

Sun Pharma Advanced Research Company Ltd.

POLICY ON BOARD DIVERSITY

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I. NEED FOR THE POLICY

- A. SEBI has vide its Circular No. CIR/POLICY CELL/2/2014 dated 17th April 2014 amended clause 49 of the Listing Agreement with effect from 1st October 2014 to provide, inter alia, that one of the roles of the Nomination and Remuneration Committee of all listed Companies shall be to devise a policy on Board Diversity (“the Policy”).
- B. In line with the above, the need for the policy was felt by the board of directors (“Board”) of Sun Pharma Advanced Research Company Ltd., (“Company”) to help bring in diverse thoughts and ideas at the Board level and thereby ensures that the board achieves better decision making and governing abilities. Further one of the key functions of the Board is *“Ensuring a transparent board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board”*.
- C. In order to achieve the aforesaid objectives, the Board has formulated this Policy on Board Diversity to provide direction and guidance to the Nomination and Remuneration Committee and also to the Board while identifying suitable candidates at the Board level as and when so required.

II. KEY STRANDS OF BOARD DIVERSITY

- A. The Board believes that board diversity needs to be achieved by having a proper balance of directors from each of the following backgrounds (“Strands”)
1. Knowledge and Skills
 2. Experience and age
 3. Gender

III. POLICY STATEMENT

The Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at Board level as a necessity for maintaining competitive advantage. Diversity at the Board level is an essential element in supporting the attainment of Company’s strategic objectives and its sustainable and balanced growth. The Board of the Company should comprise of directors representing various Strands of diversity to the extent possible.

IV. MEASURABLE OBJECTIVES FOR ACHIEVING BOARD DIVERSITY

The Nomination and Remuneration Committee will discuss and agree annually all measurable objectives for achieving diversity on the Board and recommend them to the Board for adoption.

V. IMPLEMENTATION AND MONITORING

- A. The Nomination and Remuneration Committee while identifying and recommending board candidates shall make best efforts to achieve the objectives of the Policy Statement. Selection of candidates will be based on a consideration of balance of diversity Strands. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.
- B. The Nomination and Remuneration Committee shall further lay down and may periodically review measurable objectives towards achieving the objective of the policy.

VI. CHANGE MANAGEMENT

The Nomination and Remuneration Committee in consultation with Board may amend or modify this Policy in whole or in part, at any time

VII. DISCLOSURE OF THIS POLICY

This policy shall also be uploaded on the website of the Company at www.sunpharma.com.