



## INDEPENDENT AUDITOR'S REPORT

To The Members of  
**Laurus Labs Limited**

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of **Laurus Labs Limited** (the "Holding Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as the "Group") which includes the Group's share of profit in its joint venture and associates, which comprise the Consolidated Balance Sheet as at March 31, 2026, and the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Consolidated 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 the other auditors on separate financial statements of the subsidiaries, associates and joint venture referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026, their consolidated profit and their consolidated other comprehensive loss, their consolidated cash flows

and their consolidated changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated 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 financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p><b>Revenue Recognition – Refer note 2.2 (e) and note 17 of the consolidated financial statements</b></p> <p>The Holding Company recognises revenue from products based on the terms and conditions of transactions which varies with different customers.</p> <p>For sale transactions in a certain period of time around the Balance Sheet date, it is essential to ensure that the control of goods have transferred to the customers.</p> <p>As revenue recognition is subject to management's judgement on whether the control of the goods have been transferred, we consider cut-off of revenue as a key audit matter.</p>	<p><b>Principal audit procedures performed included the following:</b></p> <ul style="list-style-type: none"> <li>We obtained an understanding of the revenue recognition process and tested the Holding Company's controls around the timely and accurate recording of sales transactions.</li> <li>We have obtained an understanding of a sample of customer contracts.</li> <li>We tested the access and change management controls of the relevant information technology system in which shipments are recorded.</li> <li>Our test of revenue samples focused on sales recorded immediately before the year-end, obtaining evidence to support the appropriate timing of revenue recognition, based on terms and conditions set out in sales contracts and delivery documents.</li> </ul>

#### Information Other than the Financial Statements and Auditor's Report Thereon

- The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis, Board's report including annexures to Board's report, Report on Corporate Governance and Business Responsibility and Sustainability Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated 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 financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries and joint venture audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries and joint venture is traced from their financial statements audited by the other auditors.
- 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 and Board of Directors for the Consolidated Financial Statements

The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its Associates and joint venture in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. 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 the assets of the Group and its associates and its 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 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 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 financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and 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 respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The 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 Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 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 financial controls 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 consolidated 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 the 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 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 financial statements, including the disclosures, and whether the consolidated 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 to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the 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.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i)

planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated 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 financial controls 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 financial statements of the current period 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 of five subsidiaries whose financial statements reflect total assets of ₹ 206.42 crores as at March 31, 2026, total revenues of ₹ 519.86 crores and net cash inflows amounting to ₹ 6.88 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ 1.21 crores for the year ended March 31, 2026, as considered in the consolidated financial statements, in respect of one joint venture whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

(b) The consolidated financial statements also include the Group's share of loss of ₹ 0.28 crores for the year ended March 31, 2026, as considered in the consolidated

financial statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements above 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 certified by the Management.

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries, associate and joint venture referred to in the Other Matters section above 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 of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group, its associates and joint venture including relevant records so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
  - 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 Company and the reports of the statutory auditors of its Subsidiary Companies, Associate Company and Joint venture Company incorporated in India, none of the directors of the Group Companies, its Associate Companies and Joint venture Company 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) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Holding Company, Subsidiary Companies and Associate Company incorporated in India, to whom internal financial controls over financial reporting is applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those Companies.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies incorporated in India, the remuneration paid by the Holding Company and such subsidiary companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act.
- h) 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 39(C) to the consolidated financial statements.
  - ii) The Group, its associates and joint venture did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - 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 subsidiary companies, associate companies and joint venture company incorporated in India.

- iv) (a) The respective Managements of the Holding Company, its subsidiaries, associates and joint venture 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, associates and joint venture respectively that, to the best of their knowledge and belief, as disclosed in the note 40(vi) to the consolidated 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 Holding Company or any of such subsidiaries, associates and joint venture 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries, associates and joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Holding Company, its subsidiaries, associates and joint venture 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, associates and joint venture respectively that, to the best of their knowledge and belief, as disclosed in the note 40(vii) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiaries, associates and joint venture 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, associates and joint venture shall,

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.

- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, associates and joint venture 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) (a) The first interim dividend declared and paid by the Holding Company during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.
- (b) The second interim dividend declared by the Holding Company during the year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to declaration of dividend. However, the said dividend was not due for payment on the date of this audit report.
- (c) The interim dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.
- vi) Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries and associate based on the other auditor's reports of its subsidiary companies, associate company and joint venture company incorporated in India whose financial statements have been audited under the Act, the Holding Company, its subsidiary companies, associate companies and joint venture company have used an

accounting software for maintaining their respective books of account for the year ended March 31, 2026 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 other auditors, whose reports have been furnished to us by the Management of the Holding Company, have not come across any instance of the audit trail feature being tampered with.

The audit trail has been preserved by the Company and above referred subsidiaries,

associates, and joint venture as per the statutory requirements for record retention.

The financial statements of one associate company that is not material to the Consolidated Financial Statements of the Group, have not been audited under the provisions of the Act as of the date of the report. Therefore, we are unable to comment on the reporting requirements under Rule 11(g) of the Companies (Audit and Auditors) Rule, 2014 in respect of the associate.

- 2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Holding Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements except for the following:

Name of the Company	CIN	Nature of relationship	Clause Number of CARO report with qualification or adverse remark
Laurus Bio Private Limited	U02423KA2005PTC036770	Subsidiary	Clause i(c)

Further, in respect of the following companies included in the Consolidated Financial Statements, whose audit under Section 143 of the Act has not yet been completed, the CARO report as applicable in respect of these companies are not available and consequently have not been provided to us as on the date of this audit report:

Name of the Company	CIN	Nature of relationship
Ethan Energy India Private Limited	U40100TG2018FTC125395	Associate

**For DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**C Manish Muralidhar**  
(Partner)  
(Membership No. 213649)  
(UDIN: 26213649PZYIYN4050)

Place: Hyderabad  
Date: April 30, 2026



## Annexure “A” To the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

### Report on the Internal Financial Controls with reference to consolidated financial statements 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 the Company as at and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of Laurus Labs Limited (hereinafter referred to as “the Holding Company”) and its subsidiary companies, its associate companies and joint venture, which are companies incorporated in India, as of that date.

### Management’s and Board of Directors’ Responsibilities for Internal Financial Controls

The respective Company’s management and Board of Directors of the Holding company, its subsidiary companies, its associate companies and joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies 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 internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary companies, its associate companies and its joint ventures, which are companies incorporated in India, 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 of the subsidiary companies, associate companies and joint venture, which are companies incorporated in India, 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 financial statements of the Holding Company, its subsidiary companies, its associate companies and its joint ventures, which are companies incorporated in India.

### Meaning of Internal Financial Controls with reference to consolidated financial statements

A company’s internal financial control with reference to consolidated 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 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 financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated 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 to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Holding Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control

with reference to consolidated financial statements established by the respective companies 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.

### Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to a subsidiary company which is a company incorporated in India, is based solely on the corresponding report of the auditor of such company incorporated in India.

The Holding Company has consolidated financial information of an associate company incorporated in India on the basis of unaudited financial statements prepared by the management. In our Opinion and according to the information and explanations given to us by Management, such associate is not material to the Group.

Our opinion is not modified in respect of the above matters.

For **DELOITTE HASKINS & SELLS LLP**  
 Chartered Accountants  
 (Firm’s Registration No. 117366W/W-100018)

**C Manish Muralidhar**  
 (Partner)

Place: Hyderabad (Membership No. 213649)  
 Date: April 30, 2026 (UDIN: 26213649PZYIYN4050)



## Consolidated Balance Sheet

as at March 31, 2026

(All amounts in Crore Rupees except for share data or as otherwise stated)

Particulars	Note	As at March 31, 2026	As at March 31, 2025
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	3,873.23	3,668.46
Right-of-use assets	39A	232.71	189.14
Capital work-in-progress	3	773.28	458.36
Goodwill	4	246.30	246.30
Other intangible assets	4	18.40	19.32
Financial assets			
Investments	5A	309.27	233.26
Other financial assets	5C	44.26	48.66
Income tax assets (net)	16A	2.44	6.94
Other non-current assets	7A	182.09	132.81
<b>Total non-current assets</b>		<b>5,681.98</b>	<b>5,003.25</b>
<b>Current assets</b>			
Inventories	8	2,342.16	1,936.54
Financial assets			
Trade receivables	9	2,155.04	2,007.16
Cash and cash equivalents	10A	112.66	99.54
Bank balances other than Cash and cash equivalents	10B	1.04	44.67
Loans	5B	0.93	0.93
Other financial assets	5C	3.21	5.86
Other current assets	7B	214.17	237.62
<b>Total current assets</b>		<b>4,829.21</b>	<b>4,332.32</b>
<b>Total assets</b>		<b>10,511.19</b>	<b>9,335.57</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	11	107.97	107.85
Other equity	11.6	5,192.09	4,364.71
<b>Total equity attributable to equity holders of Holding Company</b>		<b>5,300.06</b>	<b>4,472.56</b>
Non-controlling interests		131.30	129.96
<b>Total equity</b>		<b>5,431.36</b>	<b>4,602.52</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	13A	611.34	645.58
Lease liabilities	39A	111.49	62.19
Other financial liabilities	13D	20.63	-
Provisions	15A	132.09	106.09
Deferred tax liability (net)	6	29.38	31.87
Other non-current liabilities	14A	539.47	347.60
<b>Total non-current liabilities</b>		<b>1,444.40</b>	<b>1,193.33</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	13B	1,786.15	2,047.50
Trade payables			
- total outstanding dues of micro enterprises and small enterprises	13C	51.20	27.75
- total outstanding dues of creditors other than micro enterprises and small enterprises	13C	1,200.89	930.74
Lease liabilities	39A	9.50	8.46
Other financial liabilities	13D	333.58	337.61
Other current liabilities	14B	161.95	101.12
Provisions	15B	37.89	29.34
Income tax liabilities (net)	16B	54.27	57.20
<b>Total current liabilities</b>		<b>3,635.43</b>	<b>3,539.72</b>
<b>Total - equity and liabilities</b>		<b>10,511.19</b>	<b>9,335.57</b>
Summary of material accounting policies	2.2		

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

 As per our report of even date  
 For **Deloitte Haskins & Sells LLP**  
 Chartered Accountants  
 ICAI Firm Registration Number: 117366W/W-100018

**For and on behalf of the Board of Directors**  
**LAURUS LABS LIMITED**
**C. Manish Muralidhar**  
 Partner  
 Membership No. 213649

**Dr. Satyanarayana Chava**  
 Executive Director & Chief  
 Executive Officer  
 DIN: 00211921

**V.V. Ravi Kumar**  
 Executive Director & Chief  
 Financial Officer  
 DIN: 01424180

 Place: Hyderabad  
 Date: April 30, 2026

 Place: Hyderabad  
 Date: April 30, 2026

**G. Venkateswar Reddy**  
 Company Secretary  
 Membership No. F7016

## Consolidated Statement of Profit and Loss

for the year ended March 31, 2026

(All amounts in Crore Rupees except for share data or as otherwise stated)

Particulars	Note	For the year ended March 31, 2026	For the year ended March 31, 2025
<b>I. INCOME</b>			
Revenue from operations	17	6,812.90	5,553.96
Other income	18	48.38	59.93
<b>Total income (I)</b>		<b>6,861.28</b>	<b>5,613.89</b>
<b>II. EXPENSES</b>			
Cost of materials consumed	19	2,794.34	2,428.55
Purchase of traded goods		172.56	105.36
Changes in inventories of finished goods, work-in-progress and stock-in-trade	20	(271.44)	(55.93)
Employee benefits expense	21	895.45	719.52
Other expenses	22	1,444.28	1,301.18
<b>Total expenses (II)</b>		<b>5,035.19</b>	<b>4,498.68</b>
<b>III. Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) (I-II)</b>			
Depreciation and amortisation expense	3,4 & 39A	480.05	430.09
Finance income	23A	(6.57)	(15.17)
Finance costs	23B	170.73	216.00
<b>IV. Profit before tax</b>		<b>1,181.88</b>	<b>484.29</b>
<b>V. Tax expense</b>			
Current tax		297.52	156.90
Deferred tax		(5.49)	(27.02)
<b>Total tax expense</b>		<b>292.03</b>	<b>129.88</b>
<b>VI. Profit for the year before share of profit/(loss) from associates and joint venture (IV-V)</b>			
Share of profit/(loss) from associates and joint venture, net of tax		0.29	3.93
<b>VIII. Profit for the year after share of profit/(loss) from associates and joint venture (VI-VII)</b>			
<b>Other comprehensive income (OCI)</b>	24		
<b>Items that will not be reclassified subsequently to profit or loss:</b>			
Remeasurement gains/(losses) on defined benefit plans		3.64	(1.87)
Tax on remeasurement of defined benefit plans		(0.91)	0.50
Share in other comprehensive income of associates and joint venture, net of tax		0.11	(0.01)
		<b>2.84</b>	<b>(1.38)</b>
<b>Items that will be reclassified subsequently to profit or loss:</b>			
Exchange differences on translating the financial statements of foreign operations		(8.74)	(2.27)
		<b>(8.74)</b>	<b>(2.27)</b>
<b>Total other comprehensive loss for the year, net of tax</b>		<b>(5.90)</b>	<b>(3.65)</b>
<b>Total comprehensive income for the year, net of tax</b>		<b>884.24</b>	<b>354.69</b>
<b>Profit for the year attributable to:</b>			
Equity holders of the parent company		888.79	358.32
Non-controlling interests		1.35	0.02
<b>Total comprehensive income for the year attributable to:</b>			
Equity holders of the parent company		882.90	354.67
Non-controlling interests		1.34	0.02
<b>Earnings per equity share ₹ 2/- each fully paid (March 31, 2025: ₹ 2/- each fully paid)</b>	25		
Computed on the basis of total profit for the year			
<b>Basic (₹)</b>		16.47	6.65
<b>Diluted (₹)</b>		16.45	6.64
Summary of material accounting policies	2.2		

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

 As per our report of even date  
 For **Deloitte Haskins & Sells LLP**  
 Chartered Accountants  
 ICAI Firm Registration Number: 117366W/W-100018

**For and on behalf of the Board of Directors**  
**LAURUS LABS LIMITED**
**C. Manish Muralidhar**  
 Partner  
 Membership No. 213649

**Dr. Satyanarayana Chava**  
 Executive Director & Chief  
 Executive Officer  
 DIN: 00211921

**V.V. Ravi Kumar**  
 Executive Director & Chief  
 Financial Officer  
 DIN: 01424180

 Place: Hyderabad  
 Date: April 30, 2026

 Place: Hyderabad  
 Date: April 30, 2026

**G. Venkateswar Reddy**  
 Company Secretary  
 Membership No. F7016



## Consolidated Statement of Changes in Equity

for the year ended March 31, 2026

### a. Equity share capital

Equity shares of ₹ 2/- each, fully paid up	No.	₹
<b>As at April 01, 2024</b>	<b>538,965,858</b>	<b>107.79</b>
Issued during the year - ESOP	286,633	0.06
<b>As at March 31, 2025</b>	<b>539,252,491</b>	<b>107.85</b>
Issued during the year - ESOP	604,091	0.12
<b>As at March 31, 2026</b>	<b>539,856,582</b>	<b>107.97</b>

### b. Other equity

Particulars	Reserves and surplus						Other comprehensive income	Non-controlling interests	Total
	Capital reserve	Securities Premium	Employee Stock option reserve	Retained Earnings	Gross obligation liability to acquire non-controlling interest	Re-measurement of the net defined benefit plans	Foreign currency translation reserve		
<b>As at April 01, 2024</b>	<b>1.79</b>	<b>717.08</b>	<b>21.47</b>	<b>3,314.95</b>	<b>(33.32)</b>	<b>(9.02)</b>	<b>(9.79)</b>	<b>4.62</b>	<b>4,007.78</b>
Profit for the year	-	-	-	358.32	-	-	-	0.02	358.34
Expense arising from equity-settled share-based payment transactions	-	-	10.23	-	-	-	-	-	10.23
Transferred from stock options outstanding	-	15.76	(5.65)	-	-	-	-	-	10.11
Dividend on equity shares	-	-	-	(43.13)	-	-	-	-	(43.13)
Changes in Non-controlling interest	-	-	-	-	-	-	-	125.32	125.32
Net impact on settlement of Gross obligation liability to acquire Non-controlling interest	-	-	-	(3.65)	33.32	-	-	-	29.67
Foreign currency translation reserve	-	-	-	-	-	-	(2.27)	-	(2.27)
Remeasurement on net defined benefit liability, net of tax	-	-	-	-	-	(1.38)	-	-	(1.38)
<b>As at March 31, 2025</b>	<b>1.79</b>	<b>732.84</b>	<b>26.05</b>	<b>3,626.49</b>	<b>-</b>	<b>(10.40)</b>	<b>(12.06)</b>	<b>129.96</b>	<b>4,494.67</b>
Profit for the year	-	-	-	888.79	-	-	-	1.34	890.13
Expense arising from equity-settled share-based payment transactions	-	-	10.94	-	-	-	-	-	10.94
Transferred from stock options outstanding	-	31.89	(12.01)	-	-	-	-	-	19.88
Dividend on equity shares	-	-	-	(86.33)	-	-	-	-	(86.33)
Foreign currency translation reserve	-	-	-	-	-	-	(8.74)	-	(8.74)
Remeasurement on net defined benefit liability, net of tax	-	-	-	-	-	2.84	-	-	2.84
<b>As at March 31, 2026</b>	<b>1.79</b>	<b>764.73</b>	<b>24.98</b>	<b>4,428.95</b>	<b>-</b>	<b>(7.56)</b>	<b>(20.80)</b>	<b>131.30</b>	<b>5,323.39</b>

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

 As per our report of even date  
 For **Deloitte Haskins & Sells LLP**  
 Chartered Accountants  
 ICAI Firm Registration Number: 117366W/W-100018

**For and on behalf of the Board of Directors**  
**LAURUS LABS LIMITED**
**C. Manish Muralidhar**  
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 Executive Officer  
 DIN: 00211921

**V.V. Ravi Kumar**  
 Executive Director & Chief  
 Financial Officer  
 DIN: 01424180

 Place: Hyderabad  
 Date: April 30, 2026

 Place: Hyderabad  
 Date: April 30, 2026

**G. Venkateswar Reddy**  
 Company Secretary  
 Membership No. F7016

## Consolidated Statement of Cash Flows

for the year ended March 31, 2026

(All amounts in ₹ Crores, except share data and where otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>1,181.88</b>	<b>484.29</b>
<b>Adjustments for:</b>		
Depreciation and amortisation	480.05	430.09
(Profit)/Loss on sale of Property, plant and equipment (net)	7.48	(57.05)
Interest income	(6.57)	(15.17)
Interest expenses	164.85	209.96
Share based payment expense	10.94	10.23
Net (gain) / loss on foreign exchange fluctuations (unrealised)	(25.89)	(1.92)
Allowance for expected credit loss and bad debts (net)	80.77	53.36
Provisions no longer required written back	(1.23)	-
<b>Operating profit before working capital changes</b>	<b>1,892.28</b>	<b>1,113.79</b>
<b>Movement in working capital:</b>		
Increase in inventories	(405.60)	(82.86)
Increase in trade receivables	(181.03)	(404.96)
(Increase)/Decrease in financial and non-financial assets	24.80	(54.96)
Increase/(Decrease) in trade payables (Refer note no. 13E)	274.28	(97.99)
Increase in financial, non-financial liabilities and provisions	312.63	266.17
<b>Cash generated from operations</b>	<b>1,917.36</b>	<b>739.19</b>
Income tax paid	(293.86)	(137.54)
<b>Net cash generated from operating activities (A)</b>	<b>1,623.50</b>	<b>601.65</b>
<b>Cash flow used in investing activities</b>		
Purchase of property, plant and equipment, including intangible assets, and movement in capital work in progress, capital advances and capital creditors (Refer note no.13E)	(1,069.95)	(641.00)
Proceeds from sale of property, plant and equipment	6.81	99.87
Movement in Bank balances other than Cash and cash equivalents	43.63	(41.39)
Investment in associates	(9.07)	-
Investment in joint venture	(49.00)	(105.35)
Investment in others	(17.65)	-
Interest received	6.57	6.15
<b>Net cash used in investing activities (B)</b>	<b>(1,088.66)</b>	<b>(681.72)</b>
<b>Cash flow from financing activities</b>		
Proceeds from exercise of employee stock options	20.00	10.17
Repayment of long - term borrowings (Refer note no. 13g)	(326.87)	(315.70)
Proceeds from long - term borrowings (Refer note no. 13g)	255.26	178.86
Proceeds from/(Repayment of) short - term borrowings (net) (Refer note no. 13g)	(244.97)	308.24
Proceeds from supplier financing arrangements (net) (Refer note no. 13E)	17.38	15.67
Payment of lease liabilities (Refer note no. 39A)	(13.50)	(30.93)
Dividend paid	(86.33)	(43.13)
Changes in Non-controlling interest	-	125.32
Interest paid	(170.69)	(209.22)
Proceeds from Government Grant	25.00	-
<b>Net cash generated from/(used in) financing activities (C)</b>	<b>(524.72)</b>	<b>39.28</b>
Net increase/(decrease) in cash and cash equivalents (A+B+C)	10.12	(40.79)
Effect of exchange differences on cash and cash equivalents	3.00	1.39
Cash and cash equivalents at the beginning of the year	99.54	138.94
<b>Cash and cash equivalents at the year end</b>	<b>112.66</b>	<b>99.54</b>



## Consolidated Statement of Cash Flows

for the year ended March 31, 2026

(All amounts in ₹ Crores, except share data and where otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
<b>Components of cash and cash equivalents:</b>		
Cash on hand	0.16	0.12
Balances with banks		
On current accounts	111.42	90.99
On deposit accounts	-	8.43
Remittance in transit	1.08	-
<b>Total cash and cash equivalents</b>	<b>112.66</b>	<b>99.54</b>

Note: The above cash flow statement has been prepared under "Indirect Method" as set out in the Indian Accounting Standards (Ind AS 7)

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

As per our report of even date  
For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 117366W/W-100018

**For and on behalf of the Board of Directors**  
**LAURUS LABS LIMITED**

**C. Manish Muralidhar**  
Partner  
Membership No. 213649

**Dr. Satyanarayana Chava**  
Executive Director & Chief  
Executive Officer  
DIN: 00211921

**V.V. Ravi Kumar**  
Executive Director & Chief  
Financial Officer  
DIN: 01424180

**G. Venkateswar Reddy**  
Company Secretary  
Membership No. F7016

Place: Hyderabad  
Date: April 30, 2026

Place: Hyderabad  
Date: April 30, 2026

## Consolidated Notes to Financial Statements

for the year ended March 31, 2026

(All amounts in Crore Rupees except for share data or as otherwise stated)

### 1. Corporate information

The consolidated financial statements comprise financial statements of Laurus Labs Limited (the 'Company') and its subsidiaries (collectively, the 'Group') for the year ended March 31, 2026. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company's shares are listed on BSE Limited and National Stock Exchange of India Limited in India. The registered office of the company is located at Laurus Enclave, Plot Office 01, E. Bonangi Village, Parawada Mandal, Anakapalli District, Andhra Pradesh – 531021.

The Group is principally engaged in offering a broad and integrated portfolio of Active Pharmaceuticals Ingredients (API) including intermediates, Generic Finished Dosage Forms (FDF) and Contract Research services to cater to the needs of the global pharmaceutical industry and to develop novel enzyme solutions for Industrial Biotechnology and Animal Origin Free recombinant proteins and enzymes for biopharma. Information on the Group's structure is provided in Note 37. Information on other related party relationships of the Group is provided in Note 32.

The consolidated financial statements were authorised for issue in accordance with a resolution of the directors on April 30, 2026.

### 2. Material accounting policies

#### 2.1 Basis of preparation

(a) The financial statements of the Group have been prepared in accordance with Indian Accounting Standards ('Ind AS'), under the historical cost except for certain financial instruments which are measured at fair values at the end of each reporting period as explained in the accounting policies below, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after and presentation requirements of Division II of Schedule III to the Companies Act, 2013.

These Consolidated financial statements have been prepared on accrual and Going concern basis. The Accounting policies are applied consistently to all the periods presented.

The consolidated financial statements have been prepared on a historical cost except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in accounting policies below.

The financial statements are presented in Indian Rupees and all values are rounded to the nearest crores, except otherwise indicated.

#### Basis of consolidation

The Consolidated financial statements comprise the financial statements of the Group as at March 31, 2026 and March 31, 2025.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or



## Consolidated Notes to Financial Statements

for the year ended March 31, 2026

(All amounts in Crore Rupees except for share data or as otherwise stated)

disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar

circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

### The Group has following investments in subsidiaries and associate:

Name of Entity	Principal place of business and Country of Incorporation	Investee relationship		Proportion of ownership interest	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Sriam Labs Private Limited	India	Subsidiary	Subsidiary	100%	100%
Laurus Synthesis Private Limited	India	Subsidiary	Subsidiary	100%	100%
Laurus Holdings Limited	UK	Subsidiary	Subsidiary	100%	100%
Laurus Generics Inc.	USA	Step-down subsidiary	Step-down subsidiary	100%	100%
Laurus Generics GmbH	Germany	Step-down subsidiary	Step-down subsidiary	100%	100%
Laurus Generics SA (Pty) Ltd	South Africa	Subsidiary	Subsidiary	100%	100%
Laurus Bio Private Limited (Refer note ii)	India	Subsidiary	Subsidiary	78.34%	76.32%
Laurus Specialty Chemicals Private Limited	India	Subsidiary	Subsidiary	100%	100%
Immunoadoptive Cell Therapy Private Limited	India	Associate	Associate	34.89%	34.89%
Ethan Energy India Private Limited	India	Associate	Associate	26.00%	26.00%
KRKA Pharma Private Limited (Refer note i)	India	Joint Venture	Joint Venture	49.00%	49.00%
Kurnool Renewables Private Limited (Refer note iii)	India	Associate	-	26.00%	-

i) Pursuant to the joint venture agreement entered into by the Company with KRKA Pharma Private Limited ("KRKA"), Capital contribution amounting to ₹ 49.00 (March 31, 2025 : ₹ 105.35, in two tranches, ₹ 22.05 and ₹ 83.30) have been made into KRKA in terms of the aforesaid agreement during the year for 49% stake. The Company has accounted for the investment in KRKA as joint venture w.e.f. October 03, 2024.

ii) During the year ended March 31, 2025, Laurus Bio Private Limited ("Laurus Bio") entered into definitive agreement with Laurus Labs Limited (Parent Company), Eight Roads Ventures and F-Prime Capital ("Investors"), Pursuant to this agreement Investors have together invested ₹ 120 Crores into Laurus Bio. During the year,

the company has invested ₹ 75 Crores, in two tranches, ₹ 35 and ₹ 40 into Laurus Bio Private Limited as per the aforesaid definitive agreement. Accordingly, the Company's stake in Laurus Bio as on March 31, 2026 is 78.34% (as on March 31, 2025: 76.32%).

iii) Pursuant to investment agreement entered into by the Company with Kurnool Renewables Private Limited (Kurnool Renewables), capital contribution amounting to ₹ 9.07 have been made into Kurnool Renewables in terms of the aforesaid agreement during the year. The Company has accounted for its investment in Kurnool Renewables as an associate w.e.f May 12, 2025.

## Consolidated Notes to Financial Statements

for the year ended March 31, 2026

(All amounts in Crore Rupees except for share data or as otherwise stated)

### (b) Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.
- Eliminate the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.
- Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests.
- When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss

- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

### 2.2 Summary of material accounting policies

#### (a) Business combinations and goodwill

In accordance with Ind-AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from April 01, 2015. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with minimal adjustment. Similarly, such first time adoption exemption is also adopted for associate.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.



## Consolidated Notes to Financial Statements

for the year ended March 31, 2026

(All amounts in Crore Rupees except for share data or as otherwise stated)

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

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 profit or loss or OCI.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

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. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit.

Any impairment loss for goodwill is recognised in Statement of Profit and Loss. An impairment

loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

### Investment in associates:

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associate 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 – Non-current Assets Held for Sale and Discontinued Operations.

### (b) Current versus non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

## Consolidated Notes to Financial Statements

for the year ended March 31, 2026

(All amounts in Crore Rupees except for share data or as otherwise stated)

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is 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.

### (c) Foreign currencies

The Group's consolidated financial statements are presented in Indian rupees, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

### Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at its functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss except with the exception of exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity, such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

### Group Companies

On consolidation, the assets and liabilities of foreign operations are translated into functional currency at the rate of exchange prevailing at the reporting date and their Statements of Profit or Loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the date of transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in Statement of Profit and Loss.

### (d) Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.



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A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's chief financial officer determines the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. Any change in the fair value of each asset and liability is also compared with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### (e) Revenue recognition

Revenue from contracts with customers is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. When a performance obligation is satisfied, the revenue is measured at the transaction price which is consideration received or receivable, net of returns and allowances, trade discounts and volume rebates after taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group derives revenues primarily from manufacture and sale of Active Pharma Ingredients (API) including intermediates, Generic Finished dosage forms (FDF) and Contract Research services (together called as "Pharmaceuticals").

The following is summary of significant accounting policies relating to revenue recognition. Further, refer note no. 17 for disaggregate revenues from contracts with customers.

### Sale of products

The Group recognises revenue for supply of goods to customers against orders received. The majority of contracts that Group enters into relate to sales orders containing single performance obligations for the delivery of pharmaceutical products as per Ind AS 115. Product revenue is recognised when control of the goods is passed to the customer. The point at which control passes is determined based on the terms and conditions by each customer arrangement. Revenue is not recognised until it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. 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.

The Group also recognises revenue where goods are ready as per customer request and pending dispatch at the instance of the customer. In such cases, the products are separately identified as belonging to the customer and the Group does not hold the right to redirect the product to another customer. On satisfaction of all performance obligations, invoice is raised on the customer in accordance with customer request at regular payment terms.

Provisions for chargeback, rebates and discounts are estimated and provided for in the year of sales and recorded as reduction of revenue.

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### Sale of services

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

### Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or the amount 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.

### Interest income

For all debt financial instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in finance income in the Statement of Profit and Loss.

### Dividends

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

### Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. 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, it is recognised as income in equal amounts over the expected useful life of the related asset.

Export incentives are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and

where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

### (f) Taxes

#### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provision where appropriate.

#### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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.
- In respect of taxable temporary differences associated with investments in subsidiaries and associate, 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.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (MAT Credit) and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:



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- 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.
- In respect of deductible temporary differences associated with investments in subsidiaries and associate, 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.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period/year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### (g) Property, plant and equipment

Under the previous GAAP (Indian GAAP), property, plant and equipment and capital work in progress were carried in the Balance Sheet at cost of acquisition. The Group has elected to regard those values of property, plant and equipment as deemed cost at the date of the acquisition since there is no change in the functional currency as at April 01, 2015 (date of transition to Ind AS) on the date of transition to Ind AS. The Group has also determined that cost of

acquisition or construction at deemed cost as at April 01, 2015.

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance or extends its estimated useful life. Freehold land is not depreciated.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Factory buildings	:	30 years
Other buildings	:	60 years
Plant and equipment	:	5 to 20 years
Furniture and fixtures	:	10 years
Vehicles	:	4 to 5 years
Computers	:	3 to 6 years

The Group, based on technical assessment and management estimate, depreciates certain items of plant and equipment and vehicles 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.

An item of property, plant and equipment and any significant part initially recognised is derecognised

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upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively/retrospectively, as appropriate.

### (h) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

#### Computer Software

Costs relating to software, which is acquired, are capitalised and amortised on a straight-line basis over their estimated useful lives of five years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

### (i) Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant

judgment. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

#### Group as a lessee

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.



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Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term and useful life of the underlying asset. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. 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.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

### (j) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### (k) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on weighted average basis.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials and packing material: Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.
- Traded goods and spare parts: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Stores and spares are valued at the lower of cost and net realisable value.

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

### (l) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

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assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated.

Impairment losses, including impairment on inventories, are recognised in the Statement of Profit and Loss. For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods/ years. Such reversal is recognised in the Statement of Profit and Loss.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

### (m) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a 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 the obligation. When

the Group 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 virtually 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 discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### (n) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund by a third party.

The cost of providing benefits under the defined benefit plan is determined based on projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other comprehensive income ("OCI") in the period in which they occur. Remeasurements are not reclassified to Statement of Profit and Loss in subsequent periods.



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Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

The Group treats accumulated leaves which are to be settled after 12 months as a long-term employee benefit and accumulated leaves which are to be settled in the next 12 months as a short-term employee benefit for measurement purposes. Such accumulated leaves are provided for based on an 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 presents the entire liability in respect of leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement beyond 12 months after the reporting date.

### (o) Share-based payments

Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments.

### Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using Black Scholes valuation model.

That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The Statement of Profit and

Loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

### (p) 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 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. However, trade receivables that do not contain a significant financing component are measured at transaction price. 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 trade date, i.e., the date that the Group commits to purchase or sell the asset.

##### Subsequent measurement

For purposes of subsequent measurement, a 'debt instrument' is measured at the amortised cost if both the following conditions are met:

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

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premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. This category generally applies to trade and other receivables.

For purposes of subsequent measurement, Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. FVTPL is a residual category for debt instruments.

In addition, the group may elect to designate a debt instrument, which otherwise meets amortized 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'). The group has not designated any debt instrument as at FVTPL due to recognition inconsistency.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Further, All equity investments in scope of Ind AS 109 are measured at fair value. For equity instruments which are not held for trading, the group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. 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, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, 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 recognized in the Statement of Profit and Loss.

### Derecognition

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 balance sheet) when:

- the rights to receive cash flows from the asset have expired, or
- the Group has transferred its rights to receive 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

i. the Group has transferred substantially all the risks and rewards of the asset, or

ii. 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.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

### 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 following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits and bank balances.
- Trade receivables that result from transactions that are within the scope of Ind AS 115.

The Group follows 'simplified approach' for recognition of impairment loss. 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. For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such



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that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

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. On that basis, the Group estimates the following provision matrix at the reporting date:

Receivables past due	% of allowance
> 1 year and < 2 years	25%
> 2 years and < 3 years	50%
> 3 years	100%

### Financial liabilities

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss ('FVTPL'), loans and borrowings, payables, or as

derivatives designated as hedging instruments in an effective hedge, as appropriate.

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 Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

#### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or 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 liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

#### Loans and borrowings

This is the category most relevant to the group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

#### Derecognition

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

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are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts 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.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### Supplier Finance Arrangements

The Group recognizes liabilities under Supplier Finance Arrangements as financial liabilities, classifying them as Trade Payables or other financial liabilities, when settlements remain within original invoice terms and as Borrowings, if the arrangement significantly extends payment terms beyond original invoice terms. Corresponding cash flows related to trade payables are included in operating activities and those related to borrowings are included in financing activities, in the statement of cash flows.

#### (q) Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. 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. 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.

Changes in the fair value of derivative contracts that economically hedge monetary assets and liabilities in foreign currencies, and for which no hedge accounting is applied, are recognized in the statement of profit and loss. The changes in fair value of such derivative contracts, as well as the foreign exchange gains and losses relating to the monetary items, are recognized in the Statement of Profit and Loss.

#### (r) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

#### (s) Research and development

Revenue expenditure on research and development is charged to the Statement of Profit and Loss in the year in which it is incurred. The Group does not generate any intangible asset internally.

#### (t) Measurement of EBITDA

The Group presents EBITDA in the Statement of Profit and Loss, which is neither specifically required by Ind AS 1 nor defined under Ind AS. Ind AS complaint Schedule III allows companies to present line items, sub-line items and sub-totals shall be presented as an addition or substitution on the face of the financial statements when such presentation is relevant to an understanding of the group's financial position or performance or to cater to industry/sector-specific disclosure requirements or when required for compliance with the amendments to the Companies Act or under the Indian Accounting Standards.

Accordingly, the Group has elected to present EBITDA as a separate line item on the face of the Statement of Profit and Loss and does not include depreciation and

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amortization expense, finance income, finance costs, share of profit/ loss from associate and tax expense in the measurement of EBITDA."

### (u) Earnings per share

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of shares outstanding during the year is adjusted for events that have changed the number of shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### (v) Recent 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.

#### Ind AS 21 - The Effects of Changes in Foreign Exchange Rates:

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements

#### In August 2025, MCA notified the following amendments to:

- 1) **Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025** - The amendment

relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Group has no impact of these amendments in its classification criteria of current and non-current liabilities.

#### 2) Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025

- The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

#### 3) Ind AS 12, International Tax Reform - Pillar Two Model Rules applicable immediately

- The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

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### 3. Property, plant and equipment

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Computers	Vehicles	Total
<b>Gross carrying value</b>							
<b>At cost</b>							
<b>As at April 01, 2024</b>	<b>227.77</b>	<b>1,366.54</b>	<b>3,374.70</b>	<b>103.36</b>	<b>54.53</b>	<b>36.29</b>	<b>5,163.19</b>
Additions	4.60	196.46	435.69	5.87	16.18	15.11	673.91
Disposals	(31.80)	(0.60)	(33.54)	(0.57)	(0.75)	(5.74)	(73.00)
Adjustment							
- Exchange difference	-	-	-	-	-	-	-
<b>As at March 31, 2025</b>	<b>200.57</b>	<b>1,562.40</b>	<b>3,776.85</b>	<b>108.66</b>	<b>69.96</b>	<b>45.66</b>	<b>5,764.10</b>
Additions	-	166.36	465.80	20.62	8.65	15.87	677.30
Disposals	-	(0.31)	(29.01)	(10.27)	(6.43)	(8.70)	(54.72)
Adjustment							
- Exchange difference	-	-	-	-	-	-	-
<b>As at March 31, 2026</b>	<b>200.57</b>	<b>1,728.45</b>	<b>4,213.64</b>	<b>119.01</b>	<b>72.18</b>	<b>52.83</b>	<b>6,386.68</b>
<b>Depreciation</b>							
<b>As at April 01, 2024</b>	<b>-</b>	<b>261.32</b>	<b>1,365.73</b>	<b>42.18</b>	<b>30.63</b>	<b>16.96</b>	<b>1,716.82</b>
Charge for the year	-	57.95	320.74	12.01	8.72	9.59	409.01
Disposals	-	(0.45)	(23.52)	(0.33)	(0.49)	(5.39)	(30.18)
Adjustment							
- Exchange difference	-	-	-	(0.01)	-	-	(0.01)
<b>As at March 31, 2025</b>	<b>-</b>	<b>318.82</b>	<b>1,662.95</b>	<b>53.85</b>	<b>38.86</b>	<b>21.16</b>	<b>2,095.64</b>
Charge for the year	-	68.52	354.63	12.97	10.45	11.68	458.25
Disposals	-	(0.03)	(18.44)	(7.79)	(6.22)	(7.95)	(40.43)
Adjustment							
- Exchange difference	-	-	-	(0.01)	-	-	(0.01)
<b>As at March 31, 2026</b>	<b>-</b>	<b>387.31</b>	<b>1,999.14</b>	<b>59.02</b>	<b>43.09</b>	<b>24.89</b>	<b>2,513.45</b>
<b>Net carrying value</b>							
<b>As at March 31, 2025</b>	<b>200.57</b>	<b>1,243.58</b>	<b>2,113.90</b>	<b>54.81</b>	<b>31.10</b>	<b>24.50</b>	<b>3,668.46</b>
<b>As at March 31, 2026</b>	<b>200.57</b>	<b>1,341.14</b>	<b>2,214.50</b>	<b>59.99</b>	<b>29.09</b>	<b>27.94</b>	<b>3,873.23</b>

#### (i) Pledge on Property, plant and equipment - Laurus Labs Limited:

Property, plant and equipment with a net carrying amount aggregating ₹ 3,873.23 (March 31, 2025: ₹ 3,668.46) are subject to a pari passu first charge on the Company's term loans. Further, the property, plant and equipment are subject to a pari passu second charge on the Company's current borrowings and SBI buyer's credit. Also, refer note 13c.

(ii) The Group has not revalued its property, plant and equipment during the current or previous year.

(iii) During the previous year ended March 31, 2025 borrowing cost of ₹ 4.24 has been capitalized.

#### (iv) Capital work-in-progress (CWIP) movement schedule:

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	458.36	422.84
Additions	992.22	709.43
Transfer to property, plant and equipment	677.30	673.91
<b>Closing balance</b>	<b>773.28</b>	<b>458.36</b>

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### (v) Capital work-in-progress (CWIP) ageing schedule:

For the year ended March 31, 2026

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	701.83	67.16	3.51	0.41	<b>772.91</b>
Projects temporarily suspended	-	-	0.37	-	<b>0.37</b>

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Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	379.82	68.27	7.37	2.53	<b>457.99</b>
Projects temporarily suspended	-	0.37	-	-	<b>0.37</b>

### (vi) For CWIP, whose completion is overdue or has exceeded its cost compared to its original plan the project wise details of when the project is expected to be completed it given below:

As on March 31, 2026, there are no capital-work-in-progress projects whose completion is overdue or has exceeded the cost compared to its original plan.

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
<b>Balance as on March 31, 2026</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
CETP - Unit VIII	123.53	-	-	-	123.53
Utility block - Unit II	12.51	-	-	-	12.51
<b>Balance as on March 31, 2025</b>	<b>136.04</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>136.04</b>

## 4. Other Intangible assets

Particulars	Goodwill on consolidation	Computer software	Total
<b>Gross carrying value At cost</b>			
<b>As at April 01, 2024</b>	<b>246.30</b>	<b>52.72</b>	<b>299.02</b>
Additions	-	6.15	6.15
Disposals	-	(0.99)	(0.99)
<b>As at March 31, 2025</b>	<b>246.30</b>	<b>57.88</b>	<b>304.18</b>
Additions	-	6.12	6.12
Disposals	-	(1.55)	(1.55)
<b>As at March 31, 2026</b>	<b>246.30</b>	<b>62.45</b>	<b>308.75</b>
<b>Amortisation</b>			
<b>As at April 01, 2024</b>	<b>-</b>	<b>33.70</b>	<b>33.70</b>
Charge for the year	-	5.85	5.85
Disposals	-	(0.99)	(0.99)
<b>As at March 31, 2025</b>	<b>-</b>	<b>38.56</b>	<b>38.56</b>
Charge for the year	-	7.00	7.00
Disposals	-	(1.51)	(1.51)
<b>As at March 31, 2026</b>	<b>-</b>	<b>44.05</b>	<b>44.05</b>
<b>Net carrying value</b>			
<b>As at March 31, 2025</b>	<b>246.30</b>	<b>19.32</b>	<b>265.62</b>
<b>As at March 31, 2026</b>	<b>246.30</b>	<b>18.40</b>	<b>264.70</b>

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### Impairment test of goodwill:

Goodwill is tested for impairment on annual basis and whenever there is an indication that the recoverable amount of cash generating unit is less than its carrying amount based on number of factors including business plan, operating results, future cash flows and economic conditions. The recoverable amount of cash generating units (CGU) is determined based on higher of value in use and fair value less cost to sell.

The Group generally uses discounted cash flow based methods to determine the recoverable amount. These discounted cash flows use five-year projections that are based on financial forecasts. Cash flow projections take into account past experience and management's best estimate about future developments.

Discount rate represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and the risks specific to the asset for which future cash flow estimates have not been adjusted. The discount rate calculation is derived weighted average cost of capital of specific company. Terminal value growth rates take into consideration of external macroeconomic sources of data and industry specific trends.

The following table presents the key assumptions used to determine value in use/fair value less cost to sell for impairment test purpose:

Particulars	March 31, 2026	March 31, 2025
Terminal value growth rate	6%	6%
Pre tax discount rate	14.60%	14.10%

Based on the above, no impairment was identified as at March 31, 2026 as the recoverable value exceeds the carrying value.

## 5 Financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
<b>A. Investments</b>		
Equity instruments of associates (net of share of profit/loss)	20.85	12.15
Compulsorily convertible preference shares of associate (net of share of profit/loss)	112.51	113.06
Equity instruments of Joint Venture (net of share of profit/ (loss) )	154.85	104.64
Others	21.06	3.41
<b>Total</b>	<b>309.27</b>	<b>233.26</b>

(a) Unquoted equity investments	As at March 31, 2026	As at March 31, 2025
<b>I. Investments in associates (Equity accounted investees)</b>		
- 996 (March 31, 2025: 996) Equity shares of ₹ 10 each fully paid-up of Immunoadoptive Cell Therapy Private Limited (net of share of profit/loss) (note i)	8.09	8.18
- 740,000 (March 31, 2025: 740,000) Equity shares of ₹ 10 each fully paid-up of Ethan Energy India Private Limited (net of share of profit/loss)	3.69	3.97
- 9,072,000 (March 31, 2025: Nil) Equity shares of ₹ 10 each fully paid-up of Kurnool Renewables Private Limited	9.07	-
<b>Total</b>	<b>20.85</b>	<b>12.15</b>
<b>II. Investments in Joint Venture (Equity accounted investees)</b>		
- 154,350,000 (March 31, 2025: 105,350,000) Equity shares of ₹ 10 each fully paid-up of KRKA Pharma Private Limited (note ii) (net of share of loss)	154.85	104.64
<b>Total</b>	<b>154.85</b>	<b>104.64</b>
<b>III. Investments in others (valued at fair value through profit and loss)</b>		
- 3,405,000 (March 31, 2025: 3,405,000) Equity shares of ₹ 10/- each of Atchutapuram Effluent Treatment Limited.	3.41	3.41
- 462,962 (March 31, 2025: Nil) Compulsorily Convertible preference shares of US\$ 4.32 each of Aarvik Therapeutics Inc	17.65	-
<b>Total</b>	<b>21.06</b>	<b>3.41</b>

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(b) Unquoted Investment in Compulsorily convertible preference shares - carried at cost	As at March 31, 2026	As at March 31, 2025
- 3,983, 0.1% compulsorily Convertible preference shares of ₹ 10 each fully paid Series A of Immunoadoptive Cell Therapy Private Limited (March 31, 2025: 3,983 of ₹ 10 each fully paid) (note i)	31.65	32.01
- 2,028, 0.1% compulsorily Convertible preference shares of ₹ 10 each fully paid Series B of Immunoadoptive Cell Therapy Private Limited (March 31, 2025: 2,028 of ₹ 10 each fully paid) (note i)	80.86	81.05
<b>Total</b>	<b>112.51</b>	<b>113.06</b>

### Notes:

- Pursuant to the joint venture agreement entered into by the Company with KRKA Pharma Private Limited ("KRKA"), Capital contribution amounting to ₹ 49.00 (March 31, 2025 : ₹ 105.35, in two tranches, ₹ 22.05 and ₹ 83.30) have been made into KRKA in terms of the aforesaid agreement during the year for 49% stake. The Company has accounted for the investment in KRKA as joint venture w.e.f. October 03, 2024.
- Pursuant to investment agreement entered into by the Company with Kurnool Renewables Private Limited (Kurnool Renewables), capital contribution amounting to ₹ 9.07 have been made into Kurnool Renewables in terms of the aforesaid agreement during the year. The Company has accounted for its investment in Kurnool Renewables as an associate w.e.f May 12, 2025.
- The Group has complied with number of layers prescribed under clause 87 of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

### B. Loans (At amortised cost)

Particulars	As at March 31, 2026	As at March 31, 2025
<b>Current (unsecured, considered good unless stated otherwise)</b>		
<b>At amortized cost</b>		
Other loans		
- Loans to employees	0.93	0.93
<b>Total</b>	<b>0.93</b>	<b>0.93</b>

### (C) Other financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
<b>Non-current (unsecured, considered good unless stated otherwise)</b>		
Security deposits	44.26	40.14
Other balances with banks	-	0.01
Export and other incentives receivable (net)*	-	8.51
<b>Total</b>	<b>44.26</b>	<b>48.66</b>
<b>Current (unsecured, considered good unless stated otherwise)</b>		
Export and other incentives receivable (net)*	3.21	5.86
<b>Total</b>	<b>3.21</b>	<b>5.86</b>

\* Export and other receivable comprises the following:

- Market Access Initiative (MAI refunds) governed by guidelines issued by the Department of Commerce
- Duty drawbacks governed by Foreign Trade Policy 2015-20, which has been extended till September 30, 2022 vide notification no.64/2015-2020 dated 31.03.2022 & Public Notice No.53/2015-2020 dated 31.03.2022
- Terminal Excise Duty (TED refunds) governed under the Customs Act, 1962
- Sales tax incentive and reimbursement of power cost under the Andhra Pradesh state incentives IIPP 2015-20 scheme. There are no unfulfilled conditions or contingencies attached to these incentives

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### 6. Deferred tax assets/(liability) (Net)

Particulars		As at March 31, 2026	As at March 31, 2025
<b>Deferred tax liability relating to</b>			
Accelerated depreciation for tax purposes		(138.25)	(150.75)
	<b>(A)</b>	<b>(138.25)</b>	<b>(150.75)</b>
<b>Deferred tax asset relating to</b>			
Expenses allowable on payment basis		62.92	80.23
Other items giving rise to temporary differences		45.95	38.65
	<b>(B)</b>	<b>108.87</b>	<b>118.88</b>
<b>Deferred tax assets/(liability) (Net)</b>	<b>(A+B)</b>	<b>(29.38)</b>	<b>(31.87)</b>

#### For the year ended March 31, 2026:

Particulars	Opening balance	Recognised/ Utilised during the year	Recognised in other comprehensive income	Closing balance
Accelerated depreciation for tax purposes	(150.75)	12.50	-	(138.25)
MAT credit entitlement/(utilisation)	(0.00)	-	-	(0.00)
Expenses allowable on payment basis	80.23	(17.31)	-	62.92
Other items giving rise to temporary differences	38.65	8.21	(0.91)	45.95
	<b>(31.87)</b>	<b>3.40</b>	<b>(0.91)</b>	<b>(29.38)</b>

#### For the year ended March 31, 2025:

Particulars	Opening balance	Recognised/ Utilised during the year	Recognised in other comprehensive income	Closing balance
Accelerated depreciation for tax purposes	(142.99)	(7.76)	-	(150.75)
MAT credit entitlement/(utilisation)	0.66	(0.66)	-	(0.00)
Expenses allowable on payment basis	60.33	19.90	-	80.23
Other items giving rise to temporary differences	24.96	13.19	0.50	38.65
	<b>(57.04)</b>	<b>24.67</b>	<b>0.50</b>	<b>(31.87)</b>

The Group has accounted for deferred tax liabilities (net) of ₹ 29.38 (March 31, 2025: ₹ 31.87) based on approval of business plan by the board, agreements entered with customers and orders on hand.

There are no unrecognised deferred tax assets and liabilities as at March 31, 2026 and March 31, 2025.

### 7. Other assets

Particulars	As at March 31, 2026	As at March 31, 2025
<b>A) Non-current (unsecured, considered good unless otherwise stated)</b>		
Capital advances	151.08	112.98
Prepayments	27.51	16.49
Balances with statutory/Government authorities	2.00	2.00
Taxes paid under protest	1.50	1.34
	<b>182.09</b>	<b>132.81</b>
Less: Allowance for doubtful advances	-	-
<b>Total</b>	<b>182.09</b>	<b>132.81</b>
<b>B) Current (unsecured, considered good unless otherwise stated)</b>		
Advances recoverable in cash or kind	40.85	26.97
Prepayments	27.45	29.28
Balances with statutory/Government authorities	142.36	179.16
Others	3.51	2.21
<b>Total</b>	<b>214.17</b>	<b>237.62</b>



## Consolidated Notes to Financial Statements

for the year ended March 31, 2026

(All amounts in Crore Rupees except for share data or as otherwise stated)

### 8. Inventories

Particulars	As at March 31, 2026	As at March 31, 2025
<b>(At lower of cost and net realisable value)</b>		
Raw materials [including port stock and stock-in-transit ₹ 178.25 (March 31, 2025 : ₹ 97.78)]	737.95	621.94
Work-in-progress	863.28	746.65
Finished goods [Finished goods in transit of ₹ 41.12 (March 31, 2025 : ₹ 30.61)]	639.36	484.55
Stores, spares and packing materials	101.57	83.40
<b>Total</b>	<b>2,342.16</b>	<b>1,936.54</b>

#### Note:

During the year, the Group recognised inventory write down to net realisable value of ₹ 3.90 (March 31, 2025 : ₹ 3.36). The impact of these adjustments has been recognised within cost of material consumed and changes in inventories in the Statement of Profit and Loss.

### 9. Trade receivables

Particulars	As at March 31, 2026	As at March 31, 2025
<b>Unsecured</b>		
Considered good	2,153.51	2,007.12
Receivable from related parties (Refer note no. 32)	1.53	0.04
Credit impaired	127.24	50.85
	<b>2,282.18</b>	<b>2,058.01</b>
Less: Allowance for doubtful debts	(127.24)	(50.85)
<b>Total</b>	<b>2,155.04</b>	<b>2,007.16</b>

- No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member except as stated in note no.32.
- Trade receivables are non-interest bearing and are generally on credit terms of 30 - 120 days.
- Of the trade receivables balance, ₹ 357.93 in aggregate (as at March 31, 2025 ₹ 648.96) is due from the Company's customers individually representing more than 5 % of the total trade receivables balance.
- The Group has used practical expedient by computing the expected credit loss allowance for doubtful trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking estimates. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates used in the provision matrix.
- Trade receivables is net of bills discounted without recourse amounting to ₹ nil (as at March 31, 2025 ₹ nil)

Movement in the expected credit loss allowance	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	50.85	5.61
Additions during the year	77.66	46.00
Recoveries/write offs during the year	(1.27)	(0.76)
<b>Balance at the end of the year</b>	<b>127.24</b>	<b>50.85</b>

## Consolidated Notes to Financial Statements

for the year ended March 31, 2026

(All amounts in Crore Rupees except for share data or as otherwise stated)

### Trade Receivables ageing schedule for the year ended March 31, 2026:

Particulars	Not Due	Outstanding from due date of payment					Total
		Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	More than 3 years	
i) Undisputed Trade receivables - considered good	1,542.52	557.80	23.41	20.68	10.63	-	2,155.04
ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade receivables - credit impaired	0.25	0.40	0.01	81.99	31.59	13.00	127.24
iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>1,542.77</b>	<b>576.08</b>	<b>23.42</b>	<b>102.67</b>	<b>42.22</b>	<b>13.00</b>	<b>2,282.28</b>

### Trade Receivables ageing schedule for the year ended March 31, 2025:

Particulars	Not Due	Outstanding from due date of payment					Total
		Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	More than 3 years	
i) Undisputed Trade receivables - considered good	1,393.67	501.11	83.71	20.83	7.84	-	2,007.16
ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade receivables - credit impaired	-	-	13.34	28.78	8.21	0.52	50.85
iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>1,393.67</b>	<b>501.11</b>	<b>97.05</b>	<b>49.61</b>	<b>16.05</b>	<b>0.52</b>	<b>2,058.01</b>

### 10. Cash and cash equivalents and other bank balances

Particulars	As at March 31, 2026	As at March 31, 2025
<b>A) Cash and cash equivalents</b>		
Balances with banks		
- On current accounts	111.42	90.99
- Deposits with original maturity of less than three months	-	8.43
Remittance in transit	1.08	-
Cash on hand	0.16	0.12
<b>Total</b>	<b>112.66</b>	<b>99.54</b>
<b>B) Bank balances other than Cash and cash equivalents</b>		
Earmarked balances with banks:		
- Remaining maturity for less than twelve months	0.73	44.39
- Unclaimed dividend accounts	0.31	0.28
<b>Total</b>	<b>1.04</b>	<b>44.67</b>

\*Unclaimed dividend ₹ 0.01 pertaining to FY 2017-18 (March 31, 2025 : ₹ 0.01 pertaining to FY 2016-17) has been transferred to Investor Education and Protection Fund.

## Consolidated Notes to Financial Statements

for the year ended March 31, 2026

(All amounts in Crore Rupees except for share data or as otherwise stated)

### 11. Equity share capital

Particulars	As at March 31, 2026	As at March 31, 2025
<b>Authorised</b>		
555,000,000 (March 31, 2025: 555,000,000) Equity shares of ₹ 2/- each	111.00	111.00
<b>Total</b>	<b>111.00</b>	<b>111.00</b>
<b>Issued, Subscribed and Paid Up</b>		
539,856,582 (March 31, 2025: 539,252,491) Equity shares of ₹ 2/- each	107.97	107.85
<b>Total</b>	<b>107.97</b>	<b>107.85</b>

#### 11.1. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares of ₹ 2/- each, fully paid up	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Number of shares	₹	Number of shares	₹
Balance at the beginning of the year	539,252,491	107.85	538,965,858	107.79
Shares issued during the year - ESOP (Refer note no. 29)	604,091	0.12	286,633	0.06
<b>Balance at the end of the year</b>	<b>539,856,582</b>	<b>107.97</b>	<b>539,252,491</b>	<b>107.85</b>

#### 11.2. Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share at the general meetings of the Company. For liquidation terms refer note 11.2a.

The Company declares and pays dividends in Indian rupees. The final dividend, if any, proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

During the year ended March 31, 2026, the amount of dividend (first interim dividend ₹ 0.80 and second interim dividend ₹ 1.20) per share declared as distribution to equity shareholders was ₹ 2.00 (March 31, 2025: first interim dividend ₹ 0.40 and second interim dividend ₹ 0.80 per share declared as distribution to equity shareholders was ₹ 1.20).

#### 11.2a. Liquidation terms and preferential rights

The liquidation terms of the equity shares are as follows:

- If the company shall be wound up, the Liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act divide amongst the shareholders, in specie or kind the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
- For the purpose aforesaid, the Liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the shareholders or different classes of shareholders.

#### 11.3 Details of Shareholders holding more than 5 % shares of the Group:

Particulars	As at March 31, 2026		As at March 31, 2025	
	% Holding	Number of shares	% Holding	Number of shares
Equity shares of ₹ 2/- each held by				
M/s. NSN Holdings represented by Dr. Satyanarayana Chava	22.99%	124,126,740	23.02%	124,126,740
New World Fund Inc	4.77%	25,768,788	6.50%	35,030,409

## Consolidated Notes to Financial Statements

for the year ended March 31, 2026

(All amounts in Crore Rupees except for share data or as otherwise stated)

### 11.4 Details of shares held by the promoters of the Company:

Equity Shares held by promoters as at March 31, 2026 and March 31, 2025

Promoter Name	As at March 31, 2026			As at March 31, 2025		
	Number of shares	% of total shares	% Change during the year	Number of shares	% of total shares	% Change during the year
M/s. NSN Holdings (represented by Dr. Satyanarayana Chava)	124,126,740	22.99%	-	124,126,740	23.02%	-
Dr. Satyanarayana Chava	1,570,000	0.29%	-	1,570,000	0.29%	-
Dr. C.V. Lakshmana Rao	14,310,765	2.65%	-	14,310,765	2.65%	-
M/s. Leven Holdings (represented by Mr. V.V. Ravi Kumar)	6,205,000	1.15%	-7.46%	6,705,000	1.24%	-
Mr. V. V. Ravi Kumar	1,000,000	0.19%	-	1,000,000	0.19%	-
Mr. Narasimha Rao Chava	119,675	0.02%	-	119,675	0.02%	-
Mr. Chandrakanth Chereddi	42,000	0.01%	-	42,000	0.01%	-
Mrs. V. Krishnaveni	201,401	0.04%	0.0%	201,397	0.04%	-
Mr. C. Sekhar Babu	100,000	0.02%	-	100,000	0.02%	-
Mrs. V. Hymavathi	225,000	0.04%	-	225,000	0.04%	-
Mrs. Soumya Chava	22,940	0.00%	-	22,940	0.00%	-
Mr. Krishna Chaitanya Chava	20,699	0.00%	-	20,699	0.00%	-
Mrs. T. Nagamani	100,000	0.02%	-	100,000	0.02%	-
Mrs. K. Kamala	100,000	0.02%	-	100,000	0.02%	-
Mr. S. Narasimha Rao	147,500	0.03%	-	147,500	0.03%	-
Mrs. S. Rama	140,000	0.03%	-17.6%	170,000	0.03%	-

#### 11.5. Details of shares reserved for issue under options

For details of shares reserved for issue under various Employee Stock Option Schemes of the Group, refer note no. 29.

#### 11.6. Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
Capital reserve	1.79	1.79
Securities premium	764.73	732.84
Employee Stock option reserve	24.98	26.05
Retained earnings	4,428.95	3,626.49
Other comprehensive income	(7.56)	(10.40)
Foreign currency translation reserve	(20.80)	(12.06)
<b>Total</b>	<b>5,192.09</b>	<b>4,364.71</b>

#### Nature and purpose of reserves

##### Capital reserve:

Represents capital reserve balances of acquired entities which are transferred to the Company upon merger.

##### Securities premium:

Securities premium is used to record the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

##### Employee Stock option reserve:

The fair value of the equity-settled share based payment transactions with employees is recognised in statement of profit and loss with corresponding credit to Employee Stock option reserve. This will be utilised for allotment of equity shares against outstanding employee stock options.



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for the year ended March 31, 2026

(All amounts in Crore Rupees except for share data or as otherwise stated)

### Retained earnings:

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distribution to share holders.

### Gross obligation liability to acquire non-controlling interest:

Gross obligation liability to acquire non-controlling interest Represents the put option held by non-controlling interests recognised at present value of redemption amount.

### Foreign currency translation reserve:

Exchange difference relating to the translation of the Group's foreign operations from their functional currencies to the Company's presentation currency are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.

### Re-measurement of the net defined benefit plans:

Re-measurement of net defined benefit plan reserve comprises the cumulative net gains/losses on actuarial valuation of post employee benefit obligations. (Refer note 28)

### Other Comprehensive Income:

Exchange differences on translation of financial statements of foreign operations: Represents exchange differences arising on account of conversion of foreign operations to Group's functional currency.

## 12. Dividends paid and proposed

Cash dividends on equity shares declared and paid:	2025-26		2024-25	
	Dividend per equity share	Amount	Dividend per equity share	Amount
Second interim dividend for the financial year 2023-24 (face value of ₹ 2/- each)	-	-	0.40	21.56
First interim dividend for the financial year 2024-25 (face value of ₹ 2/- each)	-	-	0.40	21.57
Second interim dividend for the financial year 2024-25 (face value of ₹ 2/- each)	0.80	43.14	-	-
First interim dividend for the financial year 2025-26 (face value of ₹ 2/- each)	0.80	43.19	-	-
<b>Total</b>		<b>86.33</b>		<b>43.13</b>
<b>Proposed dividends on equity shares:</b>				
Final cash dividend				
Second interim dividend for the financial year 2024-25 (face value of ₹ 2/- each)	-	-	0.80	43.14
Second interim dividend for the financial year 2025-26 (face value of ₹ 2/- each) *	1.20	64.78	-	-
<b>Total</b>		<b>64.78</b>		<b>43.14</b>

\*The Board of Directors of the Company in their meeting held on April 30, 2026 have approved for payment of second interim dividend and the Company has fixed May 08, 2026 as "Record Date" for determining the eligibility of the Shareholders. Accordingly, the Company has not recognised the said proposed dividend as a liability as at March 31, 2026.

## Consolidated Notes to Financial Statements

for the year ended March 31, 2026

(All amounts in Crore Rupees except for share data or as otherwise stated)

## 13. Financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
<b>A) Non-current borrowings (At amortised cost)</b>		
<b>Term loans</b>		
Indian rupee loans from banks (Secured)	611.34	607.85
Foreign currency loans from banks (Secured)	-	37.73
<b>Total</b>	<b>611.34</b>	<b>645.58</b>
<b>Current maturities of non-current borrowings</b>		
<b>Term loans</b>		
Indian rupee loans from banks (Secured)	251.78	282.19
Foreign currency loans from banks (Secured)	41.73	50.31
	<b>293.51</b>	<b>332.50</b>
Less: Amount disclosed under the head "current borrowings"	(293.51)	(332.50)
<b>Total</b>	<b>-</b>	<b>-</b>
<b>B) Current borrowings (At amortised cost)</b>		
<b>Cash credits and working capital demand loans</b>		
Indian rupee loans from banks (Secured)	392.05	534.28
Indian rupee loans from banks (Un Secured)*	917.82	1,019.43
Foreign currency loans from banks (Secured)	44.59	40.60
Buyer's credit from banks (Secured)	83.89	120.70
Buyers credit from banks (Unsecured)	54.29	-
Current maturities of non-current borrowings	293.51	332.49
<b>Total</b>	<b>1,786.15</b>	<b>2,047.50</b>

\* Including supplier financing arrangement of ₹ 54.58 (March 31, 2025 : ₹ 37.20)

### Terms and conditions of borrowings - Laurus Labs Limited:

#### (a) The details of Indian rupee term loans from banks are as under:

Name of the Bank	Outstanding as on March 31, 2026	Outstanding as on March 31, 2025	Sanction Amount	No. of Instalments	Commencement of instalments	Effective interest rate*
HDFC Bank (HDFC)	20.00	60.00	200.00	20 quarterly instalments of ₹ 10	December 2021	Repo + 1.25% (March 31, 2025: Repo + 1.25%)
The Hongkong & Shanghai Banking Corporation (HSBC)	-	9.38	150.00	16 quarterly instalments of ₹ 9.375	July 2021	T Bill + 1.75% (March 31, 2025 : T Bill + 1.75%)
Export Import Bank (Exim)	135.50	-	200.00	16 quarterly instalments ranging from ₹10 to ₹15	December 2026	3M T Bill + 1.75%
HDFC Bank (HDFC)	130.35	170.44	200.00	22 quarterly instalments ranging from ₹ 4.43 to ₹ 10.02	March 2024	1M T Bill + 1.20% (March 31, 2025 : 1M T Bill + 1.20%)
Axis Bank (Axis)	94.94	142.41	200.00	20 quarterly instalments ranging from ₹ 2.50 to ₹ 11.875	May 2023	Repo +1.50% (March 31, 2025 : Repo + 1.50%)
State Bank of India (SBI)	-	43.95	200.00	11 quarterly instalments of ₹ 11.11	July 2023	6M MCLR+0.1% (March 31, 2025 :6M MCLR+0.1%)
Export Import Bank (Exim)	175.00	156.24	200.00	16 quarterly instalments of ₹12.50	December 2025	1 year MCLR (March 31, 2025 : 1 Yr MCLR)

## Consolidated Notes to Financial Statements

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### (b) Foreign Currency loans from banks comprise of ECB loan:

Name of the Bank & Nature of Loan	Outstanding as on March 31, 2026	Outstanding as on March 31, 2025	Sanction Amount	No. of Instalments	Commencement of instalments	Effective interest rate*
State Bank of India (SBI) - New York - ECB TL	41.73	88.04	US\$ 25 Mn	17 quarterly instalments of \$ 1.47 Mn	November 2022	SOFR plus 0.97% p.a. (March 31, 2025 : SOFR plus 0.97% p.a.)

\* Secured Overnight Financing Rate (SOFR), Repo rate and Marginal Cost of Funds based Lending Rate (MCLR)

- (c) All term loans are secured by pari passu first charge on the property, plant and equipment (both present and future) except to the extent of assets exclusively charged to banks. They are further secured by pari passu second charge on current assets (both present and future).
- (d) Current borrowings are availed in both Rupee and Foreign currencies. Interest on rupee loans ranges from MCLR to MCLR plus 0.90% (March 31, 2025: MCLR plus 0% to 0.10%). Buyers credit loan interest ranges from SOFR plus 0.34% to SOFR plus 0.45% (March 31, 2025: SOFR plus 0.34% to SOFR plus 0.45%). The secured current borrowings are backed by pari passu first charge on current assets and pari passu second charge on the fixed assets (both present and future), except to the extent of assets exclusively charged to banks. [March 31, 2025: The secured current borrowings are backed by pari passu first charge on current assets and pari passu second charge on the fixed assets (both present and future)].
- (e) The Group has used the borrowings for the purposes for which it was taken.
- (f) The quarterly returns of current assets filed by the Group with banks are in agreement with the books of account.
- (g) Reconciliation of liabilities from financing activities are given below:

Particulars	As at March 31, 2025	Cash flows	Non-cash transactions foreign exchange fluctuation	As at March 31, 2026
Non-current borrowings	978.08	(71.61)	1.61	904.86
Current borrowings	1,715.01	(244.97)	(5.22)	1,475.26

Particulars	As at March 31, 2024	Cash flows	Non-cash transactions foreign exchange fluctuation	As at March 31, 2025
Non-current borrowings	1,117.76	(136.84)	2.84	978.08
Current borrowings	1,389.29	323.91	(1.81)	1,715.01

### Terms and conditions of borrowings - Laurus Synthesis Private Limited.

Name of the Bank	Outstanding as on March 31, 2026	Outstanding as on March 31, 2025	Sanction Amount	No. of Instalments	Commencement of instalments	Effective interest rate
State Bank of India	99.65	119.59	150.00	28 quarterly instalments ranging from ₹ 2.5 to 7.5	June 2023	1M MCLR with minimum floor rate of SBI (March 31 2025: Repo plus 1.00%)
HDFC Bank	101.06	137.81	150.00	20 quarterly instalments ranging from ₹ 0.75 to 9.18	January 2024	1M T-Bill plus 0.88% (March 31 2025: 1M T-Bill plus 0.88%)

- (a) Term Loans are secured by pari passu first charge on Property Plant & Equipment (both present & future) and pari passu second charge on current assets of the company and are also backed by corporate guarantee issued by Laurus Labs Limited.

Current borrowings are availed in Rupee. Interest on rupee loans at at 91 days T Bill + 1.67% , with minimum floor rate of SBI (March 31, 2025: MCLR + 1.20%). These borrowings are secured by pari passu first charge on the current assets and pari passu second charge on Property Plant & Equipment of the company, and are also backed by corporate guarantee from Laurus Labs Limited.

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### Terms and conditions of borrowings - Laurus Bio Private Limited:

Name of the Bank	Outstanding as on March 31, 2026	Outstanding as on March 31, 2025	Sanction Amount	No. of Instalments	Commencement of instalments	Effective interest rate
CITI Bank Term Loan I	-	2.08	25.00	12 quarterly instalments of ₹ 20.83	August 2022	3M T-Bill+1.86%
CITI Bank Term Loan II	30.63	48.13	70.00	16 quarterly instalments of ₹ 43.75	March 2024	3M T-Bill+1.5%
EXIM bank Term Loan	76.00	-	150.00	21 quarterly instalments	April 2027	3M T-Bill+1.69%

- (a) Term Loans are secured by pari passu first charge on Property Plant & Equipment (both present & future) and pari passu second charge on current assets of the company and are also backed by corporate guarantee issued by Laurus Labs Limited. Current borrowings are availed in Rupee. Interest on rupee loans range from MCLR plus 0.15% to MCLR plus 0.20%. These borrowings are secured by first exclusive charge on current assets and second exclusive charge on property, plant and equipment of the company (both present & future) and are also backed by corporate guarantee issued by Laurus Labs Limited. (March 31 2025: Current borrowings are secured by first exclusive charge on current assets and second exclusive charge on fixed assets of the company (both present & future) and are also backed by corporate guarantee issued by Laurus Labs Limited.)

### C) Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
<b>Valued at amortised cost</b>		
- Total outstanding dues to creditors other than micro enterprises and small enterprises	1,200.72	930.66
- Outstanding dues to related parties (refer note no. 32)	0.17	0.08
<b>Total</b>	<b>1,200.89</b>	<b>930.74</b>
- Total outstanding dues to micro enterprises and small enterprises (Refer note no. 30)	51.20	27.75
<b>Total</b>	<b>51.20</b>	<b>27.75</b>

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 30-120 day terms.

For explanations on the Group's credit risk management processes, refer to note 36.

### Trade Payables ageing schedule for the year ended March 31, 2026

Particulars	Unbilled	Not due	Outstanding from due date of payment				Total
			Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
i) Total outstanding dues to micro enterprises and small enterprises	-	51.20	-	-	-	-	51.20
ii) Total outstanding dues to creditors other than micro enterprises and small enterprises	121.51	788.08	290.22	0.65	0.43	-	1,200.89
iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
<b>Total</b>	<b>121.51</b>	<b>839.28</b>	<b>290.22</b>	<b>0.65</b>	<b>0.43</b>	<b>-</b>	<b>1,252.09</b>



## Consolidated Notes to Financial Statements

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(All amounts in Crore Rupees except for share data or as otherwise stated)

### Trade Payables ageing schedule for the year ended March 31, 2025

Particulars	Unbilled	Not due	Outstanding from due date of payment				Total
			Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
i) Total outstanding dues to micro enterprises and small enterprises	-	27.75	-	-	-	-	27.75
ii) Total outstanding dues to creditors other than micro enterprises and small enterprises	124.62	521.26	284.36	0.00	0.50	-	930.74
iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
<b>Total</b>	<b>124.62</b>	<b>549.01</b>	<b>284.36</b>	<b>0.00</b>	<b>0.50</b>	<b>-</b>	<b>958.49</b>

### D) Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
<b>Valued at amortised cost</b>		
<b>Non-current</b>		
Government grant repayable (Refer note no. 41)	20.63	-
<b>Total</b>	<b>20.63</b>	<b>-</b>
<b>Current</b>		
Capital creditors*	241.03	274.57
Interest accrued	4.21	10.06
Derivative financial instruments - liability	9.63	0.39
Employee payables (Refer note no.32)	78.71	52.59
<b>Total</b>	<b>333.58</b>	<b>337.61</b>

\* Includes ₹ 34.02 payable to micro and small suppliers (Refer note 30)

### E) Supplier financing arrangements

- a) The Group has implemented a supplier financing programme available to domestic suppliers on voluntary basis. Under this arrangement, participating suppliers may elect to receive early settlement of invoices raised to the Group through designated financial institutions. Any charges or interest arising from such early settlement are solely borne by the participating suppliers. The Group will settle the payment to financial institutions on the original invoice due dates. Payment terms under this arrangement for trade payables range from 90 to 150 days and in the case of other financial liabilities, they are paid within a year.
- b) The Group also has availed facilities which offer extended payment terms for low tenor payables and the related liabilities under this arrangement are presented under Current Borrowings, as they represent finance obtained by the company and are sufficiently different from trade payables. The Group pays the financier within 90 days from the discounting date.

Carrying amount of liabilities under supplier financing arrangement	As at March 31, 2026	As at March 31, 2025
<b>a) Presented as part of Trade payables</b>		
Trade payables as a part of supplier finance arrangement	209.41	151.92
Trade payables for which the suppliers have already received payment	164.80	128.10
<b>b) Presented as part of Current Borrowings</b>		
Borrowings for which the suppliers have already received payment (Refer note 13B)	54.58	37.20
<b>c) Presented as part of Other financial liabilities</b>		
Other financial liabilities for which the suppliers have already received payment (Refer note 13D)	41.31	34.52

## Consolidated Notes to Financial Statements

for the year ended March 31, 2026

(All amounts in Crore Rupees except for share data or as otherwise stated)

### 14. Other Non-current and current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
<b>A) Non-current</b>		
Advances from customers	535.10	347.60
Deferred Grant - related to Assets (Refer note no. 41)	4.37	-
<b>B) Current</b>	<b>539.47</b>	<b>347.60</b>
Advances from customers	109.53	47.59
Unclaimed dividend	0.31	0.28
Charge back reserves and rebates *	30.91	34.72
Statutory dues	21.20	18.53
<b>Total</b>	<b>161.95</b>	<b>101.12</b>

#### \*Details of charge back reserves and rebates

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance	34.72	48.84
Provisions relating to sales during the year	546.62	433.36
Credits/payments during the year	(550.44)	(447.48)
<b>Closing Balance</b>	<b>30.91</b>	<b>34.72</b>

### 15. Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
<b>A) Non-current provisions</b>		
Provision for gratuity (Refer note no. 28)	81.13	67.22
Provision for compensated absences	50.96	38.87
<b>Total</b>	<b>132.09</b>	<b>106.09</b>
<b>B) Current provisions</b>		
Provision for gratuity (Refer note no. 28)	16.48	12.83
Provision for compensated absences	21.41	16.51
<b>Total</b>	<b>37.89</b>	<b>29.34</b>

### 16. Income tax assets / liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
<b>A) Income tax assets</b>		
Advance tax (net)	2.44	6.94
<b>Total</b>	<b>2.44</b>	<b>6.94</b>
<b>B) Income tax liabilities</b>		
Provision for taxes (net)	54.27	57.20
<b>Total</b>	<b>54.27</b>	<b>57.20</b>



## Consolidated Notes to Financial Statements

for the year ended March 31, 2026

(All amounts in Crore Rupees except for share data or as otherwise stated)

### 17. Revenue from operations

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
<b>Sale of products</b>			
Income from sale of API, Intermediates and Formulations		6,257.78	5,212.28
Income from sale of stock-in-trade		208.81	120.73
	(A)	<b>6,466.59</b>	<b>5,333.01</b>
<b>Sale of services</b>			
Contract research services		254.64	174.85
	(B)	<b>254.64</b>	<b>174.85</b>
<b>Other operating revenue</b>			
Sale of scrap		19.91	16.17
Others		71.76	29.93
	(C)	<b>91.67</b>	<b>46.10</b>
<b>Revenue from operations</b>	<b>(A+B+C)</b>	<b>6,812.90</b>	<b>5,553.96</b>

#### Notes:

(i) Reconciliation of revenue from sale of products with the contracted price:	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue as per contracted price, net of returns	6,555.60	5,576.44
<b>Adjusted for:</b>		
Chargebacks, rebates and discounts	(546.62)	(433.36)
Profit sharing adjustments	248.80	69.20
<b>Total revenue from contracts with customers</b>	<b>6,257.78</b>	<b>5,212.28</b>

(ii) Disaggregated revenue information:	For the year ended March 31, 2026	For the year ended March 31, 2025
Below is the disaggregation of the Company's revenue from contracts with customers.		
Revenue from operations - Domestic	2,243.77	1,754.04
Revenue from operations - Exports	4,569.13	3,799.92
<b>Total</b>	<b>6,812.90</b>	<b>5,553.96</b>
<b>Timing of revenue recognition</b>		
Goods transferred at a point of time	6,558.26	5,379.11
Services transferred at a point of time/over time	254.64	174.85
<b>Total</b>	<b>6,812.90</b>	<b>5,553.96</b>

(iii) Details of contract balances	As at March 31, 2026	As at March 31, 2025
Trade receivables (Refer note no. 9)	2,155.04	2,007.16
Advance from customers (Refer note no. 14)	644.63	395.19

(iv) The amount of revenue recognised from advances from customers at the beginning of the year ₹ 45.62 (March 31, 2025 : ₹ 75.85 )

(v) Revenue from customers contributing more than 10% of total revenue amounts to ₹ nil (March 31, 2025 : ₹ nil)

## Consolidated Notes to Financial Statements

for the year ended March 31, 2026

(All amounts in Crore Rupees except for share data or as otherwise stated)

### 18. Other income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Net gain on foreign exchange fluctuations	30.72	2.86
Provision no longer required written back	1.23	-
Profit on sale of property, plant and equipment (net)	-	57.05
Gain on termination of lease	0.48	-
Corporate support service income	0.01	-
Miscellaneous income	15.94	0.02
<b>Total</b>	<b>48.38</b>	<b>59.93</b>

\* During the previous year, the Company has sold its land situated at MN Park, Hyderabad, Telangana at fair value of ₹ 90.65 to KRKA Pharma Private Limited (Joint Venture) and accordingly recognised the profit of ₹ 58.85. (Refer note no. 32)

### 19. Cost of materials consumed

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
<b>Raw materials consumed</b>			
Opening stock at the beginning of the year		627.65	589.99
Add : Purchases		2,809.70	2,383.31
		<b>3,437.35</b>	<b>2,973.30</b>
Less : Closing stock at the end of the year		737.95	627.65
	(A)	<b>2,699.40</b>	<b>2,345.65</b>
Packing materials consumed	(B)	94.94	82.90
<b>Total</b>	(A+B)	<b>2,794.34</b>	<b>2,428.55</b>

### 20. Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
<b>Opening stock of inventories</b>		
Finished goods of API, Intermediates and Formulations	484.55	495.80
Work-in-progress of API, Intermediates and Formulations	746.65	679.47
	<b>1,231.20</b>	<b>1,175.27</b>
<b>Closing stock of inventories</b>		
Finished goods of API, Intermediates and Formulations	639.36	484.55
Work-in-progress of API, Intermediates and Formulations	863.28	746.65
	<b>1,502.64</b>	<b>1,231.20</b>
<b>(Increase)/Decrease in inventories of finished goods and work-in-progress</b>	<b>(271.44)</b>	<b>(55.93)</b>
(Increase)/Decrease in finished goods of API, Intermediates and Formulations	(154.81)	11.25
(Increase)/Decrease in Work-in-Progress of API, Intermediates and Formulations	(116.63)	(67.18)
<b>(Increase)/Decrease in inventories of finished goods and work-in-progress</b>	<b>(271.44)</b>	<b>(55.93)</b>



## Consolidated Notes to Financial Statements

for the year ended March 31, 2026

(All amounts in Crore Rupees except for share data or as otherwise stated)

### 21. Employee benefits expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, allowances and wages	647.84	534.92
Contribution to provident fund and other funds	33.65	31.32
Gratuity expense (Refer note no. 28)	31.70	15.45
Share based payment expense (Refer note no. 29)	10.94	10.23
Managerial remuneration (Refer note no. 32)	80.06	43.08
Recruitment and training	2.77	1.67
Staff welfare expenses	88.49	82.85
<b>Total</b>	<b>895.45</b>	<b>719.52</b>

### 22. Other expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Consumption of stores and spares	68.13	61.43
Conversion charges	29.10	25.57
Factory maintenance	261.72	236.42
Effluent treatment expenses	113.89	74.26
Power and fuel	371.19	323.40
Repairs and maintenance		
Plant and machinery	113.46	95.00
Buildings	17.68	11.77
Others	2.93	3.96
Product development	27.66	55.30
Testing and analysis charges	3.81	2.36
Rent	3.92	3.56
Rates and taxes	43.36	40.73
Office maintenance	7.54	6.99
Insurance	39.54	37.37
Printing and stationery	4.09	4.62
Consultancy and other professional charges	55.73	36.92
Membership and subscription	11.79	9.87
Auditors' remuneration	2.08	1.91
Travelling and conveyance	15.17	12.47
Communication expenses	4.45	4.17
Loss on sale of property, plant and equipment (net)	7.48	-
Allowance for bad and doubtful advance and debts	80.77	53.36
Carriage outwards	71.33	67.44
Commission on sales	14.71	30.25
Other selling expenses	38.52	59.48
Business promotion and advertisement	16.76	13.78
CSR expenditure (Refer note no. 26)	12.93	16.62
Donations*	2.75	11.93
Miscellaneous expenses	1.79	0.24
<b>Total</b>	<b>1,444.28</b>	<b>1,301.18</b>

\* Contribution to Political Parties as per Section 182 of the Companies Act, 2013.

Political contributions amounting to ₹ 10.00 contributed through electoral trusts made in accordance with Section 182 of the Act during the year ended March 31, 2025.

## Consolidated Notes to Financial Statements

for the year ended March 31, 2026

(All amounts in Crore Rupees except for share data or as otherwise stated)

### 23A. Finance Income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
<b>Interest Income on</b>		
Deposits and margin money held	1.38	2.37
Electricity deposits and others	5.19	12.80
<b>Total</b>	<b>6.57</b>	<b>15.17</b>

### 23B. Finance costs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest (At amortised cost)		
- on term loans *	59.52	73.36
- on working capital loans	91.09	124.17
- on others	10.44	9.06
	<b>161.05</b>	<b>206.59</b>
Bank charges	5.88	6.04
Exchange differences to the extent considered as an adjustment to finance costs	3.80	3.37
<b>Total</b>	<b>170.73</b>	<b>216.00</b>

\* Borrowing cost of ₹ nil (March 31, 2025 : ₹ 1.63) has been capitalised and transferred to CWIP. Capitalisation rate considered is 7.76% p.a

### 24. Components of other comprehensive income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
<b>Retained earnings:</b>		
Remeasurement gains/(losses) on defined benefit plans	3.64	(1.88)
Deferred tax on remeasurement of defined benefit plans	(0.91)	0.50
Exchange differences on translating the financial statements of foreign operations	(8.74)	(2.27)
<b>Total other comprehensive income for the year, net of tax</b>	<b>(6.01)</b>	<b>(3.65)</b>

### 25. Earnings per share (EPS)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
The following reflects the profit and share data used in the basic and diluted EPS computations:		
Profit for the year attributable to shareholders	888.79	358.32
Profit available for equity shareholders	888.79	358.32
Weighted average number of equity shares in computing basic EPS	539,735,793	539,152,333
Add: Effect of dilution		
Stock options granted under ESOP	723,796	441,187
Weighted average number of equity shares in computing diluted earnings per share	540,459,589	539,593,520
Face value of each equity share (₹)	2.00	2.00
Earnings per share		
- Basic (₹)	16.47	6.65
- Diluted (₹)	16.45	6.64

## Consolidated Notes to Financial Statements

for the year ended March 31, 2026

(All amounts in Crore Rupees except for share data or as otherwise stated)

### 26. Details of CSR expenditure

As per the requirement of the Companies Act, 2013, gross amount required to be spent by the Company during the year is ₹ 12.37 (March 31, 2025: ₹ 15.52). The nature of CSR activities undertaken by the company includes promoting education, health care and environmental sustainability. The details of CSR expenditure is given below.

CSR Activities	For the year ended March 31, 2026		
	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-
	(-)	(-)	(-)
(ii) On purposes other than (i) above	12.49	-	12.49
	(15.77)	(-)	(15.77)

Amounts in bracket indicate previous year numbers. There is no shortfall at the end of March 31, 2026 and March 31, 2025 in terms of amount required to be spent by the company.

The above includes contribution made to Laurus Charitable Trust amounting to ₹ 12.39 (March 31, 2025: ₹ 15.70) (Refer note no .32)

### 27. Taxes

#### (a) Income tax expense:

The major components of income tax expenses for the year ended March 31, 2026 and for the year ended March 31, 2025 are:

#### (i) Statement of Profit and Loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax	297.52	156.90
Deferred tax credit*	(5.49)	(27.02)
<b>Total income tax expense recognised in Statement of Profit and Loss</b>	<b>292.03</b>	<b>129.88</b>

\* Including Mat credit utilisation (net) of ₹ 0.00 (March 31, 2025 : ₹ 0.66)

#### (ii) Other comprehensive income (OCI)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Tax on remeasurement of defined benefit plans	(0.91)	0.50
<b>Total tax recognised in OCI</b>	<b>(0.91)</b>	<b>0.50</b>

#### (b) Reconciliation of effective tax rate:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax (A)	1,181.88	484.29
Enacted tax rate in India (B)	25.17%	25.17%
Expected tax expenses (C = A*B)	297.46	121.89
<b>Other than temporary difference</b>		
Expenses disallowed under Income Tax Act, 1961	19.56	30.58
Effect of higher tax rate in subsidiaries	1.44	2.69
Impact of rate change on sale of capital assets	-	(20.85)
Results of subsidiaries not taxable	-	42.75
Tax pertaining to earlier years	(18.73)	(19.28)
Others	(23.82)	(4.13)
<b>Total (D)</b>	<b>(21.55)</b>	<b>31.76</b>

## Consolidated Notes to Financial Statements

for the year ended March 31, 2026

(All amounts in Crore Rupees except for share data or as otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit after adjusting permanent difference	1,160.33	516.05
Expected tax expense	292.03	129.88
Actual income tax expense (benefit)	292.03	129.88
<b>Effective tax rate</b>	<b>24.71%</b>	<b>26.82%</b>

(c) The details of component of deferred tax assets are given under note 6.

### 28. The employee benefit schemes are as under:

#### i. Provident fund :

All employees of the Company receive benefits under the Provident Fund which is a defined benefit plan wherein the Company provides the guarantee of a specified return on contribution. The contribution is made both by the employee and the Company equal to 12% of the employees' salary.

#### ii. Superannuation fund:

The Holding company has a defined contribution scheme to provide pension to its eligible employees. The Holding company has established a trust to administer its obligation for payment of pension to the employees. The Holding company makes monthly contributions equal to a specified percentage of the covered employees' salary. These contributions are administered by Company's own Trust which has subscribed to "CapAssure Gold Policy" of SBI Life Insurance Company Limited. The Company's monthly contributions are charged to the Statement of Profit and Loss. The Group has discontinued the operations during the year, hence there is no expense incurred.

#### iii) Compensated absences:

The accrual for unutilised leave is determined for the entire available leave balance standing to the credit of the employees at the year end. The value of such leave balances that are eligible for carry forward, is determined by an actuarial valuation as at the end of the year and is charged to the Statement of Profit and Loss.

#### iv) Gratuity

##### Defined benefit plans

The Group has a defined benefit gratuity plan and governed by Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to a gratuity on departure at 15 days salary for each completed year of service. The Group has established a trust to administer its obligation for payment of gratuity to employees. The trust in turn contributes to a scheme administered by the SBI Life Insurance Company Limited and HDFC Life Insurance Company Limited. The following tables summarise net benefit expenses recognised in the Statement of Profit and Loss, the status of funding and the amount recognised in the Balance sheet for the gratuity plan:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
<b>A) Net employee benefit expense (recognised in employee benefits expenses)</b>		
Current service cost	13.17	10.65
Past service cost	13.28	-
Interest cost	6.00	5.18
Expected return on plan assets	(0.74)	(0.38)
<b>Net employee benefit expenses</b>	<b>31.71</b>	<b>15.45</b>
Actual return on plan asset	(1.09)	(0.18)
<b>B) Amount recognised in the Balance Sheet</b>		
Defined benefit obligation	113.16	87.51
Fair value of plan assets	15.85	7.24
	<b>97.31</b>	<b>80.27</b>



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for the year ended March 31, 2026

(All amounts in Crore Rupees except for share data or as otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
<b>C) Changes in the present value of the defined benefit obligation</b>		
Opening defined benefit obligation	87.51	73.63
Current service cost	13.17	10.65
Past service cost	13.28	-
Interest cost	6.00	5.18
Benefits paid	(3.16)	(3.82)
Net actuarial (gains) / losses on obligation for the year recognised under OCI	(3.64)	1.87
<b>Closing defined benefit obligation</b>	<b>113.16</b>	<b>87.51</b>
<b>D) Change in the fair value of plan assets</b>		
<b>Opening fair value of plan assets</b>	<b>7.24</b>	<b>3.72</b>
Interest on plan assets	1.41	0.39
Remeasurement due to - actual return on plan assets less interest on plan assets	(0.32)	(0.21)
Contributions	10.45	6.95
Benefits paid	(2.93)	(3.61)
<b>Closing fair value of plan assets</b>	<b>15.85</b>	<b>7.24</b>

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Investments with SBI Life Insurance Company Limited and HDFC Life Insurance Company Limited	100.00%	100.00%

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
<b>E) Remeasurement adjustments:</b>		
Remeasurement gains/(losses) recognised in other comprehensive income:	3.64	(1.87)

(i) The principal assumptions used in determining gratuity for the Group's plans are shown below:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Discount rate	7.79%	7.23%
Expected rate of return on assets	7.79%	7.23%
Salary escalation	11.00%	11.00%
Attrition rate	16.00%	17.00%
Mortality Table	IALM(2012-14)	IALM(2012-14)

The estimates of future salary increases, considered in the actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(ii) Disclosure related to indication of effect of the defined benefit plan on the entity's future cashflows:

Expected benefit payments for the year ending:

Year ending	For the year ended March 31, 2026	For the year ended March 31, 2025
Year 1	16.55	12.89
Year 2	15.25	11.53
Year 3	14.67	11.02
Year 4	13.56	10.49
Year 5	12.79	9.53
Beyond 5 years	26.74	27.46

The average duration of the defined benefit plan obligation at the end of the reporting period is 25.54 years (March 31, 2025: 26.04 years).

## Consolidated Notes to Financial Statements

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(iii) Sensitivity analysis:

A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Effect of 1% change in assumed discount rate on defined benefit obligation		
- 1% increase	(6.43)	(4.76)
- 1% decrease	5.87	4.78
(b) Effect of 1% change in assumed salary escalation rate on defined benefit obligation		
- 1% increase	4.60	4.16
- 1% decrease	(5.65)	(4.48)
(c) Effect of 1% change in assumed attrition rate on defined benefit obligation		
- 1% increase	(1.26)	(1.02)
- 1% decrease	0.35	0.60

Defined contribution plan

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Contribution to provident fund	33.32	27.07
Contribution to superannuation fund	-	2.33

Risk Management:

**Investment risk** - The probability or likelihood of occurrence of losses related to the expected return on any particular investment.

**Interest rate risk** - The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

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

**Salary risk** - The present value of the defined benefit plan is calculated with reference to the future salaries of participants under the plan. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

F) On November 21, 2025, the Government of India notified four Labour Codes, effective immediately, replacing the existing 29 labour laws. In accordance with Ind AS 19 - Employee benefits, changes to employee benefit plans arising from legislative amendments are treated as plan amendments, requiring immediate recognition of past service cost in the Statement of Profit and Loss. This approach is consistent with the guidance issued by the Institute of Chartered Accountants of India.

The Group has concluded the salary restructuring exercise in compliance with the Labour Codes. The implementation of the Labour Code has resulted in a net increase of ₹ 20.92 in the provision for gratuity and remeasurement of leave encashment, which has been recognised as employee benefit expense in the current year. The Group continues to monitor the finalisation of Central and State Rules, as well as Government clarifications on other aspects of the Labour Codes.

## Consolidated Notes to Financial Statements

for the year ended March 31, 2026

(All amounts in Crore Rupees except for share data or as otherwise stated)

### 29. Share based payments - Equity settled

#### ESOP 2016 Scheme

The board of directors/ compensation committee has approved the Laurus Employees Stock Option Scheme (ESOP) 2016 for issue of stock options to eligible employees of the Company effective from June 09, 2016. According to the Scheme, the options granted vest within a period of four years, subject to the terms and conditions specified in the scheme. Options granted shall vest so long as the employee continues to be in the employment of the Company as on the date of vesting. Subject to an employee's continued employment with the Company, options can be exercised any time on or after the date of vesting of options as specified in the respective grants under the Scheme.

#### ESOP 2018 Scheme

The board of directors/ compensation committee has approved the Laurus Employees Stock Option Scheme (ESOP) 2018 for issue of stock options to eligible employees of the Company. According to the Scheme, the options granted vest within a period of four years, subject to the terms and conditions specified in the scheme. Options granted shall vest so long as the employee continues to be in the employment of the Company as on the date of vesting. Subject to an employee's continued employment with the Company, options can be exercised any time on or after the date of vesting of options as specified in the respective grants under the Scheme.

#### ESOP 2021 Scheme

The board of directors/ compensation committee has approved the Laurus Employees Stock Option Scheme (ESOP) 2021 for issue of stock options to eligible employees of the Company. According to the Scheme, the options granted vest within a period of five years, subject to the terms and conditions specified in the scheme. Options granted shall vest so long as the employee continues to be in the employment of the Company as on the date of vesting. Subject to an employee's continued employment with the Company, options can be exercised any time on or after the date of vesting of options as specified in the respective grants under the Scheme.

#### Exercise period

Scheme	Grant	Date of Grant	Exercise price	Weighted Average Fair value of option at grant date	Number of options Granted	Year 1 25%	Year 2 25%	Year 3 50%
ESOP 2016	Grant III	April 01, 2022	350.00	199.73	270,750	1-Apr-24	1-Apr-25	1-Apr-26
ESOP 2016	Grant IV	April 01, 2023	301.50	194.81	350,500	1-Apr-25	1-Apr-26	1-Apr-27
ESOP 2016	Grant V	July 01, 2025	754.50	456.90	55,500	1-Jul-27	1-Jul-28	1-Jul-29
ESOP 2018	Grant II	April 01, 2021	356.00	217.10	707,000	1-Apr-23	1-Apr-24	1-Apr-25
ESOP 2018	Grant III	April 01, 2022	350.00	199.73	5,000	1-Apr-24	1-Apr-25	1-Apr-26
ESOP 2018	Grant IV	July 01, 2024	463.50	292.74	207,250	1-Jul-26	1-Jul-27	1-Jul-28
ESOP 2018	Grant V	July 01, 2025	754.50	456.90	174,625	1-Jul-27	1-Jul-28	1-Jul-29

Scheme	Grant	Date of Grant	Exercise	Weighted Average Fair value of option at grant date	Number of options Granted	Year 1 25%	Year 2 25%	Year 3 25%	Year 4 25%
ESOP 2021	Grant I	April 01, 2023	301.50	197.44	787,500	1-Apr-25	1-Apr-26	1-Apr-27	1-Apr-28
ESOP 2021	Grant II	July 01, 2024	463.50	297.41	58,250	1-Jul-26	1-Jul-27	1-Jul-28	1-Jul-29
ESOP 2021	Grant III	July 01, 2025	754.50	471.94	193,000	1-Jul-27	1-Jul-28	1-Jul-29	1-Jul-30

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### The details of activity under the Scheme ESOP 2016 are summarised below :

Particulars	As at March 31, 2026	As at March 31, 2025
	No. of options	No. of options
Outstanding at the beginning of the year	508,585	592,750
Granted during the year	55,500	-
Forfeited during the year	22,562	31,629
Exercised during the year	137,000	52,536
Outstanding at the end of the year	404,523	508,585
Weighted average exercise price for all the above options	377.07	318.60

### The details of activity under the Scheme ESOP 2018 are summarised below :

Particulars	As at March 31, 2026	As at March 31, 2025
	No. of options	No. of options
Outstanding at the beginning of the year	498,949	580,419
Granted during the year	174,625	207,250
Forfeited during the year	24,483	54,623
Exercised during the year	277,091	234,097
Outstanding at the end of the year	372,000	498,949
Weighted average exercise price for all the above options	598.85	400.18

### The details of activity under the Scheme ESOP 2018 are summarised below :

Particulars	As at March 31, 2026	As at March 31, 2025
	No. of options	No. of options
Outstanding at the beginning of the year	830,750	787,500
Granted during the year	193,000	58,250
Forfeited during the year	25,000	15,000
Exercised during the year	190,000	-
Outstanding at the end of the year	808,750	830,750
Weighted average exercise price for all the above options	421.02	312.86

For options exercised during the year, the weighted average share price at the exercise date under under ESOP 2016 scheme, was ₹ 321.51 per share (March 31, 2025: ₹ 350 per share) and under ESOP 2018 scheme, was ₹ 355.97 per share (March 31, 2025: ₹ 356 per share). and under ESOP 2021 scheme, was ₹ 301.02 per share (March 31, 2025: ₹ Nil per share).

The weighted average remaining contractual life for the stock options outstanding under ESOP 2016 as at March 31, 2026 is 2.04 years (March 31, 2025: 2.65 years), under ESOP 2018 as at March 31, 2026 is 3.71 years (March 31, 2025: 2.35 years) and under ESOP 2021 as at March 31, 2026 is 3.63 years (March 31, 2025: 4.10 years). The range of exercise prices for options outstanding under ESOP 2016 as at March 31, 2026 was ₹ 301.50 to ₹ 754.50 (March 31, 2025: ₹ 301.50 to ₹ 350.00) and under ESOP 2018 as at March 31, 2026 was ₹ 350.00 to ₹ 754.50 (March 31, 2025: ₹ 350.00 to ₹ 463.50) and ESOP 2021 as at March 31, 2026 was ₹ 301.50 to ₹ 754.50 (March 31, 2025: ₹ 301.50)

The weighted average fair value of stock options granted during the year under ESOP 2016 scheme was ₹ 456.90 (March 31, 2025: ₹ nil), under ESOP 2018 scheme was ₹ 456.90 (March 31, 2025: ₹ 463.50) and under ESOP 2021 scheme was ₹ 471.94 (March 31, 2025: ₹ 463.50). The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

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ESOP scheme	March 31, 2026						
	Grant	Dividend yield	Expected volatility	Risk-free interest rate	Weighted average share price of ₹	Exercise price in ₹	Expected life of options granted in years
ESOP 2016 scheme	Grant V	0.12%	33.12% - 34.33%	5.72% - 5.94%	1,005.80	754.50	2.50-4.50
	Grant IV	0.40%	36.40% - 41.56%	7.10% - 7.14%	401.85	301.50	2.5 - 4.51
	Grant III	0.34%	36.37% - 44.27%	6.15% - 6.94%	466.60	350.00	1.26 - 3.26
	Grant II	0.39%	26.9%	7.19% - 7.43%	384.00	292.00	2.5 - 4.5
ESOP 2018 scheme	Grant V	0.12%	33.12% - 34.33%	5.72% - 5.94%	1,005.80	754.50	2.50-4.50
	Grant IV	0.26%	31.53% - 39.14%	6.86% - 6.90%	617.70	463.50	2.5 - 4.5
	Grant III	0.34%	36.37% - 44.27%	6.15% - 6.94%	466.60	350.00	1.26 - 3.26
	Grant II	0.25%	36.22% - 42.13%	4.74% - 5.54%	474.70	217.10	2.43 - 4.43
	Grant I	0.43%	26.3% - 27.18%	5.53% - 6.07%	350.25	255.50	2.5 - 4.51
ESOP 2021 scheme	Grant III	0.12%	33.12% - 38.81%	5.72% - 6.04%	1,005.80	754.50	2.50-5.50
	Grant II	0.26%	31.53%-37.44%	6.86% - 6.91%	617.70	463.50	2.5 - 5.5
	Grant I	0.40%	36.4% - 41.56%	7.10% - 7.14%	401.85	301.50	2.5 - 4.51

ESOP scheme	March 31, 2025						
	Grant	Dividend yield	Expected volatility	Risk-free interest rate	Weighted average share price of ₹	Exercise price in ₹	Expected life of options granted in years
ESOP 2016 scheme	Grant IV	0.40%	36.40% - 41.56%	7.10% - 7.14%	401.85	301.50	2.5 - 4.51
	Grant III	0.34%	36.37% - 44.27%	6.15% - 6.94%	466.60	350.00	1.26 - 3.26
	Grant II	0.39%	26.9%	7.19% - 7.43%	384.00	292.00	2.5 - 4.5
ESOP 2018 scheme	Grant IV	0.26%	31.53% - 39.14%	6.86% - 6.90%	617.70	463.50	2.5 - 4.5
	Grant III	0.34%	36.37% - 44.27%	6.15% - 6.94%	466.60	350.00	1.26 - 3.26
	Grant II	0.25%	36.22% - 42.13%	4.74% - 5.54%	474.70	217.10	2.43 - 4.43
	Grant I	0.43%	26.3% - 27.18%	5.53% - 6.07%	350.25	255.50	2.5 - 4.51
ESOP 2021 scheme	Grant II	0.26%	31.53%-37.44%	6.86% - 6.91%	617.70	463.50	2.5 - 5.5
	Grant I	0.40%	36.4% - 41.56%	7.10% - 7.14%	401.85	301.50	2.5 - 4.51

The expected life of the stock is based on the historical data and current expectations and is not necessarily indicative of exercise pattern that may occur.

### 30. Disclosure required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	As at March 31, 2026	As at March 31, 2025
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year*	85.22	46.34
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	-	-
<b>Total</b>	<b>85.22</b>	<b>46.34</b>

\* Includes amount pertaining to trade payables ₹ 51.20 (March 31, 2025: ₹ 24.46) and capital creditors ₹ 34.02 (March 31, 2025: ₹ 10.70)

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

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### 31. Segment reporting

A. The Group is engaged in the manufacture of Active Pharmaceutical Ingredients, intermediates and formulations and the same constitutes a single reportable business segment as per Ind AS 108.

B. Segment information for secondary segment reporting (by geographical segment)

The Company has reportable geographical segments based on location of its customers:

(i) Revenue from customers within India - Domestic

(ii) Revenue from customers outside India - Exports

### Geographical segments

Particulars	March 31, 2026		
	Outside India	Within India	Total
Revenue	4,569.13	2,243.77	6,812.90
Non-current assets (other than financial instruments and deferred tax assets)	0.38	5,328.07	5,328.45
Cost incurred to acquire capital assets	-	1,069.95	1,069.95

Particulars	March 31, 2025		
	Outside India	Within India	Total
Revenue	3,799.92	1,754.04	5,553.96
Non-current assets (other than financial instruments and deferred tax assets)	2.42	4,718.91	4,721.33
Cost incurred to acquire capital assets	-	641.00	641.00

### 32. Related party disclosures

#### Names of related parties and description of relationship

Name of the related party	Relationship
<b>Joint Venture</b>	
i) KRKA Pharma Private Limited (Holding 49.00%) (w.e.f. October 03,2024)	
<b>Associate Companies</b>	
i) ImmunoAdoptive Cell Therapy Private Limited (Holding 34.89%)	
ii) Ethan Energy India Private Limited (Holding 26.00%)	
iii) Kurnool Renewables Private Limited (Holding 26.00%) (w.e.f. May 12,2025)	
<b>Enterprise over which Key Management Personnel or their relatives exercise significant influence</b>	
i) Chemiasoft Private Limited (Formerly known as Laurus Infosystems (India) Private Limited)	
ii) Laurus Charitable Trust	
iii) Sterotherapeutics, LLC	
iv) NSN Investments	
<b>Key Management Personnel</b>	
i) Dr. Satyanarayana Chava	Executive Director & Chief executive officer
ii) Mr. V.V. Ravi Kumar	Executive Director & Chief financial officer
iii) Dr. C.V. Lakshmana Rao	Executive Director
iv) Mr. Krishna Chaitanya Chava	Executive Director (Appointed w.e.f. April 25, 2024)
v) Mrs. Soumya Chava	Executive Director (Appointed w.e.f. April 25, 2024)
vi) Mrs. Aruna Bhinghe	Independent Director
vii) Dr. Rajesh Koshy Chandy	Independent Director
viii) Dr. Venugopala Rao Malempati	Independent Director (Retired w.e.f. May 18, 2024)



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for the year ended March 31, 2026

(All amounts in Crore Rupees except for share data or as otherwise stated)

Name of the related party	Relationship
ix) Dr. Ravindranath Kancherla	Independent Director
x) Mr. Sekar Karnam	Independent Director (Appointed w.e.f. April 25, 2024)
xi) Mr. Ramesh Subrahmanian	Independent Director (Appointed w.e.f. July 25, 2024)
xii) Mr. G Venkateswar Reddy	Company Secretary
<b>Relatives of Key Management Personnel</b>	
i) Mr. Narasimha Rao Chava	Brother of Dr. Satyanarayana Chava

### Transactions with related parties during the year:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
<b>a) Subsidiary Companies</b>		
<b>i) KRKA Pharma Private Limited</b>		
Investment made	49.00	105.35
Sale of land	-	90.65
<b>b) Associate companies</b>		
<b>i) Ethan Energy India Private Limited</b>		
Purchase of solar power	7.34	7.30
<b>ii) Kurnool Renewables Private Limited</b>		
Investment made	9.07	-
<b>c) Enterprise over which Key Management Personnel exercise significant influence</b>		
<b>i) Chemiasoft Private Limited</b>		
Software maintenance	3.84	2.95
<b>ii) Laurus Charitable Trust</b>		
Donations	0.26	0.51
CSR expenditure	12.39	16.21
<b>iii) Sterotherapeutics, LLC</b>		
Sale of goods/services	1.32	-
Reimbursement of expenses	0.05	-
<b>iv) NSN Investments</b>		
Rent	9.77	9.78
Reimbursement of expenses	1.18	0.94
Security Deposit	-	1.51
<b>d) Key Management Personnel</b>		
<b>i) Dr. Satyanarayana Chava</b>		
Remuneration	38.12	23.06
<b>ii) Mr. V.V. Ravi Kumar</b>		
Remuneration	10.79	6.13
Rent	-	0.03
<b>iii) Dr. C.V. Lakshmana Rao</b>		
Remuneration	9.16	4.06
<b>iv) Mr. Krishna Chaitanya Chava</b>		
Remuneration	7.65	1.90
<b>v) Mrs. Soumya Chava</b>		
Remuneration	7.04	1.24
Rent	-	0.06
<b>vi) Mrs. Aruna Bhinge</b>		
Independent directors fee	0.20	0.20
Sitting fee	0.11	0.12
<b>vii) Dr. Rajesh Koshy Chandy</b>		
Independent directors fee	0.36	0.34
Sitting fee	0.10	0.10
<b>viii) Dr. Venugopala Rao Malempati</b>		
Independent directors fee	-	0.03
Sitting fee	-	0.02

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Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
<b>ix) Dr. Ravindranath Kancherla</b>		
Independent directors fee	0.20	0.20
Sitting fee	0.06	0.06
<b>x) Mr. Sekar Karnam</b>		
Independent directors fee	0.20	0.19
Sitting fee	0.08	0.08
<b>xi) Mr. Ramesh Subrahmanian</b>		
Independent directors fee	0.20	0.14
Sitting fee	0.10	0.06
<b>xii) Mr. G. Venkateswar Reddy</b>		
Remuneration	0.86	0.91
<b>e) Relatives of Key Management Personnel</b>		
<b>i) Mr. Narasimha Rao Chava</b>		
Remuneration	1.55	1.68

### Closing balances (Unsecured)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
<b>a) Enterprise over which Key Management Personnel exercise significant influence</b>		
<b>i) Chemiasoft Private Limited</b>		
Trade payables	0.13	-
<b>ii) Sterotherapeutics, LLC</b>		
Trade receivable	1.53	0.04
<b>iii) NSN Investments</b>		
Security Deposit	2.43	2.43
Trade payables	0.01	0.08
<b>b) Key Management Personnel ^</b>		
<b>i) Dr. Satyanarayana Chava</b>		
Remuneration payable	23.64	9.89
<b>ii) Mr. V.V. Ravi Kumar</b>		
Remuneration payable	5.91	1.66
<b>iii) Dr. C.V. Lakshmana Rao</b>		
Remuneration payable	5.91	1.11
<b>iv) Mr. Krishna Chaitanya Chava</b>		
Remuneration payable	5.91	0.31
<b>v) Mrs. Soumya Chava</b>		
Remuneration payable	5.91	0.23
<b>vi) Dr. Rajesh Koshy Chandy</b>		
Independent directors fee payable	-	0.02
<b>vii) Mr. Ramesh Subrahmanian</b>		
Independent directors fee payable	0.04	0.02
<b>viii) Mr. G. Venkateswar Reddy</b>		
Remuneration payable	0.18	0.16
<b>c) Relatives of Key Management Personnel</b>		
<b>i) Mr. Narasimha Rao Chava</b>		
Remuneration payable	0.33	0.36

^As the future liability for gratuity and leave encashment is provided on an actuarial basis for the Group as a whole, the amount pertaining to the Key Management personnel and their relatives is not ascertainable and, therefore, not included above.

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. Outstanding balances at the year-end are unsecured.



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### 33. Significant accounting judgements, estimates and assumptions

The preparation of the Group's Consolidated financial statements requires 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. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements. 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 financial statements are disclosed in notes to financial statements.

#### (i) Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimation requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The Black Scholes valuation model has been used by the Management for share-based payment transactions. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 29.

#### (ii) Defined employee benefit plans (Gratuity)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. Further details about gratuity obligations are given in Note 28.

#### (iii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow ('DCF') model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 34, 35 and 36 for further disclosures.

#### (iv) Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives and residual values of all its property, plant and equipment estimated by the management. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, though these rates in certain cases are different from lives prescribed under Schedule II of the Companies Act, 2013.

## Consolidated Notes to Financial Statements

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### (v) Impairment of goodwill

The Group estimates the value-in-use of the cash generating units (CGUs) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rates used for the CGUs represent the weighted average cost of capital based on the historical market returns of comparable companies.

### (vi) Recognition and measurement of other provisions:

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the closing date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

(vii) Taxes - Refer Note (2(f))

(viii) Impairment of non-financial assets - Refer Note (2(l))

(ix) Inventories - Refer Note (2(k))

(x) Leases: whether an arrangement contains a lease; lease classification- Refer Note (2(i))

(xi) Contingent liabilities: Measurement and likelihood of occurrence of provisions and contingencies.- Refer Note (39(c))

(xii) Revenue and receivables - Refer Note (2(e) and 2(p))

### 34. Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying value		Fair value	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
<b>Financial assets at fair value through profit or loss:</b>				
Investments	21.06	3.41	21.06	3.41
<b>Financial assets at cost (net of share of loss):</b>				
Investments	288.21	229.85	288.21	229.85
<b>Financial assets at amortised cost:</b>				
Loans	0.93	0.93	0.93	0.93
Other financial assets	47.47	54.52	47.47	54.52
Trade receivables	2,155.04	2,007.16	2,155.04	2,007.16
Cash and cash equivalents	112.66	99.54	112.66	99.54
Other balances with banks	1.04	44.67	1.04	44.67
<b>Financial liabilities at amortised cost:</b>				
Borrowings (Non-current and current)	2,397.49	2,693.08	2,397.49	2,693.08
Interest accrued	4.21	10.06	4.21	10.06
Trade payables	1,252.09	958.49	1,252.09	958.49
Capital creditors and others	319.74	327.16	319.74	327.16
Lease liabilities	120.99	70.65	120.99	70.65
<b>Financial liabilities/ (assets) at fair value through profit and loss:</b>				
Derivative contracts	9.63	0.39	9.63	0.39

The management assessed that cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Further, the management has assessed that fair value of borrowings approximate their carrying amounts largely since they are carried at floating rate of interest.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.



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### 35. Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

#### Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at March 31, 2026:

Particulars	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
<b>Financial assets at fair value through profit and loss:</b>					
Investments	March 31, 2026	21.06	-	-	21.06
<b>Financial assets/(liability) at fair value through profit and loss:</b>					
Derivative financial instruments	March 31, 2026	(9.63)	-	(9.63)	-

#### Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at March 31, 2025:

Particulars	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
<b>Financial assets at fair value through profit and loss:</b>					
Investments	March 31, 2025	3.41	-	-	3.41
<b>Financial assets at fair value through profit and loss:</b>					
Derivative financial instruments	March 31, 2025	(0.39)	-	(0.39)	-

### Measurement of fair value

#### Valuation techniques

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for assets and liabilities carried at fair value through profit or loss.

Type	Valuation technique
<b>Assets measured at fair value:</b>	
Investments	Discounted cash flow method
Derivative financial instruments	The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curve in reporting currency.

### 36. Financial risk management objectives and policies

#### Financial risk management framework

The Group is exposed primarily to Credit risk, liquidity risk and market risk (Primarily with respect to fluctuations in foreign currency exchange rates, commodity prices and interest rate etc.), which may adversely impact the fair value of its financial instruments. The Group assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Group.

#### Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and

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for the year ended March 31, 2026

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creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables and other financial assets. Credit risk on investments, derivative financial instruments, cash and cash equivalents, bank deposits is limited because the counter parties are Banks with high credit high rating assigned by international credit rating agencies. None of the financial instruments of the Company result in material concentration of credit risk, except for trade receivables.

#### Trade receivables:

The customer credit risk is managed by the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on the individual credit limits are defined in accordance with this assessment and outstanding customer receivables are regularly monitored. Of the trade receivables balance, ₹ 357.93 in aggregate (as at March 31, 2025 ₹ 648.96 is due from the Group's customers individually representing more than 5% of the total trade receivables balance and accounted for approximately 17% (March 31, 2025: 32%) of all the receivables outstanding. The Group' receivables turnover is quick and historically, there were no significant defaults on account of those customer in the past except certain exceptions. Ind AS requires an entity to recognise in profit or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised in accordance with Ind AS 109. The Group assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

Before accepting any new customer, the Group uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed on periodic basis. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. Refer note no 2 (p)

#### Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 2,155.04 and ₹ 2,007.16 as of March 31, 2026 and March 31, 2025 respectively, being the total of the carrying amount of balances with trade receivables.

Other than trade receivables the Company has no significant class of financial assets that is past due but not impaired.

#### Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments \*:

Particulars	Up to 1 Year	1 to 3 years	3 to 5 years	> 5 years	Total
<b>As at March 31, 2026:</b>					
Non-current borrowings (including current maturities)	325.48	472.52	80.35	26.50	904.85
Current borrowings	1,492.64	-	-	-	1,492.64
Interest accrued	4.21	-	-	-	4.21
Trade payables	1,252.09	-	-	-	1,252.09
Capital creditors and others	329.37	-	-	-	329.37
	<b>3,403.79</b>	<b>472.52</b>	<b>80.35</b>	<b>26.50</b>	<b>3,983.16</b>

## Consolidated Notes to Financial Statements

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As at March 31, 2025:					
Non-current borrowings (including current maturities)	332.50	517.00	128.58	-	978.08
Current borrowings	1,715.00	-	-	-	1,715.00
Interest accrued	10.06	-	-	-	10.06
Trade payables	958.49	-	-	-	958.49
Capital creditors and others	327.55	-	-	-	327.55
	<b>3,343.60</b>	<b>517.00</b>	<b>128.58</b>	<b>-</b>	<b>3,989.18</b>

\* Excludes lease liabilities. Refer note no. 39A for contractual cash flows relating to leases

### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Group's exposure to market risk is primarily on account of foreign currency exchange 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 Group 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 Group operating expenses. 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.

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. In order to optimize the Group's position with regards to interest income and interest expenses and to manage the interest rate risk. The Group is exposed to interest rate risk primarily because it borrows funds at floating interest rates. The Group's open positions under derivatives and other financial instruments do not expose the Group to significant interest rate risk.

### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected, after the impact of hedge accounting, if any. A 0.5% increase or decrease is used when reporting interest rate risk internally to keep management personnel and represents management's assessment of the reasonably possible change in interest rates. With all other variables held constant, the Group's profit before tax is affected through the impact on borrowings, as follows:

Particulars	Change in basis points		Effect on profit before tax	
	Increase	Decrease	Decrease	Increase
<b>March 31, 2026</b>				
Indian Rupees	0.50%	0.50%	(12.87)	12.87
US Dollars	0.50%	0.50%	(0.98)	0.98
<b>March 31, 2025</b>				
Indian Rupees	0.50%	0.50%	(13.56)	13.56
US Dollars	0.50%	0.50%	(1.48)	1.48

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

### Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the Statement of Profit and Loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar against the

## Consolidated Notes to Financial Statements

for the year ended March 31, 2026

(All amounts in Crore Rupees except for share data or as otherwise stated)

functional currencies of the Group. The Group, as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange. The Group evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies. The information on derivative instruments is as follows:

### a) Forward contract (Derivatives):

#### Forward contract outstanding as at Balance Sheet date:

March 31, 2026 Sell US \$ 5,10,00,000	Designated as fair value hedge - receivables
March 31, 2025 Sell US \$ 2,09,65,652.76	Designated as fair value hedge - receivables
March 31, 2025 Sell ZAR 5,02,76,424	Designated as fair value hedge - Payables and Secured loans
March 31, 2025 Buy US \$ 2,35,50,768.27	Designated as fair value hedge - receivables

### b) Details of Unhedged Foreign Currency Exposure:

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under:

Particulars	Currency	As at March 31, 2026			As at March 31, 2025		
		Amount in foreign currency	Amount in ₹	Conversion rate	Amount in foreign currency	Amount in ₹	Conversion rate
Secured loans	USD	13,274,100	125.65	94.65	15,050,469	128.80	85.58
Unsecured loans	USD	5,735,831	54.29	94.65	-	-	85.58
Interest accrued but not due on borrowings	USD	83,313	0.79	94.65	162,216	1.39	85.58
Trade payables	USD	44,259,663	418.94	94.65	16,222,553	138.83	85.58
	EURO	738,719	8.05	109.01	469,858	4.34	92.32
	CAD	-	-	68.03	142,317	0.85	59.99
	SGD	4,477	0.03	73.29	-	-	64.02
Capital creditors	USD	1,059,477	10.03	94.65	738,324	6.32	85.58
	EURO	833,437	9.09	109.01	143,335	1.32	92.32
Trade receivables	USD	54,288,069	513.86	94.65	91,194,438	780.45	85.58
	EURO	8,573,097	93.45	109.01	9,117,662	84.18	92.32
	CAD	7,117,859	48.42	68.03	3,995,390	23.97	59.99
	ZAR	-	-	5.51	29,062,740	13.66	4.70
Cash and cash equivalents*	USD	2,875,770	27.22	94.65	418,112	3.58	85.58
	EURO	-	-	109.01	110	0.00	92.32
	JPY	1,000	0.00	0.59	5,732	0.00	0.57

\* Amount less than Indian Rupees 100,000.

### c) Foreign currency sensitivity:

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EURO exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives. The Group's exposure to foreign currency changes for all other currencies is not material.

Particulars	Change in forex rate		Effect on profit before tax	
	Increase	Decrease	Increase/(Decrease)	
<b>March 31, 2026</b>				
USD	1.00%	1.00%	(0.69)	0.69
EURO	1.00%	1.00%	0.76	(0.76)
<b>March 31, 2025</b>				
USD	1.00%	1.00%	5.09	(5.09)
EURO	1.00%	1.00%	0.79	(0.79)

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### 37. Group Information

#### Information about subsidiaries and associates

The consolidated financial statements of the Group includes subsidiaries listed in the table below:

Name	Principal activities	Country of incorporation	Ownership	
			As at March 31, 2026	As at March 31, 2025
Sriam Labs Private Limited (Refer note 5)	Active Pharmaceutical Ingredients (APIs) and Intermediates	India	100%	100%
Laurus Synthesis Private Limited (Refer note 5)	Contract Development & Manufacturing Organization (CDMO)	India	100%	100%
Laurus Bio Private Limited (Refer note 2)	Develops novel enzymatic solutions for Industrial Biotechnology and Animal Origin Free recombinant proteins and enzymes for Biopharma.	India	78.34%	76.32%
Laurus Holdings Limited	Business support services in the fields of pharmaceuticals	UK	100%	100%
Laurus Generics Inc.	Pharmaceutical and related services	USA	100%	100%
Laurus Generics GmbH	Pharmaceutical and related services	Germany	100%	100%
Laurus Generics SA (Pty) Ltd	Pharmaceutical and related services	South Africa	100%	100%
Laurus Specialty Chemicals Private Limited (Refer note 1)	Pharmaceutical and related services	India	100%	100%
Immunoadoptive Cell Therapy Private Limited (Refer note 3)	Advanced cell and gene therapy	India	34.89%	34.89%
Ethan Energy India Private Limited	Power generation	India	26.00%	26.00%
KRKA Pharma Private Limited (Refer note 3)	Manufacturing of Finished Dosage Form (FDF)	India	49.00%	49.00%
Kurnool Renewables Private Limited (Refer note 4)	Power generation	India	26.00%	-

#### Notes:

- During the year ended March 31, 2023, the Company incorporated wholly owned subsidiary, Laurus Specialty Chemicals Private Limited (LSCPL) in India on December 01, 2022. LSCPL has not commenced its operations as at March 31, 2026.
- During the year ended March 31, 2025, Laurus Bio Private Limited ("Laurus Bio") entered into definitive agreement with Laurus Labs Limited (Parent Company), Eight Roads Ventures and F-Prime Capital ("Investors"), Pursuant to this agreement Investors have together invested ₹ 120 Crores into Laurus Bio. During the year, the company has invested ₹ 75 Crores, in two tranches, ₹ 35 and ₹ 40 into Laurus Bio Private Limited as per the aforesaid definitive agreement. Accordingly, the Company's stake in Laurus Bio as on March 31, 2026 is 78.34% (as on March 31, 2025: 76.32%).
- Pursuant to the joint venture agreement entered into by the Company with KRKA Pharma Private Limited ("KRKA"), Capital contribution amounting to ₹ 49.00 (March 31, 2025 : ₹ 105.35, in two tranches, ₹ 22.05 and ₹ 83.30) have been made into KRKA in terms of the aforesaid agreement during the year resulting in 49% stake (March 31, 2025: 49% stake). The Company has accounted for the investment in KRKA as joint venture w.e.f. October 03, 2024.
- Pursuant to investment agreement entered into by the Company with Kurnool Renewables Private Limited (Kurnool Renewables), capital contribution amounting to ₹ 9.07 have been made into Kurnool Renewables in terms of the aforesaid agreement during the year. The Company has accounted for its investment in Kurnool Renewables as an associate w.e.f May 12, 2025.

#### 5) Composite Scheme of Arrangement:

The Board of Directors of the Company, at their meeting held on August 21, 2025, had inter alia, approved the Composite Scheme of Arrangement ("the Scheme") under applicable provisions of the Companies Act, 2013 ("the Act") between Laurus Synthesis Private Limited (LSPL) ("Demerged Company" or "Transferor

## Consolidated Notes to Financial Statements

for the year ended March 31, 2026

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Company"), Sriam Labs Private Limited (Sriam) ("Resulting Company"), both wholly-owned Subsidiaries of the Company and Laurus Labs Limited ("Transferee Company" or "the Company") and their respective shareholders and creditors under Sections 230 to 232 of the Act.

The Scheme inter alia provides for the following:

- The demerger of LSPL, whereby the Identified Business Undertaking i.e., Unit-1 of LSPL shall be demerged and be merged with Sriam; and
- Amalgamation of the Remaining Business Undertaking of LSPL (i.e., entire LSPL excluding Unit1) with Laurus Labs Limited ("Laurus" or "Transferee Company") and dissolution of Transferor Company/LSPL without going through the process of winding up under the provisions of the Act.

The Applicable Companies have filed the Scheme with the Hon'ble National Company Law Tribunal, Amaravati Bench at Amaravati, Andhra Pradesh, and accordingly the implementation of the Scheme is subject to the final approvals and sanctions of the applicable authorities.

### 38. Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure in consideration to the changes in economic conditions and the requirements of the financial covenants. The Group monitors capital using a gearing ratio, which is net debt divided by total equity. The Group includes within net debt, borrowings including interest accrued on borrowings, less cash and short-term deposits.

Particulars	As at March 31, 2026	As at March 31, 2025
Borrowings including interest accrued on borrowings (Note 13)	2,401.70	2,703.14
Less: Cash and Cash equivalents (Note 10A)	(113.70)	(144.21)
<b>Net debt</b>	<b>2,288.00</b>	<b>2,558.93</b>
Equity	107.97	107.85
Other equity	5,192.09	4,364.71
<b>Total Equity</b>	<b>5,300.06</b>	<b>4,472.56</b>
Gearing ratio (Net debt/ Total equity)	0.43	0.57

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2026.



## Consolidated Notes to Financial Statements

for the year ended March 31, 2026

(All amounts in Crore Rupees except for share data or as otherwise stated)

### 39. Commitments and Contingencies

#### A. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### Lease commitments - Group as lessee

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate.

The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

##### Following are the changes in the carrying value of right of use assets for the year ended March 31, 2026 and March 31, 2025

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance	189.14	178.32
Additions	62.69	26.06
Deletions	(4.33)	-
Depreciation	(14.80)	(15.24)
<b>Closing Balance</b>	<b>232.71</b>	<b>189.14</b>

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of profit and loss

##### The following is the movement in lease liabilities during the year ended March 31, 2026 and March 31, 2025

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance	70.65	70.35
Additions	62.69	26.06
Deletions	(4.82)	-
Finance cost accrued during the year	5.05	5.18
Payment of lease liabilities	(12.58)	(30.93)
<b>Closing Balance</b>	<b>120.99</b>	<b>70.65</b>

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##### The following is the break-up of current and non-current lease liabilities as at March 31, 2026 and March 31, 2025

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current lease liabilities	111.49	62.19
Current lease liabilities	9.49	8.46
<b>Total</b>	<b>120.99</b>	<b>70.65</b>

##### The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2026 and March 31, 2025 on undiscounted basis

Particulars	As at March 31, 2026	As at March 31, 2025
Within one year	12.04	25.49
After one year but not more than five years	44.56	83.20
More than five years	1,259.29	1,609.54

#### B. Commitments

Particulars	As at March 31, 2026	As at March 31, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for	442.83	244.50

#### C. Contingent liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Outstanding bank guarantees (excluding performance obligations)	320.10	339.22
(ii) Claims arising from disputes not acknowledged as debts - direct taxes	27.23	16.27
(iii) Claims arising from disputes not acknowledged as debts - indirect taxes	65.65	62.84
(iv) On account of provident fund liability	7.57	7.57

### 40. Other statutory information

- i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- ii) The Group does not have any transactions with companies struck off.
- iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- vi) The Group has not advanced or loaned or invested funds to any other person (s) or entity (ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

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(All amounts in Crore Rupees except for share data or as otherwise stated)

- vii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
- (a) 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
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- viii) The Group does not have any such 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."

### 41. Government Grants

- i) For Accounting policy w.r.t. accounting of Government Grants, refer note 2e.
- ii) As at March 31, 2026, the Company has outstanding interest-free grant of ₹ 20.63 (Contractual Value: ₹ 25.00) from a Central Government Agency, repayable in full in next two to five years. The Company has done the initial recognition of grant at fair value using prevailing market interest rate for an equivalent loan. As at March 31, 2026 the difference of ₹ 4.37 between contractual Value and fair value of loan is the Government grant and will be recognised as income in equal amounts over the expected useful life of the related asset.

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for the year ended March 31, 2026

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### 42. Summary of net assets and profit and loss:

Name of the entity	Net Assets*		Share in Profit/ (Loss)		Share in other comprehensive income		Share in total comprehensive income									
	As % of consolidated net assets	Amount	As % of consolidated profit/ (loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount								
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025								
A. Parent	96.70%	5,251.94	99.16%	4,563.95	83.19%	740.48	106.15%	380.39	-48.99%	2.90	20.82%	(0.76)	84.07%	743.38	107.03%	379.63
B. Subsidiary incorporated in India																
Sriam Labs Private Limited	1.19%	64.54	1.29%	59.39	0.58%	5.16	1.04%	3.71	0.34%	(0.02)	1.64%	(0.06)	0.58%	5.14	1.03%	3.65
Laurus Synthesis Private Limited	3.61%	196.04	2.60%	119.60	8.60%	76.53	2.60%	9.31	1.69%	(0.10)	15.89%	(0.58)	8.64%	76.43	2.46%	8.73
Laurus Bio Private Limited	4.84%	262.73	3.93%	181.07	0.75%	6.72	0.89%	3.20	1.01%	(0.06)	-0.82%	0.03	0.75%	6.66	0.91%	3.23
Laurus Speciality Chemicals Private Limited	0.00%	0.09	0.00%	0.09	-	-	-	-	-	-	-	-	-	-	-	-
C. Subsidiary incorporated outside India																
Laurus Holdings Limited	0.34%	18.72	-0.85%	(39.00)	7.50%	66.74	-9.32%	(33.38)	-	-	-	-	7.55%	66.74	-9.41%	(33.38)
Laurus Generics SA (Pty) Limited	0.02%	1.35	0.04%	1.91	-0.09%	(0.84)	-2.61%	(9.37)	-	-	-	-	-0.09%	(0.84)	-2.64%	(9.37)
Total	106.70%	5,795.41	106.18%	4,887.01	100.52%	894.79	98.75%	353.86	-45.95%	2.72	37.53%	(1.37)	101.50%	897.51	99.38%	352.49
Non-controlling interest	2.42%	131.30	2.82%	129.96	0.15%	1.35	0.01%	0.02	0.17%	(0.01)	-	-	0.15%	1.34	0.01%	0.02
D. Associates																
Immunoadoptive Cell Therapy Private Limited	-	-	N.A	N.A	-0.07%	(0.64)	1.00%	3.57	-1.86%	0.11	0.27%	(0.01)	-0.06%	(0.53)	-	-
Ethan Energy India Private Limited	-	-	N.A	N.A	-0.03%	(0.28)	0.50%	1.07	-	-	-	-	-0.03%	(0.28)	-	-
Joint Venture																
KRKA Pharma Private Limited	-	-	-	-	0.14%	1.21	-0.20%	(0.71)	-	-	-	-	0.14%	1.21	-	-
Consolidation adjustments	-9.12%	(495.35)	-9.00%	(414.45)	-0.71%	(6.29)	0.14%	0.53	147.64%	(8.74)	62.20%	(2.27)	-1.65%	(15.01)	0.61%	2.18
Net amount	100.00%	5,431.36	100.00%	4,602.52	100.00%	890.14	100.00%	358.34	100.00%	(5.92)	100.00%	(3.65)	100.00%	884.24	100.00%	354.69

\* Net assets means total assets minus total liabilities.

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Note :

- The disclosure as above represents separate information for each of the consolidated entities before elimination of inter-company transactions. The net impact on elimination of inter-company transactions/profits/consolidation adjustments have been disclosed separately. Based on the group structure, the management is of the view that the above disclosure is appropriate under requirements of the Companies Act, 2013.
- Percentage below 0.01% have been disclosed as 0.00%

**For and on behalf of the Board of Directors  
LAURUS LABS LIMITED**

**Dr. Satyanarayana Chava**  
Executive Director & Chief  
Executive Officer  
DIN: 00211921

Place: Hyderabad  
Date: April 30, 2026

**V.V. Ravi Kumar**  
Executive Director & Chief  
Financial Officer  
DIN: 01424180

**G. Venkateswar Reddy**  
Company Secretary  
Membership No. F7016

## Notice

**NOTICE** is hereby given that the 21<sup>st</sup> Annual General Meeting of the Members of Laurus Labs Limited ("the Company") will be held on **Thursday, July 2, 2026** at **3:00 p.m. IST** through Video Conferencing (VC)/ Other Audio-Visual Means ('OAVM'), to transact the following business:

### Ordinary Business :

- To consider and adopt the:
  - Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2026, the reports of Board of Directors and Auditors thereon;
  - Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2026 and report of Auditors thereon.
- To approve and ratify the 1<sup>st</sup> interim dividend on equity shares @ Re. 0.80 per equity share paid for the financial year 2025-26.
- To approve and ratify the 2<sup>nd</sup> interim dividend on equity shares @ Re. 1.20 per share for the financial year 2025-26.
- To re-appoint Mr. Krishna Chaitanya Chava (DIN: 06831883), a Director, who retires by rotation and, being eligible, offers himself, for re-appointment.
- To re-appoint Mrs. Soumya Chava (DIN: 06831892), a Director, who retires by rotation and, being eligible, offers herself, for re-appointment.

### Special Business:

- To approve the appointment of Dr. Shekhar Chintamani Mande (DIN: 10083454) 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, 152 and other applicable provisions, of the Companies Act, 2013 ("the Act") read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), Regulation 17, Regulation 25 and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, and the Articles of Association of the Company, and approval and recommendation of the Nomination and Remuneration Committee and the Board of

Directors of the Company, the approval of the Members of the Company be and is hereby accorded for the appointment of Dr. Shekhar Chintamani Mande (DIN: 10083454) as an Independent Director of the Company, in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director and who had submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years, i.e., with effect from July 02, 2026 to July 01, 2031 (both days inclusive);

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and is hereby authorized to do all such acts, matters, deeds, things as it may deem fit, including but not limited to delegating severally all or any of the powers conferred on it or under this resolution to any Committee(s) of the Board, any Director(s) or any other Officer(s) of the Company, as may be considered necessary or expedient to give effect to this resolution."

- To approve the appointment of Mrs. Sutapa Banerjee (DIN: 02844650) 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, 152 and other applicable provisions, of the Companies Act, 2013 ("the Act") read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), Regulation 17, Regulation 25 and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, and the Articles of Association of the Company, and approval and recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded for the appointment of Mrs. Sutapa Banerjee (DIN: 02844650) as an Independent Director of the Company, in respect of whom the Company has received a notice in writing under Section 160(1) of Act from a Member proposing her candidature for the office of Director and who had submitted a declaration