuarial assumptions relating to defined benefit obligation are recognised in other comprehensive income whereas gains and losses in respect of other long term employee benefit plans are recognised in the consolidated statement of profit and loss.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

₹ in Million

	Year ended March 31, 2026			Year ended March 31, 2025		
	Covid-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)	Covid-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)
Expense recognised in the consolidated statement of profit and loss (Refer Note 34)						
Current service cost	-	-	952.7	-	-	731.8
Past service cost	-	-	2,799.1	-	-	-
Curtailment*		(490.4)	-	-	-	-
Interest cost	5.2	70.3	627.0	5.7	73.5	530.7
Expected return on plan assets	-	-	(362.2)	-	-	(391.0)
Expense charged to the consolidated statement of profit and loss	**5.2**	**(420.1)**	**4,016.6**	**5.7**	**73.5**	**871.5**
Remeasurement of defined benefit obligation recognised in other comprehensive income						
Actuarial loss / (gain) on defined benefit obligation	(10.4)	171.6	(302.0)	(6.1)	15.0	520.4
Actuarial loss/ (gain) on plan assets	-	-	(24.1)	-	-	(135.0)
Expense/(income) charged to other comprehensive income	**(10.4)**	**171.6**	**(326.1)**	**(6.1)**	**15.0**	**385.4**
Reconciliation of defined benefit obligations						
Obligations as at the beginning of the year	76.2	1,058.4	8,621.8	78.8	1,028.5	7,427.2
Current service cost	-	-	952.7	-	-	731.8
Interest cost	5.2	70.3	627.0	5.7	73.5	530.7
Curtailment *	-	(490.4)	-			
Past service cost	-	-	2,799.1	-	-	-
Benefits paid	(2.9)	(62.6)	(653.4)	(2.2)	(58.6)	(588.3)
Actuarial (gains)/losses on obligations						
- due to change in demographic assumptions	-	-	(7.3)	-	-	173.5
- due to change in financial assumptions	(0.8)	(10.1)	(246.6)	2.2	39.6	270.4
- due to experience	(9.6)	181.7	(48.1)	(8.3)	(24.6)	76.5
Obligation as at the year end	**68.1**	**747.3**	**12,045.2**	**76.2**	**1,058.4**	**8,621.8**

*During the year ended March 31, 2026, the Company recognized a curtailment of its defined benefit obligation, based on a legal opinion obtained during the year, the Company concluded that past / future service benefits in respect of the concerned employee are no longer payable, resulting in a reduction in the liability.

₹ in Million

	As at March 31, 2026	As at March 31, 2025
	Gratuity (Funded)	Gratuity (Funded)
Reconciliation of liability/(asset) recognised in the consolidated balance sheet		
Present value of commitments (as per actuarial valuation)	12,045.2	8,621.8
Fair value of plan assets	(6,702.2)	(6,258.3)
Net liability recognised in the consolidated financial statement	**5,343.0**	**2,363.5**

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
	Gratuity (Funded)	Gratuity (Funded)
Reconciliation of plan assets		
Plan assets as at the beginning of the year	6,258.3	5,471.0
Expected return	362.2	391.0
Actuarial gain/ (loss)	24.1	135.0
Employer's contribution during the year	711.0	849.6
Benefits paid	(653.4)	(588.3)
Plan assets as at the year end	**6,702.2**	**6,258.3**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

	As at March 31, 2026			As at March 31, 2025		
	Covid-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)	Covid-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)
Assumptions:						
Discount rate	6.90%	6.90%	In range of 6.6% to 7.25%	6.70%	6.65%	In range of 6.6% to 7.20%
Expected return on plan assets	N.A.	N.A.	In range of 6.6% to 6.90%	N.A.	N.A.	In Range of 6.60% to 7.30%
Expected rate of salary increase	N.A.	N.A.	7.00%-11.20%	N.A.	N.A.	In range of 10.54%-11.25%
Interest rate guarantee	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mortality	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Morality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Morality (2012-14)
Employee turnover	N.A.	N.A.	In range of 11.30% - 25.00%	N.A.	N.A.	In range of 11.30% - 25.00%
Retirement Age (years)	N.A.	N.A.	58 to 60	N.A.	N.A.	58 to 60

₹ in Million

	As at March 31, 2026			As at March 31, 2025		
	Covid-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)	Covid-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)
Sensitivity analysis:						
The sensitivity analysis have been determined based on method that extrapolates the impact on defined benefit obligation as a reasonable change in key assumptions occurring at the end of the reporting period.						
Impact on defined benefit obligation						
Delta effect of +1% change in discount rate	(3.5)	(29.5)	(784.7)	(4.2)	(65.3)	(553.4)
Delta effect of -1% change in discount rate	3.9	29.1	889.0	4.7	69.6	629.7
Delta effect of +1% change in salary escalation rate	-	-	795.7	-	-	598.0
Delta effect of -1% change in salary escalation rate	-	-	(717.9)	-	-	(538.5)
Delta effect of +1% change in rate of employee turnover	-	-	(169.0)	-	-	(132.8)
Delta effect of -1% change in rate of employee turnover	-	-	189.0	-	-	149.0
Maturity analysis of projected benefit obligation for next						
1st year	5.8	216.5	1,978.0	6.1	157.8	1,506.0
2nd year	6.4	69.9	1,395.8	7.3	97.2	969.0
3rd year	7.3	67.6	1,381.7	6.8	95.0	917.1
4th year	6.0	65.1	1,281.0	7.7	92.7	903.7
5th year	6.9	62.4	1,238.3	6.4	90.2	834.4
Thereafter	66.1	728.1	14,169.1	77.4	1,563.3	9,930.7
The major categories of plan assets are as under:						
Insurer managed funds (Funded with LIC, break-up not available)			6,702.2	-	-	6,258.3

The contribution expected to be made by the parent company and its Indian subsidiaries for gratuity during financial year ending March 31, 2027 is ₹ 6,416.7 Million (March 31, 2026 ₹ 3,142.7 Million).

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

In the United States, the Company sponsors a defined contribution 401(k) retirement savings plan for all eligible employees who meet minimum age and service requirements. The Company has no further obligations under the plan beyond its annual matching contributions.

The Group also has certain other defined benefits plans in various geographies. However, since they are not material , individual disclosures have not been made.

NOTE: 56

On June 24, 2024, the Group completed its acquisition of all outstanding ordinary shares of Taro Pharmaceutical Industries Limited ("Taro"), other than shares already held by the Group for a consideration of USD 347.4 Million (equivalent to ₹ 28,998.5 Million). On completion of buyback, the Company has transferred ₹ 3,263.4 Million to the retained earnings.

NOTE: 57 RELATED PARTY DISCLOSURES (IND AS-24) - AS PER ANNEXURE 'B'.

NOTE: 58

Expenditure related to Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof: ₹ 2,286.7 Million (March 31,2025 : ₹ 1,405.8 Million).

NOTE: 59

The Group does not have any material associates or joint venture warranting a disclosure in respect of individual associate or joint venture. The Group's share of other comprehensive income is ₹ Nil (March 31, 2025: ₹ Nil) in respect of such associates and joint venture. The unrecognised share of loss is ₹ Nil (March 31, 2025: ₹ Nil) in respect of such associates and joint venture.

NOTE: 60

In respect of any present obligation as a result of a past event that could lead to a probable outflow of resources, provision has been made, which would be required to settle the obligation. The said provisions are made as per the best estimate of the management and disclosure as per Ind AS 37 - "Provisions, Contingent Liabilities and Contingent Assets" has been given below:

₹ in Million

	Year ended March 31, 2026*	Year ended March 31, 2025*
Opening balance	54,480.7	46,885.4
Add: Provision for the year	94,472.7	80,996.1
Less: Utilisation/settlement/reversal	(105,307.4)	(74,292.5)
Add/(less): Foreign currency translation difference	4,900.7	891.7
Closing balance (Also Refer note 61)	**48,546.7**	**54,480.7**

*Includes provision for trade commitments, discounts, rebates, price reductions, product returns, chargeback, medicaids, contingency provision and clawback.

NOTE: 61

A Exceptional items of ₹ 13,074.8 Million and Exceptional tax credit of ₹ 3,854.0 Million for year ended March 31, 2026 includes :

a) Charge of ₹ 2,876.4 Million on account of discontinuation of development work of SCD-044, which includes (i) Impairment of acquired intangible asset under development of ₹ 1,514.9 Million and (ii) Other costs of ₹ 1,361.5 Million (included in research and development expenses). Tax credit on this charge is ₹ 1,005.1 Million.

b) On July 24, 2025 Taro and Sun Pharmaceutical Industries, Inc. (SPIINC) entered into a settlement agreement with the putative End Payer Plaintiffs class (EPPs) without any admission of guilt or violation of any statute, law, rule or regulation, or of any liability or wrongdoing, pursuant to which Taro and SPIINC agreed to pay an aggregate amount of USD 200.0 Million (equivalent to ₹ 17,112.0 Million), in exchange for a full release of all claims asserted against them (and all of their current and former parents, affiliates, predecessors and successors as well as their current and former directors, officers, employees and representatives). The Company had taken a charge of USD 62.0 Million (equivalent to ₹ 5,303.6 Million) inclusive of legal charges of USD 7.0 Million (equivalent to ₹ 598.9 Million) (net of

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

amount already provided in previous years) as an exceptional item. The settlement agreement was subject to court approval, and the court issued its order of approval on January 23, 2026, dismissing the EPP matters on the merits, in their entirety, with prejudice. Further to the courts approval and final opt-outs percentage, an additional charge of USD 12.8 Million (equivalent to ₹ 1,139.5 Million) inclusive of legal charge of USD 7.8 Million (equivalent to ₹ 693.8 Million) was taken. Tax credit on this settlement charge was ₹ 1,904.5 Million.

c) The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four labour codes as follows: Code on Wages, 2019, Code on Social Security, 2020, Industrial Relations Code, 2020 and Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the New Labour Codes). The New Labour Codes became effective from November 21, 2025 and introduced changes that include, among other things, setting a uniform definition of wages. The Government is in process of issuing related rules. The New Labour Codes have implications on employee benefits including gratuity, leave encashment, and other related obligations.

The Company assessed the implications of the New Labour Codes and recognized an incremental cost of ₹ 3,755.3 Million and related tax credit of ₹ 944.4 Million.

B) Exceptional items of ₹ 6,778.5 Million and Exceptional tax expense of ₹ 3,774.8 Million for year ended March 31, 2025 includes:

a) Charge of USD 37.44 Million (equivalent to ₹ 3,161.7 Million) including legal expenses of USD 0.7 Million (equivalent to ₹ 58.2 Million) on agreement of a settlement in principle on the primary financial terms, with no admission of wrongdoing, in the National Prescription Opiate Litigation that has been consolidated for pre-trial proceedings in the U.S. District Court for the Northern District of Ohio. The settlement is subject to the negotiation and execution of a definitive settlement agreement between the parties.

The Company continues to defend related matters in the United States of America that were not consolidated into the National Prescription Opiate Litigation as well as similar putative class actions pending in the provinces in Canada.

b) Charge of USD 11.7 Million (equivalent to ₹ 1,013.8 Million) towards integration and restructuring of operations in the United States. Deferred tax asset of USD 43.6 Million (equivalent to ₹ 3,774.8 Million) has also been written off on account of this restructuring.

c) Charge of USD 30.05 Million (equivalent to ₹ 2,603.0 Million) towards impairment of investment in Lyndra Therapeutics Inc due to closure of its operations.

NOTE: 62

a) In May 2022, US FDA inspected Sun Pharma's Halol facility, and the inspection was classified as Official Action Indicated (OAI) in August 2022. Subsequently, in December 2022, US FDA placed the Halol facility on Import Alert 66-40; and afterwards, issued a Warning Letter summarizing violations of current Good Manufacturing Practice (cGMP) at the facility (amended in October 2023). Subsequently, following a June 2025 inspection, The US FDA classified Halol facility as Official Action Indicated (OAI) in September 2025. The Company is taking corrective measures necessary to get the facility back to fully compliant status.

b) In September 2013, US FDA had placed Sun Pharma's Mohali facility on Import Alert; the site was also subjected to certain provisions of the Consent Decree of Permanent Injunction entered against Ranbaxy Laboratories Ltd. in January 2012 (Ranbaxy Laboratories Ltd. was merged with Sun Pharma in March 2015). In March 2017, US FDA removed the Import Alert on Mohali facility and indicated that the site was in substantial compliance with the provisions mentioned in the Consent Decree. In August 2022, US FDA inspected the Mohali facility, and the inspection was classified as OAI. In April 2023, US FDA issued a Consent Decree Correspondence / Non-Compliance letter to the Mohali facility in which US FDA directed the Company to take certain corrective actions at the Mohali facility, and certain actions before releasing finished drug product batches into the United States. These actions include, but are not limited to, retaining an independent cGMP expert to conduct batch certifications of drug products manufactured at the Mohali facility for shipment to the U.S. market.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

c) In December 2023, US FDA inspected Sun Pharma's Dadra facility and has subsequently determined the inspection classification status of this facility as Official Action Indicated (OAI). In June 2024, US FDA issued a Warning Letter summarizing violations of cGMP at the facility. The Company is taking corrective measures necessary to get the facility back to fully compliant status.

d) September 2025, US FDA inspected Sun Pharma's Baska facility and has subsequently determined the inspection classification status of this facility as Official Action Indicated (OAI). The Company is taking corrective measures necessary to get the facility back to fully compliant status.

NOTE: 63

With effect from the financial year 2026–27, the Company and one of its Indian subsidiary have decided to exercise the option available under Section 115BAA of the Income-tax Act, 1961 (corresponding to Section 206 of the Income-tax Act, 2025), which provides eligible domestic companies a concessional tax regime at an effective rate of 25.168% (22% plus applicable surcharge and cess), in lieu of the regular corporate tax rate of 34.944%.

The Company has remeasured its deferred tax assets and liabilities at the new applicable rate as at March 31, 2026, in accordance with Ind AS 12, 'Income Taxes'. This has resulted in a net credit to tax expense of ₹1,030.0 Million in year ended March 31, 2026.

NOTE: 64

On April 27, 2026, the Group entered into a definitive agreement to acquire all outstanding shares of Organon & Co. for cash payment of USD 14.00 per share in an all cash transaction with an enterprise valuation of USD 11.75 billion. Acquisition is subject to approvals and closing conditions.

NOTE: 65

a) No proceeding have been initiated or pending against the parent company and its Indian subsidiaries under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the Rules made thereunder.

b) The Group has not traded or invested in crypto currency or virtual currency during the financial year.

c) The Group has not granted any loans or advances in the nature of loans to promoters, directors, and KMPs, either severally or jointly with any other person. No trade or other receivable are due from directors either severally or jointly with any other person.

d) The parent company and its Indian subsidiaries do not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

e) The parent company and its Indian subsidiaries has not been sanctioned working capital limits from banks or financial institutions during any point of time of the year on the basis of security of current assets.

f) The parent company and its Indian subsidiaries have not been declared wilful defaulter by any bank or financial institution or government or any other government authorities.

g) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. However , the Company, as a part of its treasury operations, invests/advances loans to fund the operations of its subsidiaries/associates/ joint venture which have further utilised these funds for their general corporate purposes/ working capital, etc. within the consolidated group of the Company and in the ordinary course of business. These transactions are done on an arms length basis following a due approval process.

Further, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 66 DETAILS OF LONG-TERM BORROWINGS AND CURRENT MATURITIES OF LONG-TERM DEBT [INCLUDED UNDER SHORT TERM BORROWINGS]

A Term loans:

(i) The Company has Unsecured loan from banks of ₹ 312.6 Million (March 31, 2025: Nil) equivalent to CNY 22.9 Million (March 31, 2025: Nil) comprising of loan taken by Sun Pharma Hainan Company Limited. The unsecured loan carries interest rate of 1 YR LPR + 0.65% p.a. bps and will be repaid by 2029.

(ii) The Company has unsecured loan from others of ₹ Nil (March 31, 2025: ₹ 25.2 Million) comprising of loan taken by Vivaldis Health and Foods Private Limited (Vivaldis). The unsecured loan carried interest rate of 9.00% and has been repaid during the year.

NOTE: 67 DETAILS OF SECURITIES FOR CURRENT BORROWINGS ARE AS UNDER:

Borrowings / debt availed by subsidiaries are usually supported by the letter of awareness issued by the parent company.

NOTE: 68 LOANS/ADVANCES DUE FROM AN ASSOCIATE

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Interest bearing with specified repayment schedule:		
Medinstill LLC and its subsidiaries (Refer note 57)		
Considered good	282.9	256.3
Credit impaired	1,548.9	1,403.1
Less: Allowance for credit impaired	(1,548.9)	(1,403.1)
	282.9	**256.3**

Loans have been granted to the above entity for the purpose of its business.

NOTE: 69

The Parent Company holds 24.91% in the capital of Shimal Research Laboratories Limited. However, as the Parent Company does not have any 'Significant Influence' in Shimal Research Laboratories Limited, as is required under Ind AS 28 - Investments in Associates and Joint Ventures, the said investment in Shimal Research Laboratories Limited has not been accounted as an Associate Entity.

NOTE: 70

The Board of Directors of the Company at its meeting held on November 01, 2023 approved a Composite Scheme of Arrangement covering two aspects (1) Amalgamation of five wholly-owned subsidiaries (Sun Pharmaceutical Medicare Limited, Green Eco Development Centre Limited, Faststone Mercantile Company Private Limited, Realstone Multitrade Private Limited and Skisen Labs Private Limited) (collectively Transferor Companies) into the Company, and (2) Reclassification of general reserves to retained earnings with an appointed date of April 01, 2023.

On October 7, 2025, the National Company Law Tribunal approved the above scheme. As a result, the impact of the scheme for merger of Sun Pharmaceutical Medicare Limited including the tax credit of ₹ 1,401.9 Million on losses was taken during year ended March 31, 2026 in accordance with Ind AS 103 – Business Combinations.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 71

The Company and its subsidiaries incorporated in India have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, there are no instance of audit trail feature being tampered with. Additionally, the audit trail of relevant prior years has been preserved by the Company and its subsidiaries incorporated in India in accordance with statutory record retention requirements to the extent it was enabled and recorded in those respective years, however, in case of two applications used by the Company and certain of its subsidiaries incorporated in India the audit trail relating to direct changes made using privileged/administrative access rights were not preserved for the period May 2024 to November 2024.

NOTE: 72

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though the Company believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments, such as new climate-related legislation.

NOTE: 73 TRADE PAYABLE AGEING

₹ in Million

	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2026
Outstanding dues	63,239.2	9,057.8	280.3	228.2	238.3	73,043.8
Disputed dues	-	254.7	18.8	11.5	9.2	294.2
	63,239.2	**9,312.5**	**299.1**	**239.7**	**247.5**	**73,338.0**

₹ in Million

	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2025
Outstanding dues	48,688.2	12,321.8	318.5	122.1	274.9	61,725.5
Disputed dues	-	96.5	11.5	5.4	4.5	117.9
	48,688.2	**12,418.3**	**330.0**	**127.5**	**279.4**	**61,843.4**

NOTE: 74 DETAILS OF CAPITAL WORK-IN-PROGRESS AND INTANGIBLE ASSETS UNDER DEVELOPMENT:

Ageing of Capital work-in-progress

₹ in Million

	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2026
Projects in progress	7,294.1	1,544.4	281.5	4,667.0	13,787.0
Projects temporarily suspended	-	-	0.3	19.2	19.5
	7,294.1	**1,544.4**	**281.8**	**4,686.2**	**13,806.5**

₹ in Million

	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2025
Projects in progress	5,203.9	1,993.5	818.6	4,134.0	12,150.0
Projects temporarily suspended	-	8.3	18.2	166.9	193.4
	5,203.9	**2,001.8**	**836.8**	**4,300.9**	**12,343.4**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Overdue Capital work-in-progress

₹ in Million

	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2026
Projects in progress					
Formulation	629.3	-	-	-	629.3
Active Pharmaceutical Ingredient	1,345.5	-	-	-	1,345.5
Others	82.7	-	-	-	82.7
Projects temporarily suspended	19.6	-	-	-	19.6
	2,077.1	**-**	**-**	**-**	**2,077.1**

₹ in Million

	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2025
Projects in progress					
Formulation	608.8	-	-	-	608.8
Active Pharmaceutical Ingredient	2,347.5	-	-	-	2,347.5
Others	90.7	-	-	-	90.7
Projects temporarily suspended	-	-	193.4	-	193.4
	3,047.0	**-**	**193.4**	**-**	**3,240.4**

Ageing of intangible assets under development

₹ in Million

	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2026
Projects in progress	1,281.3	11,476.6	2,255.2	1,697.7	16,710.8
	1,281.3	**11,476.6**	**2,255.2**	**1,697.7**	**16,710.8**

₹ in Million

	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2025
Projects in progress	13,226.5	1,773.8	36,595.5	2,500.4	54,096.2
	13,226.5	**1,773.8**	**36,595.5**	**2,500.4**	**54,096.2**

Overdue intangible assets under development

₹ in Million

	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2026
Projects in progress					
Others	74.9	-	-	-	74.9
	74.9	**-**	**-**	**-**	**74.9**

₹ in Million

	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2025
Projects in progress					
Others	132.4	-	-	-	132.4
	132.4	**-**	**-**	**-**	**132.4**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 75 USE OF ESTIMATES, JUDGEMENTS AND ASSUMPTIONS

The preparation of the Group's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in the following notes:

a) Litigations (Refer Note 2 (m) and Note 39)

b) Revenue (Refer Note 2 (n))

c) Impairment of goodwill and intangible assets (Refer Note 2 (g), (h) and Note 47)

d) Contingent consideration (Refer Note 2 (c))

e) Income taxes (Refer Note 2 (r))

NOTE: 76 RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company does not have any transactions and balances with companies which are struck off except that 3 shareholders holding 5,505 shares (March 31, 2025 - 35 shareholders holding 27,037 shares) are struck off.

NOTE: 77 BUSINESS COMBINATIONS

On July 12, 2024, the Group acquired Valstar S.A. and its subsidiary Kemipharm S.A. for a consideration of USD 30.7 Million (equivalent to ₹ 2,564.8 Million) from its existing shareholders.

As per Ind AS 103 on Business Combination, purchase consideration was allocated according to the fair value of the acquired assets and liabilities. The resulting differential was accounted as goodwill.

	₹ in Million
Assets	
Cash	3.2
Trade receivable	34.9
Other current assets	127.1
Inventories	76.8
Property, Plant and equipment	133.7
Intangible assets	952.4
Total Assets	**1,328.1**
Liabilities	
Trade payable	113.3
Deferred tax	245.7
Income tax liability	0.3
Total liabilities	**359.3**
Total net identifiable assets at fair value	**968.8**
Total purchase price	**2,564.8**
Paid	2,460.4
Deferred consideration	104.4
Goodwill	1,596.0

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 78

During the year ended March 31, 2025, the Group completed the acquisition of 100% shareholding in Antibe Therapeutics Inc., Canada for a consideration of CAD 4.5 Million (equivalent to ₹ 267.9 Million) from its existing shareholders.

NOTE: 79

During the year ended March 31, 2026, the Group completed acquisition of Checkpoint Therapeutics, Inc. for a upfront cash payment of USD 4.10 per share of common stock amounting to consideration of USD 397.7 Million. Also, stockholders will receive a contingent value right for upto $ 0.70 per share on achievement of a milestone. Acquisition was accounted for using asset acquisition method.

NOTE: 80

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

NOTE: 81

Figures for previous year have been regrouped / reclassified wherever considered necessary.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No.:
324982E/E300003

per AMIT SINGH
Partner
Membership No.: 408869
Mumbai, May 22, 2026

For and on behalf of the Board of Directors of
SUN PHARMACEUTICAL INDUSTRIES LIMITED

DILIP S. SHANGHVI
Executive Chairman
(DIN: 00005588)

KIRTI GANORKAR
Managing Director
(DIN: 10620142)

ANOOP DESHPANDE
Company Secretary and Compliance Officer

JAYASHREE SATAGOPAN
Chief Financial Officer
Mumbai, May 22, 2026

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Disclosure of additional information pertaining to the Parent Company, subsidiaries, associates and joint ventures as per Schedule III of Companies Act, 2013:

(Annexure 'A')

S.No.	Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		2025-26		2025-26		2025-26		2025-26	
		As % of consolidated net assets	₹ in Million	As % of consolidated profit or (loss)	₹ in Million	As % of consolidated OCI	₹ in Million	As % of consolidated TCI	₹ in Million
Parent Entity - Sun Pharmaceutical Industries Limited		**26.7**	**223,707.6**	**22.9**	**26,234.2**	**(5.8)**	**(2,190.5)**	**15.7**	**24,043.7**
Subsidiaries									
Indian									
1	Green Eco Development Centre Limited	-	-	-	-	-	-	-	-
2	Sun Pharma Laboratories Limited	49.1	411,708.3	54.9	62,993.8	0.4	138.3	41.3	63,132.1
3	Faststone Mercantile Company Private Limited	-	-	-	-	-	-	-	-
4	Neetnav Real Estate Private Limited	0.8	6,902.9	0.0	11.8	-	-	0.0	11.8
5	Realstone Multitrade Private Limited	-	-	-	-	-	-	-	-
6	Skisen Labs Private Limited	-	-	-	-	-	-	-	-
7	Softdeal Pharmaceutical Private Limited	0.2	1,703.2	0.3	344.5	(0.0)	(9.0)	0.2	335.5
8	Universal Enterprises Private Limited	0.0	4.9	(0.0)	(0.0)	-	-	(0.0)	(0.0)
9	Realstone Infra Limited	(0.1)	(462.2)	(0.1)	(86.2)	-	-	(0.1)	(86.2)
10	Sun Pharmaceutical Medicare Limited	-	-	-	-	-	-	-	-
11	Zenotech Laboratories Limited	0.2	1,392.0	(0.0)	(24.3)	0.0	0.2	(0.0)	(24.1)
12	Sun Pharma Distributors Limited	1.7	14,521.7	3.0	3,420.4	0.0	2.2	2.2	3,422.6
13	Caraco Pharmaceuticals Private Limited	(0.0)	(0.5)	(0.0)	(0.1)	-	-	(0.0)	(0.1)
14	Vivaldis Health and Foods Private Limited	0.1	1,008.6	0.1	79.3	0.0	2.3	0.1	81.6
15	Sun Pharma Community Healthcare Society	0.0	29.6	0.0	1.6	-	-	0.0	1.6
16	Sun Pharma Science Foundation	0.0	11.4	0.0	1.2	-	-	0.0	1.2
17	Foundation for Disease Elimination and Control of India	(0.0)	(0.2)	(0.0)	(0.1)	-	-	(0.0)	(0.1)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

S.No.	Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		2025-26		2025-26		2025-26		2025-26	
		As % of consolidated net assets	₹ in Million	As % of consolidated profit or (loss)	₹ in Million	As % of consolidated OCI	₹ in Million	As % of consolidated TCI	₹ in Million
Foreign									
1	Sun Pharmaceutical (Bangladesh) Limited	0.3	2,500.7	(0.3)	(334.8)	-	-	(0.2)	(334.8)
2	Sun Farmaceutica Do Brasil Ltda.	(0.3)	(2,726.4)	0.0	6.9	-	-	0.0	6.9
3	Sun Pharma De Mexico S.A. DE C.V.	0.2	1,359.1	0.1	85.6	-	-	0.1	85.6
4	Sun Pharmaceutical Peru S.A.C.	(0.0)	(3.8)	(0.0)	(0.2)	-	-	(0.0)	(0.2)
5	Sun Pharma De Venezuela, C.A.	(0.0)	(0.0)	-	-	-	-	-	-
6	Sun Pharma France	(0.2)	(1,802.2)	0.0	37.2	-	-	0.0	37.2
7	Ranbaxy (Malaysia) SDN. BHD.	0.6	5,437.5	0.6	637.7	-	-	0.4	637.7
8	Ranbaxy Nigeria Limited	(0.4)	(3,476.7)	0.6	639.9	-	-	0.4	639.9
9	Sun Pharma (Netherlands) B.V	15.2	127,504.9	2.6	3,011.3	8.5	3,217.9	4.1	6,229.1
10	Alkaloida Chemical Company Zrt.	8.4	70,863.9	0.6	700.7	-	-	0.5	700.7
11	Sun Pharmaceutical Industries (Australia) Pty Limited	0.3	2,708.8	(0.1)	(159.4)	-	-	(0.1)	(159.4)
12	Aditya Acquisition Company Ltd.	(0.0)	(1.0)	(0.0)	(0.0)	-	-	(0.0)	(0.0)
13	Sun Pharmaceutical Industries (Europe) B.V.	0.1	620.0	0.1	98.6	-	-	0.1	98.6
14	Sun Pharmaceuticals Germany GmbH	0.0	280.4	0.1	80.1	-	-	0.1	80.1
15	Sun Pharma Philippines, Inc.	(0.1)	(450.7)	0.1	68.4	(0.0)	(0.9)	0.0	67.5
16	Sun Pharma Japan Ltd.	0.1	883.0	(0.2)	(229.6)	-	-	(0.2)	(229.6)
17	Sun Laboratories FZE	0.2	2,091.1	0.1	114.1	-	-	0.1	114.1
18	Taro Pharmaceutical Industries Ltd. (TARO) (Consolidated with its Subsidiaries)	20.5	171,868.5	4.2	4,806.8	(0.1)	(41.9)	3.1	4,764.8
19	Sun Pharma Switzerland Ltd.	0.0	10.0	0.0	13.5	-	-	0.0	13.5
20	Sun Pharma Holdings	15.3	128,539.2	(0.1)	(65.5)	-	-	(0.0)	(65.5)
21	Sun Pharma East Africa Limited	(0.0)	(81.1)	0.0	30.5	-	-	0.0	30.5
22	Sun Pharma ANZ Pty Ltd	0.2	2,058.1	0.1	166.6	-	-	0.1	166.6
23	Ranbaxy Farmaceutica Ltda.	(0.0)	(363.4)	0.2	221.8	-	-	0.1	221.8
24	Sun Pharma Canada Inc.	-	-	-	-	-	-	-	-
25	Sun Pharma Egypt Ltd LLC	0.0	327.1	0.1	65.1	-	-	0.0	65.1
26	Rexcel Egypt LLC	(0.0)	(12.2)	0.0	5.1	-	-	0.0	5.1
27	Basics GmbH	0.2	1,565.3	0.1	119.0	-	-	0.1	119.0
28	Sun Pharma Italia srl	0.1	459.9	0.1	83.2	-	-	0.1	83.2
29	Sun Pharmaceutical Industries S.A.C.	0.0	296.9	0.1	97.1	-	-	0.1	97.1
30	Ranbaxy (Poland) SP. Z O.O.	0.1	493.6	0.0	27.0	-	-	0.0	27.0
31	SC Terapia SA	3.3	27,744.7	7.5	8,585.1	-	-	5.6	8,585.1
32	AO Ranbaxy	0.4	3,621.5	0.5	622.6	-	-	0.4	622.6

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

S.No.	Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		2025-26		2025-26		2025-26		2025-26	
		As % of consolidated net assets	₹ in Million	As % of consolidated profit or (loss)	₹ in Million	As % of consolidated OCI	₹ in Million	As % of consolidated TCI	₹ in Million
33	JSC Biosintez	0.5	4,610.2	0.4	516.3	-	-	0.3	516.3
34	Ranbaxy South Africa (Pty) Ltd. (Consolidated with its Subsidiary)	0.2	1,789.2	0.2	245.5	-	-	0.2	245.5
35	Ranbaxy Pharmaceuticals (Pty) Ltd.	0.6	4,989.6	0.4	511.1	-	-	0.3	511.1
36	Sun Pharma Laboratorios,S.L.U.	0.1	1,136.7	0.1	67.7	-	-	0.0	67.7
37	Sun Pharma UK Limited	0.3	2,663.8	0.1	99.6	-	-	0.1	99.6
38	Sun Pharma Holdings UK Limited	0.5	3,856.5	0.0	10.2	-	-	0.0	10.2
39	Sun Pharmaceutical Holding USA Inc. (Consolidated with its Subsidiaries and its Associate)	7.4	61,684.9	(1.8)	(2,098.8)#	(3.6)	(1,364.7)	(2.3)	(3,463.5)#
40	Ranbaxy (Thailand) Co., Ltd.	0.0	382.5	0.0	13.9	-	-	0.0	13.9
41	Sun Pharmaceuticals Morocco LLC	(0.0)	(130.0)	(0.0)	(21.2)	-	-	(0.0)	(21.2)
42	Ranbaxy Pharmaceuticals Ukraine LLC	0.0	363.3	0.0	21.4	-	-	0.0	21.4
43	Sun Pharma (Shanghai) Co.,Ltd.	0.0	4.4	(0.0)	(3.6)	-	-	(0.0)	(3.6)
44	Sun Pharmaceuticals (EZ) Limited	(0.1)	(877.5)	(0.2)	(234.3)	-	-	(0.2)	(234.3)
45	Sunpharma Middle East FZ LLC	(0.0)	(15.4)	(0.0)	(12.8)	-	-	(0.0)	(12.8)
46	Sun Pharmaceuticals North Africa S.A. (Formely Known as Kemipharm)	0.1	992.4	(0.1)	(72.7)	-	-	(0.0)	(72.7)
47	Sun Pharma Luxembourg S.A.(Formely known as Valstar S.A.)	0.1	662.3	0.0	24.9	-	-	0.0	24.9
48	Sun Pharma Hainan Co. Ltd	(0.0)	(206.9)	(0.6)	(649.3)	-	-	(0.4)	(649.3)
Non controlling interest in all subsidiaries		0.4	3,096.5	(0.3)	(292.3)	(0.7)	(250.5)	(0.4)	(542.8)
Intercompany elimination and consolidation adjustments		(53.5)	(449,049.5)	3.6	4,158.0	101.3	38,513.5	27.9	42,671.5
Total		**100.0**	**838,797.3**	**100.0**	**114,794.2**	**100.0**	**38,016.9**	**100.0**	**152,811.1**

Includes share of loss and share of TCI, from its associate of ₹252.1 Million.

Note: The above amounts / percentage of net assets and net profit or (loss) in respect of the parent company, its subsidiaries, associates and joint ventures are determined based on the amounts of the respective entities included in consolidated financial statements before inter-company eliminations / consolidation adjustments.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Disclosure of additional information pertaining to the Parent Company, subsidiaries, associates and joint ventures as per Schedule III of Companies Act, 2013:

(Annexure 'A')

S.No.	Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		2024-25		2024-25		2024-25		2024-25	
		As % of consolidated net assets	₹ in Million	As % of consolidated profit or (loss)	₹ in Million	As % of consolidated OCI	₹ ₹ in Million	As % of consolidated TCI	₹ in Million
Parent Entity - Sun Pharmaceutical Industries Limited		33.6	243,398.5	39.2	42,826.2	(2.5)	(232.0)	36.0	42,594.2
Subsidiaries									
Indian									
1	Green Eco Development Centre Limited	0.0	1.2	(0.0)	(0.0)	-	-	(0.0)	(0.0)
2	Sun Pharma Laboratories Limited	48.1	348,578.9	57.5	62,796.8	(1.5)	(132.2)	52.9	62,664.6
3	Faststone Mercantile Company Private Limited	0.0	3.5	0.0	0.1	-	-	0.0	0.1
4	Neetnav Real Estate Private Limited	0.7	5,141.1	(0.0)	(41.3)	-	-	(0.0)	(41.3)
5	Realstone Multitrade Private Limited	0.0	2.4	0.0	0.0	-	-	0.0	0.0
6	Skisen Labs Private Limited	(0.0)	(0.7)	(0.0)	(0.1)	-	-	(0.0)	(0.1)
7	Softdeal Pharmaceutical Private Limited	0.2	1,353.5	0.4	394.9	(0.0)	(1.0)	0.3	393.9
8	Universal Enterprises Private Limited	0.0	4.9	(0.0)	(0.1)	-	-	(0.0)	(0.1)
9	Realstone Infra Limited	(0.1)	(376.1)	(0.1)	(85.5)	-	-	(0.1)	(85.5)
10	Sun Pharmaceutical Medicare Limited	(0.6)	(4,338.8)	(0.5)	(500.9)	(0.1)	(5.1)	(0.4)	(506.0)
11	Zenotech Laboratories Limited	0.2	1,416.1	0.0	31.0	0.0	0.2	0.0	31.2
12	Sun Pharma Distributors Limited	1.5	11,099.1	2.9	3,171.9	0.0	4.4	2.7	3,176.3
13	Caraco Pharmaceuticals Private Limited	(0.0)	(0.4)	(0.0)	(0.1)	-	-	(0.0)	(0.1)
14	Vivaldis Health and Foods Private Limited	0.1	927.0	(0.0)	(29.6)	-	-	(0.0)	(29.6)
15	Sun Pharma Community Healthcare Society	0.0	28.0	0.0	3.1	-	-	0.0	3.1
16	Sun Pharma Science Foundation	0.0	10.2	0.0	0.4	-	-	0.0	0.4
17	Foundation for Disease Elimination and Control of India	(0.0)	(0.1)	0.0	0.2	-	-	0.0	0.2
Foreign									
1	Sun Pharmaceutical (Bangladesh) Limited	0.4	2,598.1	0.2	266.6	-	-	0.2	266.6
2	Sun Farmaceutica Do Brasil Ltda.	(0.3)	(2,298.0)	(0.1)	(77.3)	-	-	(0.1)	(77.3)
3	Sun Pharma De Mexico S.A. DE C.V.	0.1	1,046.6	0.0	49.3	-	-	0.0	49.3
4	Sun Pharmaceutical Peru S.A.C.	(0.0)	(3.1)	0.0	2.4	-	-	0.0	2.4
5	Sun Pharma De Venezuela, C.A.	(0.0)	(0.0)	-	-	-	-	-	-
6	Sun Pharma France	(0.2)	(1,562.1)	(0.0)	(38.4)	-	-	(0.0)	(38.4)
7	Ranbaxy (Malaysia) SDN. BHD.	0.5	3,941.6	0.8	837.4	-	-	0.7	837.4
8	Ranbaxy Nigeria Limited	(0.5)	(3,437.2)	(0.3)	(324.5)	-	-	(0.3)	(324.5)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

S.No.	Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		2024-25		2024-25		2024-25		2024-25	
		As % of consolidated net assets	₹ in Million	As % of consolidated profit or (loss)	₹ in Million	As % of consolidated OCI	₹ ₹ in Million	As % of consolidated TCI	₹ in Million
9	Sun Pharma (Netherlands) B.V	14.4	104,614.7	(0.8)	(839.3)	2.3	212.0	(0.5)	(627.3)
10	Alkaloida Chemical Company Zrt.	8.8	63,525.2	1.2	1,297.9	-	-	1.1	1,297.9
11	Sun Pharmaceutical Industries (Australia) Pty Limited	0.3	2,375.8	(0.5)	(501.9)	-	-	(0.4)	(501.9)
12	Aditya Acquisition Company Ltd.	(0.0)	(0.7)	(0.0)	(0.1)	-	-	(0.0)	(0.1)
13	Sun Pharmaceutical Industries (Europe) B.V.	0.1	414.5	0.1	75.7	-	-	0.1	75.7
14	Sun Pharmaceuticals Germany GmbH	0.0	174.4	0.1	96.2	-	-	0.1	96.2
15	Sun Pharma Philippines, Inc.	(0.1)	(498.2)	0.0	10.2	-	-	0.0	10.2
16	Sun Pharma Japan Ltd. (Consolidated with its Subsidiary)	0.1	1,076.6	(0.8)	(905.4)	-	-	(0.8)	(905.4)
17	Sun Laboratories FZE	0.2	1,784.2	3.0	3,292.8	(0.4)	(39.2)	2.7	3,253.6
18	Taro Pharmaceutical Industries Ltd. (TARO) (Consolidated with its Subsidiaries)	21.0	151,863.9	(1.6)	(1,694.3)	7.0	639.0	(0.9)	(1,055.3)
19	Sun Pharma Switzerland Ltd.	(0.0)	(2.9)	(0.0)	(5.2)	-	-	(0.0)	(5.2)
20	Sun Pharma Holdings	16.1	116,505.5	(0.1)	(70.8)	-	-	(0.1)	(70.8)
21	Sun Pharma East Africa Limited	(0.0)	(100.5)	0.0	0.4	-	-	0.0	0.4
22	Sun Pharma ANZ Pty Ltd	0.2	1,537.5	0.1	149.0	-	-	0.1	149.0
23	Ranbaxy Farmaceutica Ltda.	(0.1)	(523.8)	0.7	803.6	-	-	0.7	803.6
24	Sun Pharma Canada Inc.	0.1	631.5	0.1	82.3	-	-	0.1	82.3
25	Sun Pharma Egypt Ltd LLC	0.0	252.7	0.1	116.4	-	-	0.1	116.4
26	Rexcel Egypt LLC	(0.0)	(16.3)	0.0	3.0	-	-	0.0	3.0
27	Basics GmbH	0.2	1,231.4	0.2	207.6	-	-	0.2	207.6
28	Sun Pharma Italia srl	0.0	311.0	0.0	0.2	-	-	0.0	0.2
29	Sun Pharmaceutical Industries S.A.C.	0.0	174.0	0.0	32.0	-	-	0.0	32.0
30	Ranbaxy (Poland) SP. Z O.O.	0.1	408.0	0.0	26.0	-	-	0.0	26.0
31	SC Terapia SA	2.9	20,903.5	5.8	6,381.9	-	-	5.4	6,381.9
32	AO Ranbaxy	0.4	2,584.5	0.3	321.5	-	-	0.3	321.5
33	JSC Biosintez	0.5	3,537.4	0.3	376.8	-	-	0.3	376.8
34	Ranbaxy South Africa (Pty) Ltd. (Consolidated with its Subsidiary)	0.2	1,318.7	0.1	92.9	-	-	0.1	92.9
35	Ranbaxy Pharmaceuticals (Pty) Ltd.	0.5	3,650.3	0.4	481.0	-	-	0.4	481.0
36	Sun Pharma Laboratorios, S.L.U.	0.1	905.8	0.1	66.9	-	-	0.1	66.9
37	Sun Pharma UK Limited	0.3	2,257.4	0.1	103.4	-	-	0.1	103.4
38	Sun Pharma Holdings UK Limited	0.5	3,399.6	(0.0)	(1.4)	-	-	(0.0)	(1.4)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

S.No.	Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		2024-25		2024-25		2024-25		2024-25	
		As % of consolidated net assets	₹ in Million	As % of consolidated profit or (loss)	₹ in Million	As % of consolidated OCI	₹ ₹ in Million	As % of consolidated TCI	₹ in Million
39	Sun Pharmaceutical Holding USA Inc. (Consolidated with its Subsidiaries and its Associate)	8.2	59,386.8	0.2	262.7#	(3.1)	(285.6)	(0.0)	(22.9)#
40	Ranbaxy (Thailand) Co., Ltd.	0.0	320.9	0.0	47.0	-	-	0.0	47.0
41	Sun Pharmaceuticals Morocco LLC	(0.0)	(104.6)	0.1	73.6	-	-	0.1	73.6
42	Ranbaxy Pharmaceuticals Ukraine LLC	0.1	508.0	0.1	57.5	-	-	0.0	57.5
43	Sun Pharma (Shanghai) Co.,Ltd.	0.0	7.3	(0.0)	(15.3)	-	-	(0.0)	(15.3)
44	Sun Pharmaceuticals (EZ) Limited	(0.1)	(572.8)	(0.5)	(523.5)	-	-	(0.4)	(523.5)
45	Sunpharma Middle East FZ LLC	(0.0)	(0.4)	(0.0)	(5.7)	-	-	(0.0)	(5.7)
46	Sun Pharmaceuticals North Africa S.A. (Formely Known as Kemipharm)	0.0	96.6	(0.2)	(200.2)	-	-	(0.2)	(200.2)
47	Sun Pharma Luxembourg S.A. (Formely known as Valstar S.A.)	(0.2)	(1,537.1)	(0.0)	(47.9)	-	-	(0.0)	(47.9)
Non controlling interest in all subsidiaries		0.4	2,679.3	(0.3)	(357.1)	(0.3)	(25.5)	(0.3)	(382.6)
Intercompany elimination and consolidation adjustments		(59.0)	(427,754.4)	(8.5)	(9,282.5)	98.5	8,963.6	(0.3)	(318.9)
Total		**100.0**	**724,859.5**	**100.0**	**109,290.4**	**100.0**	**9,098.6**	**100.0**	**118,389.0**

 # Includes share of loss and share of TCI, from its associate of ₹ 40.9 Million.

Note: The above amounts / percentage of net assets and net profit or (loss) in respect of the parent company, its subsidiaries, associates and joint ventures are determined based on the amounts of the respective entities included in consolidated financial statements before inter-company eliminations / consolidation adjustments.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

(Annexure 'B')

Ind AS- 24 - "RELATED PARTY DISCLOSURES"

Names of related parties where there are transactions and description of relationships

(a)	**Key Management Personnel (KMP)**	
	Dilip Shantilal Shanghvi	Executive Chairman (w.e.f. September 01, 2025) (Chairman and Managing Director upto August 31, 2025)
	Sudhir Vrundavandas Valia	Non-Executive Director and Non-Independent Director (upto May 22, 2025)
	Aalok D. Shanghvi	Wholetime Director
	Vidhi Shanghvi	Wholetime Director (w.e.f. May 22, 2025)
	Kirti W Ganorkar	Managing Director (w.e.f. September 01, 2025)
(b)	**Relatives of Key Management Personnel**	
	Vidhi Shanghvi (appointed as Wholetime Director w.e.f. May 22, 2025)	
(c)	**Independent Directors**	
	Gautam Doshi	
	Pawan Kumar Goenka	
	Rama Bijapurkar (upto May 20, 2026)	
	Rolf Karl Heinz Hoffmann	
	Sanjay Khatau Asher (upto March 31, 2025)	
	Satyavati Berera (w.e.f. May 08, 2026)	
	Dr Andreas Busch (w.e.f. May 12, 2026)	
(d)	**Others (Entities in which the KMP, Independent Directors and relatives of KMP and Independent Directors have control or significant influence)**	
	Alfa Infraprop Private Limited	
	Shanghvi Finance Private Limited	
	Shantilal Shanghvi Foundation	
	Sidmak Laboratories (India) Private Limited	
	Sun Petrochemicals Private Limited	
	Sun Pharma Advanced Research Company Limited	
	Anshul Speciality Molecules Private Limited	
	Navbio Ag	
	DNS Hospital Private Limited	
	Navjivan Rasayan Guj Privated Limited	
	SPARCLIFE Inc.	
	Shri Nagardas Dhanji Shanghvi Trust (Trade Name - Sudarshan Netralai)	
	Airamatrix Private Limited	
	Crawford Bayley and Co.(upto March 31, 2025)	
(e)	**Associates**	
	Medinstill LLC	
	Medinstill Development LLC (merged with Intact Solutions LLC w.e.f. November 30, 2024)	
	Dr. Py Institute LLC (merged with Intact Solutions LLC w.e.f. November 30, 2024)	
	Intact Solutions LLC	
	Remidio Innovative Solutions Private Limited	
	Haystack Analytics Private Limited	
	WRS Bioproducts Pty. Ltd.	
	Indian Foundation for Quality Management	
	Ezerx Health Tech Private Limited	

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Annexure 'B')

Ind AS- 24 - "RELATED PARTY DISCLOSURES"

Details of related party transaction:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Purchase of goods	**408.2**	**239.2**
Others	261.6	147.7
Associates	146.6	91.5
Purchase of property, plant and equipment and other intangible assets	**-**	**148.7**
Others	-	148.7
Revenue from contracts with customers, net of returns	**171.6**	**302.8**
Others	171.6	302.8
Sale of property, plant and equipment	**-**	**0.6**
Others	-	0.6
Other operating revenue/ Other Income	**3.9**	**12.5**
Others	3.9	12.5
Receiving of service	**619.8**	**662.0**
Others	492.0	662.0
Associates	127.8	-
Reimbursement of expenses (Paid)	**60.6**	**64.9**
Others	60.6	64.9
Rendering of service	**2.8**	**29.7**
Others	2.8	29.7
Reimbursement of expenses (Received)	**121.7**	**221.8**
Others	121.7	221.8
Loan given	**-**	**33.8**
Associates	-	33.8
Loan received back	**-**	**320.0**
Associates	-	320.0
Interest income	**-**	**57.4**
Associates	-	57.4
Lease rental and hire charges (Income)	**49.6**	**93.1**
Others	29.3	44.1
Associates	20.3	49.0
Rent expense/ payment towards lease liabilities	**-**	**4.8**
Others	-	4.8
Investments	**169.0**	**125.0**
Associates	169.0	125.0
Remuneration/ compensation	**244.0**	**163.1**
Key management personnel	244.0	145.1
Relatives of Key management personnel	-	18.0
CSR	**850.0**	**700.0**
Others	850.0	700.0
Sitting fees and commission paid to Independent directors	**41.2**	**31.8**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Balances outstanding as at the end of year:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Receivables	**959.2**	**503.0**
Others	959.2	503.0
Associate (₹ 5,623/-)	0.0	0.0
Payables	**144.3**	**200.3**
Associates	31.7	8.9
Key management personnel	-	18.6
Independent directors	0.1	1.1
Others	112.5	171.7
Security deposit given	**-**	**0.5**
Others	-	0.5
Loan given	**282.9**	**256.3**
Associates	282.9	256.3
Advance from customers	**0.0**	**1.1**
Others (March 31, 2026 ₹ 17,245/-)	0.0	1.1
Advance (Includes capital and supply of goods/services)	**28.7**	**431.3**
Others	28.7	431.3

Key Management Personnel (KMP) and Relatives of KMP who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits'. As these employee benefits are lump sum amount provided on the basis of actuarial valuation, the same is not included above and there is no Share-based payments to key management personnel and relatives of KMP.

The transactions with related parties are made on an arm's length basis. Outstanding trade balances at the year-end are unsecured and there have been no guarantees provided or received for any related party receivables or payables.

Receiving of Service: The service received are mainly in nature of royalty payments and other expenses. The Company mutually negotiates and agrees the price and payment terms with the related parties by benchmarking the same to the services to non-related parties entered into by the counter-party and similar services received by the Company from other non-related parties.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

FORM AOC - 1

Pursuant to first proviso to sub-section (3) of section 129 of Companies Act, 2013 with the Rule 5 of Companies (Accounts) Rules, 2014

Statement containing salient features of the financial statement of subsidiaries / associate companies/ joint ventures

PART "A": Subsidiaries

₹ in Million

Sr. No.	Name of the Subsidiary Company	Date of acquisition/ incorporation of subsidiary	Reporting Currency	Closing rate	Capital	Reserve	Total Assets	Total Liabilities	Investment Other than Investment in Subsidiary	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend	% of Shareholding
1	Sun Pharmaceutical (Bangladesh) Limited	29.03.2001	BDT	0.77	46.1	2,445.7	3,512.4	1,020.6	-	1,090.5	(351.7)	(3.5)	(348.2)	-	72.50%
2	Sun Pharmaceutical Industries, Inc.	20.11.2002	USD	94.36	-	116,823.3	236,925.8	120,102.5	10,959.0	162,790.0	(2,402.3)	(2,337.2)	(65.1)	-	100.00%
3	Sun Farmaceutica do Brasil Ltda.	22.05.2009	BRL	18.05	100.6	(2,789.3)	5,350.8	8,039.5	-	6,926.3	(133.9)	(214.2)	80.3	-	100.00%
4	Sun Pharma De Mexico S.A. DE C.V.	03.12.2002	MXN	5.23	5.3	1,377.4	1,968.3	585.6	-	2,032.3	130.5	41.7	88.8	-	100.00%
5	Sun Pharmaceutical Peru S.A.C.	27.06.2006	PEN	27.00	228.6	(236.2)	0.4	8.0	-	-	(0.1)	-	(0.1)	-	100.00%
6	Sun Pharma De Venezuela, C.A.	06.11.2011	VES	0.20	0.0	(0.0)	-	0.0	-	-	-	-	-	-	100.00%
7	Chattem Chemicals Inc.	24.11.2008	USD	94.36	-	14,398.1	8,691.2	(5,706.9)	-	10,748.7	4,838.2	(291.0)	5,129.2	-	100.00%
8	The Taro Development Corporation	20.09.2010	USD	94.36	-	8,775.2	12,622.6	3,847.4	-	-	559.9	(178.1)	738.0	-	100.00%
9	Alkaloida Chemical Company Zrt.	05.08.2005	USD	94.36	8,422.1	62,585.6	72,078.9	1,071.2	1,335.1	6,547.3	857.7	113.0	744.7	-	100.00%
10	Sun Pharmaceutical Industries (Australia) Pty Limited	11.03.2008	AUD	64.93	10,656.8	(7,947.6)	4,972.2	2,263.0	-	4,937.9	(182.6)	-	(182.6)	-	100.00%
11	Aditya Acquisition Company Ltd.	22.04.2007	ILS	29.82	0.0	(1.0)	0.1	1.1	-	-	0.1	-	0.1	-	100.00%
12	Sun Pharmaceutical Industries (Europe) B.V.	29.06.2007	EUR	108.45	2.0	650.1	6,266.1	5,614.0	-	7,244.5	192.3	54.8	137.5	-	100.00%
13	Sun Pharmaceuticals Germany GmbH	11.08.2008	EUR	108.45	2.7	261.6	3,920.8	3,656.5	-	6,292.7	100.4	30.4	70.0	-	100.00%
14	Sun Laboratories FZE	13.03.2011	USD	94.36	1,156.0	935.1	3,233.5	1,142.4	-	3,644.9	143.0	21.4	121.6	-	100.00%
15	Sun Pharma Japan Ltd.	01.03.2012	JPY	0.59	93.4	819.3	7,093.7	6,181.0	-	6,797.0	(305.8)	0.4	(306.2)	-	100.00%
16	Sun Pharma Philippines, Inc.	08.12.2011	PHP	1.55	13.5	(441.9)	1,395.4	1,823.8	-	1,296.8	87.0	(6.5)	93.5	-	100.00%
17	Caraco Pharmaceuticals Private Limited	12.01.2012	INR	1.00	0.1	(0.6)	0.0	0.5	-	-	(0.1)	-	(0.1)	-	100.00%
18	Sun Pharma Laboratories Limited	09.03.2012	INR	1.00	400.5	411,307.8	436,806.3	25,098.0	194,113.3	125,755.6	79,570.9	16,577.3	62,993.6	-	100.00%
19	Taro Pharmaceutical Industries Ltd. (Taro)	20.09.2010	USD	94.36	64.4	177,646.5	186,767.1	9,056.2	4,767.4	16,523.6	6,052.8	61.5	5,991.3	-	100.00%

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

₹ in Million

Sr. No.	Name of the Subsidiary Company	Date of acquisition/ incorporation of subsidiary	Reporting Currency	Closing rate	Capital	Reserve	Total Assets	Total Liabilities	Investment Other than Investment in Subsidiary	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend	% of Shareholding
20	Sun Pharma Canada Inc. (Formerly known as Taro Pharmaceuticals Inc.)	20.09.2010	USD	94.36	35,157.4	169,375.9	216,009.3	11,476.0	18,115.1	6,713.2	277.7	47.7	230.0	-	100.00%
21	Taro Pharmaceuticals U.S.A., Inc.	20.09.2010	USD	94.36	13.7	(17,429.5)	112,905.8	130,321.6	737.6	5,842.5	7,708.3	1.0	7,707.3	-	100.00%
22	Taro Pharmaceuticals North America, Inc.	20.09.2010	USD	94.36	0.0	35,157.5	35,160.3	2.8	-	-	(2.2)	-	(2.2)	-	100.00%
23	Taro International Ltd.	20.09.2010	USD	94.36	0.0	3,901.9	4,511.2	609.3	-	25,479.0	618.1	108.7	509.4	-	100.00%
24	Neetnav Real Estate Private Limited	01.04.2012	INR	1.00	0.1	6,902.8	7,154.4	251.5	194.9	1.6	16.7	4.9	11.8	-	100.00%
25	Softdeal Pharmaceutical Private Limited	01.04.2012	INR	1.00	0.1	1,703.1	2,294.2	591.0	1,020.0	2,499.0	463.0	118.5	344.5	-	100.00%
26	Universal Enterprises Private Limited	03.09.2012	INR	1.00	4.5	0.4	8.1	3.2	-	-	(0.0)	-	(0.0)	-	100.00%
27	Sun Pharma Switzerland Ltd.	10.06.2013	CHF	117.96	11.8	(7.5)	18.2	13.9	-	30.4	(6.3)	0.0	(6.3)	-	100.00%
28	Sun Pharma Holdings	29.10.2013	USD	94.36	322,773.6	(194,514.1)	129,819.9	1,560.4	-	-	(70.0)	-	(70.0)	-	100.00%
29	PI Real Estate Ventures, LLC	15.07.2014	USD	94.36	-	3,896.2	1,110.0	(2,786.2)	-	283.1	192.2	-	192.2	-	100.00%
30	Sun Pharma East Africa Limited	13.06.2014	KES	0.73	0.1	(81.1)	861.2	942.2	-	1,103.2	40.2	13.6	26.6	-	100.00%
31	Basics GmbH	24.03.2015	EUR	108.45	528.7	581.0	6,752.0	5,642.3	-	5,233.9	104.5	31.9	72.6	-	100.00%
32	Ranbaxy Pharmaceuticals Ukraine LLC	24.03.2015	UAH	2.15	85.9	387.3	665.4	192.2	-	965.5	68.9	12.3	56.6	-	100.00%
33	Sun Pharmaceuticals Morocco LLC	24.03.2015	MAD	10.01	122.5	(501.8)	2,659.8	3,039.1	-	3,677.2	(63.4)	19.7	(83.1)	-	100.00%
34	Sun Pharmaceutical Industries S.A.C.	24.03.2015	PEN	27.00	117.3	175.6	937.1	644.2	-	788.3	111.4	32.9	78.5	-	100.00%
35	Sun Pharma Holdings UK Limited	24.03.2015	GBP	124.89	3,816.2	197.3	4,018.3	4.8	-	-	14.2	2.9	11.3	-	100.00%
36	Sun Pharma France	24.03.2015	EUR	108.45	4,874.8	(6,667.0)	4,923.3	6,715.5	-	4,651.9	32.8	-	32.8	-	100.00%
37	Sun Pharma Italia srl	24.03.2015	EUR	108.45	5.4	454.5	3,918.9	3,459.0	-	6,630.9	159.4	64.1	95.3	-	100.00%
38	Ranbaxy Pharmaceuticals (Pty) Ltd	24.03.2015	ZAR	5.52	3,866.4	990.0	7,110.0	2,253.6	-	10,318.1	873.5	249.5	624.0	-	100.00%
39	Ranbaxy South Africa (Pty) Ltd	24.03.2015	ZAR	5.52	96.7	778.8	1,140.3	264.8	-	714.8	172.5	39.2	133.3	-	100.00%
40	Sonke Pharmaceuticals Proprietary Limited	24.03.2015	ZAR	5.52	11.0	1,302.0	1,501.2	188.2	-	1,986.2	233.4	61.9	171.5	-	70.00%
41	Sun Pharma Egypt LLC	24.03.2015	EGP	1.73	487.1	(167.6)	917.6	598.1	-	913.6	56.2	(2.6)	58.8	-	100.00%
42	Rexcel Egypt LLC	24.03.2015	EGP	1.73	3.6	(15.7)	65.2	77.3	-	39.5	4.5	-	4.5	-	100.00%
43	Sun Pharma UK Limited	24.03.2015	GBP	124.89	2,716.4	(51.9)	3,375.6	711.1	-	6,486.6	148.5	38.1	110.4	-	100.00%
44	Ranbaxy (Poland) SP. Z O.O.	24.03.2015	PLN	25.15	107.9	385.6	692.0	198.5	-	1,048.8	42.1	13.7	28.4	-	100.00%

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

₹ in Million

Sr. No.	Name of the Subsidiary Company	Date of acquisition/ incorporation of subsidiary	Reporting Currency	Closing rate	Capital	Reserve	Total Assets	Total Liabilities	Investment Other than Investment in Subsidiary	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend	% of Shareholding
45	Ranbaxy Nigeria Limited	24.03.2015	NGN	0.07	2.7	(3,494.4)	1,361.5	4,853.2	-	1,807.4	754.9	26.1	728.8	-	86.16%
46	Ranbaxy (Thailand) Co., Ltd.	24.03.2015	THB	2.88	331.1	15.5	2,015.0	1,668.4	-	2,794.6	52.4	38.5	13.9	-	100.00%
47	Ohm Laboratories, Inc.	24.03.2015	USD	94.36	22.6	(40,837.6)	14,611.4	55,426.4	-	17,075.3	(1,560.6)	1,054.0	(2,614.6)	-	100.00%
48	Ranbaxy Signature LLC	24.03.2015	USD	94.36	-	1,196.8	4.2	(1,192.6)	-	-	(0.1)	-	(0.1)	-	67.50%
49	Ranbaxy Inc.	24.03.2015	USD	94.36	1,204.1	(42,469.3)	(39,259.2)	2,006.0	-	-	(2,746.4)	160.2	(2,906.6)	-	100.00%
50	AO Ranbaxy	24.03.2015	RUB	1.16	188.6	3,310.5	14,533.4	11,034.3	-	15,102.4	1,802.9	550.3	1,252.6	-	100.00%
51	Sun Pharma Laboratorios,S.L.U.	24.03.2015	EUR	108.45	108.5	1,037.8	3,047.3	1,901.0	-	3,645.9	97.6	24.4	73.2	-	100.00%
52	Ranbaxy (Malaysia) SDN. BHD.	24.03.2015	MYR	23.18	192.4	5,245.1	6,186.1	748.6	-	4,326.5	930.9	239.0	691.9	-	97.53%
53	Ranbaxy Farmaceutica Ltda.	24.03.2015	BRL	18.05	313.4	(676.7)	6,645.5	7,008.8	-	8,726.9	461.8	197.6	264.2	-	100.00%
54	Sun Pharma ANZ Pty Ltd	24.03.2015	AUD	64.93	2,080.8	(22.7)	3,542.6	1,484.5	-	6,250.3	271.0	82.8	188.2	-	100.00%
55	SC Terapia SA	24.03.2015	RON	21.27	531.6	29,497.6	39,912.0	9,882.8	237.1	32,845.7	10,547.1	1,471.4	9,075.7	-	96.81%
56	Sun Pharma (Netherlands) B.V.	24.03.2015	USD	94.36	73,213.1	55,377.0	131,863.7	3,273.6	15,422.9	8,136.3	8,768.0	1,446.9	7,321.1	-	100.00%
57	JSC Biosintez	19.12.2016	RUB	1.16	0.3	4,534.8	5,610.4	1,075.3	2.3	3,841.7	660.7	136.2	524.5	-	100.00%
58	Sun Pharmaceuticals Holdings USA, Inc.	18.11.2016	USD	94.36	-	49,074.5	50,312.8	1,238.3	-	-	(279.5)	(36.6)	(242.9)	-	100.00%
59	Foundation for Disease Elimination and Control of India	21.09.2016	INR	1.00	0.1	(0.3)	-	0.2	-	0.3	(0.1)	-	(0.1)	-	100.00%
60	Zenotech Laboratories Limited	27.07.2017	INR	1.00	610.3	340.9	1,111.5	160.3	-	395.5	41.9	52.6	(10.7)	-	68.84%
61	Sun Pharma Distributors Limited	19.03.2019	INR	1.00	1.5	14,520.2	31,859.7	17,338.0	519.0	192,812.1	4,594.6	1,174.2	3,420.4	-	100.00%
62	Realstone Infra Limited	31.01.2020	INR	1.00	2.5	(464.7)	3,577.1	4,039.3	-	-	(86.2)	-	(86.2)	-	100.00%
63	Sun Pharmaceuticals (EZ) Limited	25.10.2020	BDT	0.77	46.1	(1,110.4)	2,752.9	3,817.2	-	1,467.0	(199.9)	33.8	(233.7)	-	72.49%
64	Sun Pharma (Shanghai) Co.,Ltd	21.12.2020	RMB	13.67	13.7	(13.0)	9.7	9.0	-	111.6	(8.4)	-	(8.4)	-	100.00%
65	Alchemee, LLC	28.02.2022	USD	94.36	-	175.9	969.4	793.5	-	4,480.6	64.1	118.3	(54.2)	-	100.00%
66	Proactiv YK	28.02.2022	JPY	0.59	-	564.4	634.2	69.8	-	1,185.7	35.6	(10.3)	45.9	-	100.00%
67	The Proactiv Company KK	28.02.2022	JPY	0.59	-	88.4	229.2	140.8	-	-	17.0	12.8	4.2	-	100.00%
68	The Proactiv Company Holdings, Inc.	28.02.2022	USD	94.36	-	(12.8)	-	12.8	-	-	-	-	-	-	100.00%
69	Alchemee Skincare Corporation (Formerly known as The Proactiv Company Corporation)	28.02.2022	USD	94.36	-	1,115.4	1,191.4	76.0	-	269.6	(16.7)	0.1	(16.8)	-	100.00%
70	Concert Pharma Ireland Limited	06.03.2023	EUR	108.45	0.0	-	0.0	-	-	-	-	-	-	-	100.00%

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

₹ in Million

Sr. No.	Name of the Subsidiary Company	Date of acquisition/ incorporation of subsidiary	Reporting Currency	Closing rate	Capital	Reserve	Total Assets	Total Liabilities	Investment Other than Investment in Subsidiary	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend	% of Shareholding
71	Taro Pharma Corporation, Inc.	05.02.2024	USD	94.36	0.0	-	0.0	-	-	-	-	-	-	-	100.00%
72	Vivaldis Health and Foods Private Limited	11.05.2023	INR	1.00	4.3	439.7	589.1	145.1	95.7	1,087.5	190.5	50.4	140.1	-	60.11%
73	Sun Pharma Middle East FZ-LLC	02.02.2024	AED	25.69	6.4	(21.8)	226.6	242.0	-	157.0	(16.5)	(1.5)	(15.0)	-	100.00%
74	Sun Pharma Community Healthcare Society	24.03.2015	INR	1.00	-	29.6	37.0	7.4	1.4	187.3	1.6	-	1.6	-	100.00%
75	Sun Pharma Science Foundation	24.03.2015	INR	1.00	-	11.4	12.0	0.6	-	16.4	1.2	-	1.2	-	100.00%
76	Sun Pharma Luxembourg S.A (Formerly known as Valstar S.A.)	12.07.2024	EUR	108.45	16.8	(1,932.5)	685.0	2,600.7	-	-	(92.6)	0.5	(93.1)	-	100.00%
77	Sun Pharmaceuticals North Africa SA (Formerly Known as Kemipharm)	12.07.2024	MAD	10.01	2,469.5	(2,444.8)	2,554.0	2,529.3	-	1,272.2	(330.5)	1.9	(332.4)	-	100.00%
78	Sun Pharma (Hainan) Company Limited	16.07.2025	RMB	13.67	484.3	(359.9)	133.5	9.1	-	-	(359.9)	-	(359.9)	-	100.00%
79	Checkpoint Therapeutics Inc	30.05.2025	USD	94.36	-	37,089.3	59,273.8	22,184.5	-	246.9	(3,355.0)	(966.4)	(2,388.6)	-	100.00%

Note:

1 0.0' represents amount less than 0.05 Million and rounded off.

2 In respect of entities at Sr. Nos. 4, 5, 32, 50, 57, 64, 76, 77 and 78 the reporting date is as of December 31, 2025 and different from the reporting date of the parent company.

3 In respect of entitiy at Sr. No. 78 to 79 has been incorporated/ acquired during the year ended March 31, 2026.

4 Foundation for Disease Elimination and Control of India (a wholly owned subsidiary), Sun Pharma Community Healthcare Society (parent company being founder corporate member) and Sun Pharma Science Foundation (parent company being founder corporate member) are not for profit entities (NPEs). Based on recent clarifications issued on regulatory requirement, these entities were considered for consolidation for FY 2024-25. These entities are immaterial to the Group.

5 Books of accounts and other related records/documents of the overseas subsidiaries of the Zenotech Laboratories Limited were missing and due to non-availability of those records/ information, Zenotech Laboratories Limited is unable to prepare consolidated accounts.

6 On October 7, 2025, the National Company Law Tribunal approved Composite Scheme of Arrangement of amalgamation of five wholly-owned subsidiaries (Sun Pharmaceutical Medicare Limited, Green Eco Development Centre Limited, Faststone Mercantile Company Private Limited, Realstone Multitrade Private Limited and Skisen Labs Private Limited) into the Sun Pharmaceutical Industries Limited (Parent Company).

7 Taro Pharmaceuticals Europe B.V. was merged in to Sun Pharmaceutical Industries (Europe) B.V. w.e.f August 19, 2025.

8 Sun Pharma Canada Inc. was merged in to Taro Pharmaceuticals Inc. w.e.f. April 1, 2025, and Taro Pharmaceuticals Inc. was subsequently renamed as Sun Pharma Canada Inc.

9 Snoopy Merger Sub, Inc. was merged in to Checkpoint Therapeutics, Inc. w.e.f May 30, 2025

10 Antibe Therapeutics Inc. was amalgamated with Sun Pharma Canada Inc. (Formerly known as Taro Pharmaceuticals Inc.) w.e.f June 1, 2025

11 With effect from January 31, 2025, Sun Pharma Japan Technical Operations Limited has been ceased to be the subsidiary of the Company.

12 Libra Merger Ltd was merged in to Taro Pharmaceutical Industries Ltd. (Taro) w.e.f June 24, 2024.

13 3 Skyline LLC and One Commerce drive LLC are being consolidated with Taro Pharmaceuticals U.S.A.,Inc.

14 The above does not include 2 Independence Way LLC as they have no operation and does not have any Assets, Liabilities or Equity as on the close of their financial year.

15 HRE LLC, Dr. Py Institute LLC, Medinstill Development LLC, ALPS LLC, Intact Pharmaceuticals LLC, Intact Media LLC,Intact Closed Transfer Connectors LLC and Intact PUR-Needle LLC were merged in to Intact Solution LLC. HRE II LLC,HRE III LLC were merged in to Medinstill LLC w.e.f November 30, 2024.

16 SP New Milford Parent LLC, SP Housatonic LLC, SP Housatonic II LLC and SP Housatonic III LLC are being consolidated with Sun Pharmaceutical Industries, Inc.

17. With effect from November 11, 2025, Pharmazz Europe Limited has been dissolved.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

FORM AOC - 1

Pursuant to first proviso to sub-section (3) of section 129 of Companies Act, 2013 with the Rule 5 of Companies (Accounts) Rules, 2014

Statement containing salient features of the financial statement of subsidiaries / associate companies/ joint ventures

Part "B": Associate Companies and Joint Ventures

Sr. No	Name of Associates/Joint Ventures	Joint Venture	Associate											
		Artes Biotechnology GmbH	Generic Solar Power LLP**	Trumpcard Advisors and Finvest LLP (Consolidated)	Medinstill LLC (Consolidated)	Tarsier Pharma Ltd (Formerly known as Tarsius Pharma Ltd.)	WRS Bioproducts Pty Ltd	Ezerx Health Tech Private Limited	Agatsa Software Private Limited	Remidio Innovative Solutions Pvt Ltd	Surgimatix Inc	Haystack Analytics Private Limited	Pharmazz Inc	Indian Foundation for Quality Management
1	Latest Balance Sheet Date	31-Dec-25	31-Mar-26	31-Mar-26	31-Dec-25	31-Dec-25	31-Dec-25	31-Mar-26	31-Mar-26	31-Mar-26	31-Dec-25	31-Mar-26	31-Dec-25	31-Mar-26
	Date of investment	13.02.2014	09.10.2015	31.03.2017	13.03.2014	09.10.2018	10.03.2021	19.10.2023	17.10.2023	03.02.2023	20.02.2024	19.06.2024	27-May-25	30-May-24
2	Shares of Associate/Joint Ventures held by the company on the year end													
	No.	15,853	NA	NA	2,176	476,284	428,571	6,315	8,538	475,588	627,184	20,185	5,256,776	25,000,000
	Amount of Investment in Associates/Joint Venture	400.4	-	665.3	284.5	343.4	209.7	307.3	-	1,407.3	205.1	334.9	2,354.3	-
	Extend of Holding %	45.00%	28.76%	40.61%	21.38%	17.68%	12.50%	35.84%	23.47%	29.15%	12.49%	8.26%	16.60%	12.66%
3	Description of how there is significant influence	NA	#	#	#	#	#	#	#	#	#	#	#	#
4	Reason why the associate/ joint venture is not consolidated	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
5	Networth attributable to Shareholding as per latest Balance Sheet (adjusted till March 31, 2026)	118.4	-	334.7	(2,669.8)	(81.6)	(14.6)	106.3	- *	400.1	11.9	58.3	513.1	241.6
6	Profit / (loss) for the year													
	i. Considered in Consolidation	(123.4)	-	(11.9)	(252.1)	(87.0)	(1.6)	11.9	-	(7.1)	(48.9)	(21.2)	(17.4)	-
	ii. Not Considered in Consolidation	(150.8)	0.0	(17.4)	(927.0)	(405.1)	(11.2)	21.3	-	(17.3)	(342.6)	(235.5)	(87.4)	(2.7)

* This information is currently not available due to ongoing dispute proceedings between the Company and Agatsa.

**Generic Solar Power LLP is struck off as at March 31, 2026.

Power to participate in the financial and operating policy decisions of the investee.

For and on behalf of the Board of Directors of
SUN PHARMACEUTICAL INDUSTRIES LIMITED

DILIP S. SHANGHVI
Executive Chairman
(DIN: 00005588)

KIRTI GANORKAR
Managing Director
(DIN: 10620142)

ANOOP DESHPANDE
Company Secretary and Compliance Officer

JAYASHREE SATAGOPAN
Chief Financial Officer
Mumbai, May 22, 2026

Notice of 34th Annual General Meeting

Key Timeline	
Day, Date & Time of AGM	Friday, 31 July 2026 at 04:00 PM (IST)
E-voting Start Day, Date & Time	Monday, 27 July 2026 at 09:00 AM (IST)
E-voting End Day, Date & Time	Thursday, 30 July 2026 at 05:00 PM (IST)
Record Date (for Final Dividend)	Tuesday, 07 July 2026
Cut-off Date (for E-voting / AGM)	Friday, 24 July 2026

Summary of Proposals for Shareholders Approval

Item No.	Subject Matter	Resolution Type
1.	**Adoption of Standalone Financial Statements** Adoption of Standalone Financial Statements along with reports of the Board of Directors and Auditors thereon for FY 2025-26 as approved and recommended by the Board.	Ordinary
2.	**Adoption of Consolidated Financial Statements** Adoption of Consolidated Financial Statements along with the report of the Auditors thereon for FY 2025-26 as approved and recommended by the Board.	Ordinary
3.	**Appointment of Mr. Aalok Shanghvi as a Director** Approval for the appointment of Mr. Aalok Shanghvi, who retires by rotation and being eligible, has offered himself for re-appointment.	Ordinary
4.	**Declaration of Dividend** Approval for Final Dividend of ₹5/- per equity share for FY 2025-26, which if approved shall be paid to the Shareholders.	Ordinary
5.	**Ratification of Cost Auditor** Ratification of the remuneration of ₹31.26 lakh per annum (plus taxes and expenses) payable to M/s. Narasimha Murthy & Co., Cost Accountants, as Cost Auditor for FY 2026–27.	Ordinary
6.	**Revision in Remuneration of Mr. Aalok Shanghvi** Approval to increase the maximum remuneration payable to Mr. Aalok Shanghvi, Whole-time Director, to ₹15 crore per annum for the remaining tenure up to 31 May 2028. The revised remuneration will also be payable as minimum remuneration in the event of loss or inadequate profits, in accordance with applicable provisions.	Special
7.	**Commission to Independent Directors** Approval for payment of commission to Independent Directors within the limits prescribed under the Companies Act, 2013. This approval is being sought pursuant to the requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as an enabling resolution.	Ordinary
8.	**Appointment of Dr. Andreas Busch as an Independent Director** Approval for the appointment of Dr. Andreas Busch as an Independent Director for a term of five consecutive years, from 12 May 2026 to 11 May 2031 based on the approval of the NRC and of the Board of Directors. Dr. Busch brings over three decades of global pharmaceutical experience, particularly in research and development and innovation leadership, which will strengthen the Board's capabilities in strategic oversight and support long-term value creation.	Special

E-Voting

[Monday, 27 July 2026 at 09:00 A.M. (IST) until Thursday, 30 July 2026 at 05:00 P.M. (IST)]

EVSN	Scan to Vote (CDSL)	Scan to Vote (NSDL)	E-Voting Instructions
260625022			

Notice of Annual General Meeting

NOTICE is hereby given that the Thirty-fourth (34th) Annual General Meeting of Sun Pharmaceutical Industries Limited will be held on Friday, 31 July 2026 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 31 March 2026 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 31 March 2026 and the report of the Auditors thereon.

3. Appointment of Mr. Aalok Shanghvi as a Director, liable to retire by rotation

To appoint Mr. Aalok Shanghvi (DIN:01951829), who retires by rotation and being eligible, has offered himself for re-appointment.

4. Declaration of Dividend

To declare Final Dividend of ₹ 5/- (Rupees Five only) per Equity Share of ₹ 1/- each (Rupee One only) for the financial year 2025-26.

Special Business:

5. Ratification of Remuneration of the Cost Auditor for financial year 2026-27

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 148, and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, the remuneration as approved by the Board of Directors and set out in the Explanatory Statement annexed to this Notice, payable to M/s. Narasimha Murthy & Co., Cost Accountants, Firm's Registration No. 000042, appointed as the Cost Auditor of the Company to conduct the audit of cost records maintained by the Company for the financial year 2026-27, be and is hereby ratified."

Please click here for the Explanatory Statement.

6. Revision in Remuneration of Mr. Aalok Shanghvi, Whole-time Director

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"**RESOLVED THAT** further to the resolution passed at the Thirty-first (31st) Annual General Meeting of the Company held on 28 August 2023 approving the appointment and remuneration of Mr. Aalok Shanghvi (DIN: 01951829) as Whole-time Director of the Company, and pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder, Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable provisions, if any, and subject to such approvals as may be required, and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval of the shareholders be and is hereby accorded to increase the overall limit of remuneration payable to Mr. Aalok Shanghvi (DIN: 01951829) to ₹ 15,00,00,000/- (Rupees Fifteen Crores Only) per annum during the remaining term of his appointment, including remuneration payable in the event of loss or inadequacy of profits in any financial year, effective from 01 April 2026 up to 31 May 2028.

RESOLVED FURTHER THAT 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 approved herein, and shall, inter-alia, comprise the following:

i) **Salary** (including bonus, perquisites and variable pay subject to individual and company performance) up to ₹ 15,00,00,000/- (Rupees Fifteen Crores only) per annum.

ii) **Perquisites:** 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 rule, the monetary value of such perquisites to be determined in accordance with the Income Tax Rules, 2026.

iii) 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.

iv) **Minimum Remuneration:** In the event of loss or inadequacy of profits in any financial year, Mr. Aalok Shanghvi shall be entitled to receive a total remuneration including perquisites etc. not exceeding the maximum limits as approved by the shareholders herein above, as minimum remuneration.

v) **Other Terms and Conditions:** Except for the remuneration, all terms and conditions of appointment shall remain unchanged.

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. Approval for Payment of Commission to Independent Directors of the Company

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to Regulation 17(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the shareholders be and is hereby accorded for payment of commission to the Independent Directors of the Company, as may be determined by the Board of Directors, from time to time, within the maximum limits as permitted under the provisions of Section 197 of the Companies Act, 2013, as amended from time to time."

Please click here for the Explanatory Statement

8. Appointment of Dr. Andreas Busch as an Independent 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 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, and pursuant to the consent received from Dr. Andreas Busch confirming that he satisfies the criteria for independence as prescribed under Section 149(6) of the Act read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014, and Regulation 16(1)(b) of the SEBI Listing Regulations, and that he is not debarred from holding the office of a director by virtue of any order of the Securities and Exchange Board of India or any other such authority, Dr. Andreas Busch (DIN: 11699735), be and is hereby appointed as an Independent Director of the Company for a first term of 5 (Five) consecutive years commencing from 12 May 2026 till 11 May 2031, and he shall not be liable to retire by rotation."

Please click here for the Explanatory Statement

For Sun Pharmaceutical Industries Limited

(Anoop Deshpande)
Company Secretary and Compliance Officer
(ICSI Membership No.: A23983)

Date: 22 May 2026
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 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this statement sets out material facts and disclosures about the Special Business at Item Nos. 5 to 8 of the Notice.

Item No. 5 - Ratification of Remuneration of the Cost Auditor for financial year 2026-27

M/s. Narasimha Murthy & Co., Cost Accountants, have been appointed as the Cost Auditors by the Board of Directors of the Company on recommendation of the Audit Committee, for conducting audit of cost records and accounts maintained by the Company pertaining to the formulations and bulk drugs activities for the financial year ending 31 March 2027 at a remuneration of ₹ 31,26,000/- (Rupees Thirty-one Lakhs Twenty-six Thousand only) [previous year ₹ 31,26,000/- (Rupees Thirty-one Lakhs Twenty-six Thousand only)] per annum plus reimbursement of out-of-pocket expenses and applicable taxes.

The consent of the shareholders of the Company is being sought for ratification of the remuneration payable to the Cost Auditor for the financial year 2026-27 as required under Section 148(3) of the Act, read with Companies (Audit and Auditors) Rules, 2014.

The Board recommends the resolution as set out at Item No. 5 of the Notice for 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 this resolution.

Please click here for the resolution.

Item No. 6 - Revision in Remuneration of Mr. Aalok Shanghvi, Whole-time Director

Background

At the Thirty-first (31st) Annual General Meeting held on 28 August 2023, the shareholders approved, by way of special resolution, the appointment of Mr. Aalok Shanghvi (DIN: 01951829) as Whole-time Director for a term of five (5) years, from 1 June 2023 to 31 May 2028. The shareholders also approved payment of remuneration up to ₹ 9,50,00,000 (Rupees Nine Crore and Fifty lakhs) per annum, including in the event of loss or inadequacy of profits during the said tenure.

Annual revisions in remuneration are considered by the Board, based on the recommendation of the Nomination and Remuneration Committee ("NRC"), within the overall limit approved by the shareholders. In evaluating such revisions, the NRC considers, inter alia, individual performance, roles and responsibilities, and relevant industry benchmarks.

Accordingly, the remuneration of Mr. Aalok Shanghvi for FY 2026–27, as approved by the Board based on NRC recommendation and subject to shareholder approval, is set out below:

Particulars	Amount (₹ in Crore)
Fixed Pay	8.00
Target Variable Pay *[Linked to achievement of financial, operational, and individual performance targets, along with overall Company performance.]*	2.46
Target LTI	1.85
Total	**12.31**

Proposed Revision

Approval of the shareholders is being sought to increase the maximum annual remuneration payable to Mr. Aalok Shanghvi to ₹ 15,00,00,000 (Rupees Fifteen Crores only) per annum for the remaining tenure of his appointment up to 31 May 2028. The remuneration within the aforesaid overall limit will continue to be determined by the Board based on the recommendation of the NRC.

Further, the remuneration as approved by the Board, within the said limit, shall be payable as minimum remuneration in the event of loss or inadequacy of profits during the tenure of his appointment, in accordance with the applicable provisions of the Companies Act, 2013 ("the Act").

Rationale and Justification for Revision in Remuneration

In considering the proposed revision in remuneration, the NRC and the Board have, inter alia, taken into account industry benchmarks for comparable positions in peer companies and the outcome of Mr. Aalok Shanghvi's performance evaluation.

Mr. Aalok Shanghvi was appointed as Whole-time Director in 2023 and designated as Chief Operating Officer in 2025. He has been associated with Sun Pharmaceutical Industries Limited since 2006 and has held leadership roles across multiple functions, including marketing, research and development, project management, procurement, and communications.

Since his appointment as Head of the Emerging Markets business in 2014, he has overseen operations across more than 80 countries, including Africa, the Middle East, APAC, Eastern Europe, CIS and Latin America. He has also assumed additional responsibilities in Global Generic R&D, Global Business Development (Generics), Operations, and API functions.

Mr. Aalok Shanghvi holds a degree in Cellular and Molecular Biology from the University of Michigan, Ann Arbor. His experience and leadership have contributed to the strengthening and expansion of the generics and emerging markets businesses, including improvements in scale, portfolio, market presence and operational efficiency.

He is a member of the Board and serves on the Risk Management Committee and the Stakeholders' Relationship Committee. Details of his attendance at Board and Committee meetings during FY 2025–26 are provided in the Corporate Governance Report, which forms part of the Annual Report

He does not hold directorships in group companies and does not receive remuneration from such entities.

Board's Recommendation and Interest of Directors / KMPs

Mr. Aalok Shanghvi is the son of Mr. Dilip Shanghvi, Executive Chairman, and the brother of Ms. Vidhi Shanghvi, Whole-time Director. He holds 2,877,280 equity shares and is part of the Promoter Group. Accordingly, pursuant to Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) 2015 ("SEBI Listing Regulations"), the resolution is proposed as a Special Resolution.

Further, in terms of Section 197 of the Act, the resolution is also proposed to be passed as a Special Resolution, as the remuneration approved may, in certain circumstances, be payable as minimum remuneration in the event of loss or inadequacy of profits.

The Board of Directors recommends the resolution set out at Item No. 6 for approval by the shareholders.

Mr. Aalok Shanghvi, Mr. Dilip Shanghvi and Ms. Vidhi Shanghvi, and their relatives, shall be deemed to be concerned or interested in the resolution.

None of the other Directors or Key Managerial Personnel, or their relatives, are concerned or interested in this resolution.

Other Disclosures

As required under Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India (SS-2), other disclosures are given below:

Age	42 years
Date of First appointment on the Board:	1 June 2023
Directorship held in other companies (excluding foreign companies and section 8 companies):	Shikha Learning Labs Private Limited
Memberships/ Chairmanships of Committees of other Public Companies:	None

Please click here for the resolution.

Item No. 7 - Approval for Payment of Commission to Independent Directors of the Company

Independent Directors play a critical role in maintaining high standards of corporate governance. They provide independent oversight on matters relating to strategy, performance, risk management and compliance, while safeguarding the interests of minority shareholders and other stakeholders.

In recent years, the role of Independent Directors has evolved significantly, with increased expectations arising from regulatory developments, enhanced disclosure requirements, heightened stakeholder scrutiny, and a sustained focus on long-term value creation and ESG considerations. This has led to a substantial increase in the time commitment, responsibilities and accountability associated with the role.

Accordingly, payment of commission to Independent Directors is proposed in order to:

- fairly compensate them for their expertise, time commitment and responsibilities;
- support the Company's ability to attract and retain experienced and high-calibre professionals on the Board;
- align the remuneration framework with prevailing market practices among comparable listed companies; and thereby reinforcing the Company's commitment to robust corporate governance.

The commission payable to Independent Directors will be determined by the Board, based on the recommendation of the Nomination and Remuneration Committee ("NRC"), within the overall ceiling approved by shareholders i.e., the prescribed under the Companies Act, 2013 ("the Act").

In determining the commission payable to individual Independent Directors, the Board/NRC follows a structured and transparent framework, taking into account qualitative and quantitative parameters, including:

- role and responsibilities, including leadership positions such as Chairperson of Board Committees;
- contribution to Board and Committee deliberations, including preparedness and quality of participation;
- time devoted to Board matters and oversight; and
- overall engagement in governance, risk oversight and strategic guidance.

The framework is designed to link remuneration with participation and contribution, without compromising the independence of judgement of Independent Directors. It appropriately reflects the scope and significance of their governance responsibilities, while remaining proportionate within the overall compensation structure.

Shareholders may note that approval was previously accorded for payment of commission of up to 1% of net profits to Non-Executive Directors for a period of five (5) years from FY 2021–22 to FY 2025–26. While Section 197 of the Act does not require shareholder approval so long as such payments remain within the prescribed limits, Regulation 17(6) of the SEBI (Listing Obligations and Disclosure Requirements) 2015 ("SEBI Listing Regulations") requires explicit shareholder approval for remuneration payable to Non-Executive Directors, including Independent Directors.

The aggregate commission payable to Independent Directors shall not exceed 1% of the net profits of the Company or such other limit as may be prescribed under the Act from time to time. This resolution does not seek any increase in the overall limit and only enables continuation of the existing framework within the statutory ceiling. In case of absence or inadequacy of profits in any financial year, remuneration shall be governed by the provisions of the Act and requisite approvals, if any, shall be obtained.

Accordingly, the Board of Directors recommends the resolution set out at Item No. 7 of the Notice for approval by the shareholders as an Ordinary Resolution.

The Independent Directors may be deemed to be concerned or interested in the resolution to the extent of commission payable to them. None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

Please click here for the resolution.

Item No. 8 - Appointment of Dr. Andreas Busch as an Independent Director of the Company

Background and Basis of Appointment

Over the years, Sun Pharma's Board has become a highly diverse and well rounded body, comprising members with varied expertise, global exposure and deep industry knowledge. In the last few years, the Company has experienced significant growth in its global portfolio, geographic presence and operational scale. Reflecting on this progress and the Company's strategic vision for the near term, the Board reviewed its existing skill set. It concluded that further strength was needed in global pharmaceutical business and research & development (R&D), core drivers for long term competitiveness in pharmaceuticals and Company's R&D-led initiatives.

Identification and Appointment

The Nomination and Remuneration Committee ("NRC") has adopted a comprehensive framework outlining the role and responsibilities of the Committee, including the process for identifying, evaluating and appointing Independent Directors.

In accordance with this framework, an independent agency was engaged to assist the NRC in identifying suitable candidates with strong proficiency in the science and research and development field for consideration for appointment as an Independent Director.

The evaluation and shortlisting of candidates were undertaken based on multiple parameters, including, inter alia, domain expertise, professional experience, skill set, suitability for Board membership, and alignment with the Company's governance requirements. The shortlisting exercise was carried out in consultation with Dr. Pawan Goenka, Chairman of the NRC who is also the Lead Independent Director and Mr. Dilip Shanghvi, Executive Chairman following which Dr. Andreas Busch was identified as the most suitable candidate.

Based on the overall evaluation and assessment, Dr. Andreas Busch (DIN: 11699735) was recommended by the NRC for appointment as an Independent Director of the Company in view of his experience and expertise. On the recommendation of the NRC, the Board of Directors appointed Dr. Busch as an Additional Independent Director of the Company for a term of 5 (Five) consecutive years commencing from 12 May 2026, subject to shareholders' approval.

The Board of Directors, is of the opinion and hereby confirms that Dr. Andreas Busch fulfils all conditions specified under Section 149(6) of the Companies Act, 2013 ("the Act") and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) 2015 ("SEBI Listing Regulations") for his appointment as an Independent Director and that he is independent of the management of the Company. Board's opinion is based on the consideration and confirmation that Dr. Busch:

- does not have, and has not had, any material pecuniary relationship or transactions with the Company, its Promoters, its Directors, its Senior Management, or its Holding, Subsidiary, or Associate Companies, other than the remuneration he will be entitled to as an Independent Director.
- has not been an employee or Key Managerial Personnel of the Company, or any of its Holding, Subsidiary, or Associate Companies, at any time in the past three financial years.
- is not related to any Director, Promoter, or Key Managerial Personnel of the Company.
- does not have any material business relationship, cross directorship, or conflict of interest that could affect the exercise of his independent judgement.
- does not hold any cross-directorship with any Executive Director or the Chairman of the Company, nor does he have any conflicting relationship with the Company.
- does not hold any shares (directly or beneficially) in the Company, either in his own name or jointly with any other person, and he is not a promoter of the Company or any of its Holding, Subsidiary, or Associate Companies.
- has not been convicted of any offence in connection with the promotion, formation, or management of any company or LLP, and has not been found guilty of fraud or misfeasance, nor is he debarred from holding the office of a director by virtue of any order of SEBI or any other authority.

Relevance of Dr. Busch's Skills and Expertise to Sun Pharma Board

In the context of the Company's Board Skill Matrix and the requirements of Sun Pharma's global operations, Dr. Andreas Busch brings relevant expertise in pharmaceutical industry knowledge, research and development, innovation oversight, regulatory understanding, risk management, and strategic leadership. With over three decades of global pharmaceutical experience and a PhD in Pharmacology, including senior leadership roles across drug discovery, R&D, and innovation management, his skill set is considered complementary to the existing Board composition and relevant for strengthening the Board's oversight of R&D-led initiatives, regulatory compliance, and long-term value creation.

Dr. Busch has held senior roles including as Head of Drug Discovery and Cardiovascular diseases, as a Chief Innovation Officer and having led R&D efforts from drug discovery to commercialisation of product for some of the globe's top pharma companies, demonstrates his R&D expertise.

Dr. Andreas Busch brings powerful capabilities in R&D, product innovation and scientific leadership, making him well-suited to guide Sun Pharma's evolving innovation agenda. His appointment is not to fill any existing vacancy, but to enrich the Board's strategic capacity. Dr. Busch is a world-renowned leader in drug discovery and has led R&D efforts for some of the globe's top pharma companies including Sanofi, Bayer, and Shire. His leadership has resulted in over 15 commercial drugs starting from bench to FDA approval, with several more in late-stage clinical development.

Dr. Busch's rich mix of global pharmaceutical R&D leadership, strategic oversight and academic prominence will add immense value to Sun Pharma's Board. His independent perspective—unlinked to executive operations—will also ensure balanced, objective deliberations, particularly as the Company accelerates its innovation pipeline.

Remuneration

Dr. Busch, as a Non-Executive Independent Director, shall be entitled to the following:

- **Sitting Fees:** Sitting fees for attending meetings of the Board and/or any Committee thereof at such rate as may be determined by the Board from time to time, not exceeding the limits prescribed under the Act and the applicable rules. The current sitting fees payable to Non-Executive Directors is ₹ 1,00,000 per meeting of the Board and of each Committee.
- **Commission:** A Commission linked to net profit of the Company and / or as may be approved by the Board in accordance with the provisions of the Act.
- **Reimbursement of Expenses:** Reimbursement of all reasonable out-of-pocket expenses incurred by him in connection with attending meetings of the Board and/or Committees thereof and participation of board processes.

Board's Recommendation and Interests of Directors / KMPs

The NRC, at its meeting held on 20 April 2026, recommended the appointment of Dr. Andreas Busch as an Independent Director of the Company. Under the provisions of Section 161 of the Companies Act, 2013, the Board of Directors, upon the recommendation of the NRC, has appointed him as an Additional Director with effect from 12 May 2026, and have further recommended his appointment as an Independent Director to the shareholders.

Accordingly, shareholders' approval is being sought for the appointment of Dr. Andreas Busch as an Independent Director of the Company for a term of 5 (Five) years commencing from 12 May 2026. During his tenure, he shall not be liable to retire by rotation.

The brief profile of Dr. Andreas Busch is provided hereunder.

The Board recommends the resolution as set out at Item No. 8 of the Notice for shareholders' approval as a Special Resolution in line with the requirements of the SEBI Listing Regulations.

Dr. Andreas Busch is deemed to be interested in this resolution for his appointment. None of the other Directors or Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested in the resolution as set out at Item No. 8 of the Notice.

Brief Profile of Dr. Andreas Busch

Dr. Andreas Busch, PhD, has led R&D organizations in big pharma and biotech organizations. Most recently he served as Chief Innovation Officer at Absci, and prior to that he led R&D at Bayer and Shire. Dr. Busch brings substantial drug hunting expertise to Sun Pharma's Board. His leadership has resulted in over 15 commercial drugs starting from bench to FDA approval with several more in late-stage clinical development. He received numerous scientific awards and holds the title of Extraordinary Professor of Pharmacology at the Johann Wolfgang Goethe-University in Frankfurt, Germany, where he also received his PhD in Pharmacology.

Other Disclosures

As required under Regulation 36 of the SEBI Listing Regulations and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India (SS-2), other disclosures are given below:

Age:	62 years
Date of First appointment on the Board:	12 May 2026
Terms and Conditions of Appointment:	Appointment as a Non-Executive Independent Director for a period of five years effective from 12 May 2026 and he shall not be liable to retire by rotation. Detailed Terms and Conditions for Independent Directors are available on the website at www.sunpharma.com.
Directorship held in other companies (excluding foreign companies and section 8 companies):	None
Memberships/ Chairmanships of Committees of other Public Companies:	None
Listed entities from which the person has resigned in the past three years:	None
Number of equity shares held in the Company	Nil

Please click here for the resolution.

Notes

Shareholder Information

Remote E-voting Period

Start Date	Monday, 27 July 2026 at 9:00 A.M.
End Date	Thursday, 30 July 2026 at 5:00 P.M.

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 ("SEBI Listing Regulations") (together referred to as "applicable provisions"), the 34th 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 34th 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 **'E- voting Instructions'** 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 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. The 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., Friday, 24 July 2026. Those who become shareholders of the Company subsequent to the dispatch of Notice, 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 Monday, 27 July 2026 at 9:00 A.M. and ends on Thursday, 30 July 2026 at 5:00 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. Shareholders who want to cast their votes and attend the AGM should log in by following the instructions in the '**E-voting Instructions**' section.

13. 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.

14. 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.

Final Dividend

15. The Board of Directors at its meeting held on 22 May 2026, recommended a Final Dividend of ₹ 5/- (Rupees Five only) per equity share of ₹ 1/- (Rupee One only) each of the Company for the year ended 31 March 2026 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.

16. 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 2025-26 directly through electronic credit.

17. The Record Date for the payment of final dividend is close of business hours on Tuesday, 07 July 2026 ("Record Date").

18. 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/download the Dividend Waiver Form

19. 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 07 July 2026.

Scan the QR Code to view the Procedure for Submission of TDS documents

Speaker Registration

20. 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 Monday, 27 July 2026.

    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.

The Company reserves the right to restrict the number of speakers and number of questions depending on the availability of time during the meeting.

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

21. The Notice of AGM along with the Annual Report for FY26 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.

    Shareholders may note that the Notice of the AGM along with the Annual Report for FY26 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.

    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

22. Shareholders can access various services through the web-based application "Swayam" at https://swayam.in.mpms.mufg.com/.

    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)

23. 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

24. 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.

    The unclaimed dividend for the financial year 2018-19 is due for transfer to IEPF on 29 September 2026. Hence, shareholders are requested to claim their unpaid dividend within the stipulated timelines.

    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

25. 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.

    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 29 November 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

26. 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.

    For the physical shares that were purchased or sold prior to 1 April 2019, SEBI has opened a special window for relodgement of eligible and fresh cases where original share certificates are available, to enable the transfer in demat mode, up to 4 February 2027. These include the transfer requests which were submitted earlier and were rejected or returned or not attended to due to deficiency in the documents/ process/or otherwise. During this period, the securities so transferred shall be mandatorily credited to the transferee only in demat mode and shall be under lock-in for a period of one year from the date of registration of transfer. Such securities shall not be transferred/lien-marked/ pledged during the said lock-in period. Shareholders are encouraged to take advantage of this window. Detailed information and procedure can be accessed at https://sunpharma.com/notice-for-another-special-window-for-transfer-of-physical-shares/.

Policy on No Gifts to Shareholders

27. The Company follows a policy of not offering or distributing any gifts, momentos, cash items, or other benefits to shareholders in connection with their attendance or participation at the Annual General Meeting or any other shareholder meeting.

    This policy is adopted in the interest of promoting transparency, fairness, and prudent use of the Company’s resources, and to ensure that all shareholders are treated equitably. Shareholders are requested to note and support this initiative as part of the Company’s commitment to sound governance.

E-Voting Instructions

Individual Shareholders (Demat with CDSL)

Step 1: Login Method

Option A:
www.cdslindia.com > Login > New System Myeasi
If Registered: Log in with User ID & Password
If Unregistered: Select "Registration" then Log in

Option B:
www.cdslindia.com > E-voting Option >
Enter Demat Account Number and Permanent Account Number (PAN).
Enter OTP received on registered mobile and email

Step 2: Locate "Sun Pharmaceutical Industries Limited"

Step 3: Select "E-Voting"
(Note: If the Company name is not visible, select the option "CDSL" to access the portal)

Vote and Submit

Individual Shareholders (Demat with NSDL)

Step 1: Login Method

Option A:
www.eservices.nsdl.com > Login > Beneficial Owner (IDeAS)
If Registered: Log in with User ID & Password
If Unregistered: Register at www.eservices.nsdl.com > Select "Register Online for IDeAS"

Option B:
www.evoting.nsdl.com > Shareholder / Member Login
> Enter User ID (16-digit) and Password/OTP

Step 2: Click "Access to e-voting"

Step 3: Select "Sun Pharmaceutical Industries Limited" to cast vote
(Note: If Company name not visible, select option "NSDL" to access portal)

Vote and Submit

Non-Individual Shareholders (Demat) & Physical Shareholders

Step 1: Go to www.evotingindia.com > Click on "Shareholders"

Step 2: Enter User ID
CDSL Holders: 16 Digit Beneficiary ID
NSDL Holders: 8 Char DP ID + 8 Digit Client ID
Physical Holders: Folio Number

Step 3: Enter Password / Credentials
First Time Users: Enter PAN or Date of Birth or Dividend Bank Details
Note: If PAN not updated, use Sequence Number/E-voting code sent by Company/RTA

Step 4: Click on EVSN 260625022 for Sun Pharmaceutical Industries Limited and cast votes

Vote and Submit

Notes:

1. Detailed guidelines for logging in the e-voting system are available at the website of the Company at https://sunpharma.com/investor-services/.
2. Non-individual shareholders are required to upload in the system, the relevant board resolution/authority letter and power of attorney (POA) or email to secretarial@sunpharma.com, for the Scrutinizer to verify.

E-voting Helpdesk
If you have any questions or issues regarding e-voting from the e-voting system, you may refer to the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under the "HELP" section. For NSDL query Helpdesk: evoting@nsdl.co.in / 022-48867000. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai-400013 or send an e-mail to helpdesk.evoting@cdslindia.com or call at toll free no.: 1800 2109911.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Dilip S. Shanghvi
Executive Chairman

Kirti Ganorkar
Managing Director

Dr. Pawan Goenka
Lead Independent Director

Gautam Doshi
Independent Director

Rolf Hoffmann
Independent Director

Satyavati Berera
Independent Director

Dr. Andreas Eugen Busch
Independent Director

Aalok D. Shanghvi
Whole-time Director and Chief Operating Officer

Vidhi D. Shanghvi
Whole-time Director

CHIEF FINANCIAL OFFICER

Jayashree Satagopan

COMPANY SECRETARY & COMPLIANCE OFFICER

Anoop Deshpande

AUDITORS

S R B C & Co. LLP
Chartered Accountants, Mumbai

REGISTRAR & 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
Email: Investor.helpdesk@in.mpms.mufg.com
Service Portal: https://swayam.in.mpms.mufg.com/
Website: https://web.in.mpms.mufg.com/helpdesk/Service_Request.html

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. Dahej, Gujarat, India
9. Maduranthakam, Tamilnadu, India
10. Malanpur, Madhya Pradesh, India
11. Panoli, Gujarat, India
12. Toansa, Punjab, India
13. Bengaluru, Karnataka, India
14. Baska, Gujarat, 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. Zenotech Laboratories Ltd., Medchal–Malkajgiri Dist., Telangana, India
20. Sun Pharmaceutical Industries (Australia), Latrobe, Australia
21. Sun Pharmaceutical Industries (Australia), Port Fairy, Australia
22. Sun Pharmaceutical (Bangladesh) Ltd., Joydevpur, Gazipur, Bangladesh
23. Sun Pharmaceuticals (EZ) Ltd., Narayanganj, Bangladesh
24. Sun Pharma Canada 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, Bouskoura, 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.

Corporate Office
Sun House, CTS No. 201 B/1,
Western Express Highway,
Goregaon (E), Mumbai 400 063,
Maharashtra.
CIN: L24230GJ1993PLC019050
Tel: (022)-4324 4324
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
Taro Pharmaceuticals Inc.,
Chemistry and Discovery Research Israel, 14 Hakitor Street, P.O. Box 10347 Haifa Bay,
2624761, Israel.

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.,
65, Hayden Avenue,
Suite 3000N, Lexington,
Massachusetts 02421, USA.

SUN HOUSE
Plot No. 201 B/1, Western Express Highway,
Goregaon (E), Mumbai 400063, Maharashtra, India.
Tel: (+91 22) 4324 4324, Fax: (+91 22) 4324 4343
CIN: L24230GJ1993PLC019050
www.sunpharma.com

Concept, content and design at stirrup | whatsup@stirrup.works