



INDEPENDENT AUDITOR'S REPORT

To The Members of
Laurus Labs Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Laurus Labs Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the 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.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 state of affairs of the Company as at March 31, 2026, its profit and other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone 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 is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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	Revenue Recognition – Refer note 2.2 (d) and note 17 of the standalone financial statements The Company recognises revenue from products based on the terms and conditions of transactions which varies with different customers. 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. 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.	Principal audit procedures performed included the following: <ul style="list-style-type: none"> We obtained an understanding of the revenue recognition process and tested the Company's controls around the timely and accurate recording of sales transactions. We have obtained an understanding of a sample of customer contracts. We tested the access and change management controls of the relevant information technology system in which shipments are recorded. 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.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in 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 standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole

are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 Company has adequate internal financial controls with reference to standalone 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone



financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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 standalone 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.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid standalone 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 as on March 31, 2026, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
- 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, the remuneration paid by the Company to its 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 Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 39(C) to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 41(vi) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of

funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 41(vii) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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, nothing has come to our notice that has caused us 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 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 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 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, the Company has used an accounting software for maintaining its 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 did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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: 26213649QFSUJK2638)



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 standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

We have audited the internal financial controls with reference to standalone financial statements of Laurus Labs Limited (the “Company”) as at March 31, 2026, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

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

The Company’s management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone financial statements of the Company 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 standalone 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 standalone 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company’s internal financial control with reference to standalone 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 standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal

financial control with reference to standalone 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, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control with reference to standalone financial statements

established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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: 26213649QFSUJK2638)



Annexure “B” To the Independent Auditor’s Report

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification of property, plant and equipment so to cover all the items once in every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were due for physical verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on our examination of the registered sale deed provided to us, we report that, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date. Immovable properties of land whose title deeds have been pledged as security for term loans and working capital limits are held in the name of the Company based on the confirmations directly received by us from lenders.

(d) The Company has not revalued any of its property, plant and equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories except for (goods-in-transit, which have been received subsequent to the year-end), were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with the books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements, book debt statements, statements on ageing analysis of the debtors and other stipulated financial information filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.

(iii) The Company has made investments in, provided guarantee and granted unsecured loans to companies during the year, in respect of which:

(a) The Company has made investments in, provided / stood guarantee and granted unsecured loans during the year and details of which are given below:

(₹ in crores)

	Investments	Loans	Guarantees
A. Aggregate amount granted / provided during the year:			
- Subsidiaries	75.00	277.00	150.00
- Joint Venture	49.00		
- Associate	9.07		
- Others	17.65	0.75	
B. Balance outstanding as at balance sheet date in respect of above cases:			
- Subsidiaries	407.04	507.5	255.00
- Joint Venture	154.35		
- Associate	9.07		
- Others	17.65	0.67	

The Company has not provided any advances in the nature of loans or security to any other entity during the year.

(b) The investments made, guarantees provided and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are in our opinion, not prejudicial to the Company’s interest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3 (iii) (f) is not applicable.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made, guarantees, and securities provided, as applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3 (v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees’ State Insurance, Income-tax, duty of Custom, duty of Excise, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees’ State Insurance, Income-tax, duty of Custom, cess and other material statutory dues in arrears as at March 31, 2026 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2026 on account of disputes are given below:



Name of Statute	Nature of Dues	Amount (in ₹ crores)	Period for which the amount relates to	Forum where dispute is pending
AP VAT Act, 2005	Sales Tax	0.00 [^]	2014-2016	Sales Tax and VAT Appellate Tribunal, Andhra Pradesh
Finance Act, 1994	Service Tax	20.09*	2010-2015	Customs Excise and Service Tax Appellate Tribunal
		19.57**	2015-2017	
Customs Act, 1962	Customs Duty	16.33 [#]	2012-2013	

[^] Net of ₹ 0.36 crores paid under protest

* Net of ₹ 0.37 crores paid under protest

**Net of ₹ 0.61 crores paid under protest

Net of ₹ 2.00 crores paid under protest

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associate companies or joint venture company.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies or joint venture company.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3 (x) (a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3 (x) (b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under Sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto March 2026.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3 (xvi) (a), (b) and (c) of the Order is not applicable.

(d) The Group does not have any core investment company as part of the group and accordingly reporting under clause 3 (xvi) (d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of Sub-section (6) of Section 135 of the said Act. Accordingly, reporting under clause 3 (xx) of the Order is not applicable for the year.

(b) In respect of ongoing projects, the company does not have any unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year and also at the end of the current financial year. Hence, reporting under this clause is not applicable for the year.

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: 26213649QFSUJK2638)



Standalone 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
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,892.97	2,762.97
Right-of-use assets	39A	131.60	106.90
Capital work-in-progress	3	569.42	336.24
Other Intangible assets	4	16.48	17.63
Financial assets			
Investments	5A	890.94	740.22
Other financial assets	5C	36.68	44.01
Loans	5B	501.50	466.50
Other non-current assets	7A	137.85	105.50
Total non-current assets		5,177.44	4,579.97
Current assets			
Inventories	8	2,136.11	1,738.88
Financial assets			
Trade receivables	9	2,023.25	2,035.07
Cash and cash equivalents	10A	37.51	50.36
Bank balances other than Cash and cash equivalents	10B	0.31	0.28
Loans	5B	6.67	6.69
Other financial assets	5C	3.89	12.93
Other current assets	7B	154.85	162.57
Total current assets		4,362.59	4,006.78
Total assets		9,540.03	8,586.75
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	107.97	107.85
Other equity	11.6	5,143.97	4,456.10
Total equity		5,251.94	4,563.95
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	13A	378.21	414.25
Lease liabilities	39A	73.80	46.90
Provisions	15A	118.13	96.72
Deferred tax liability (net)	6	5.10	35.63
Other non-current liabilities	14A	454.94	267.26
Total non-current liabilities		1,030.18	860.76
Current liabilities			
Financial liabilities			
Borrowings	13B	1,620.54	1,910.39
Trade payables			
- total outstanding dues of micro enterprises and small enterprises	13C	45.34	24.46
- total outstanding dues of creditors other than micro enterprises and small enterprises	13C	1,151.93	904.24
Lease liabilities	39A	7.82	8.22
Other financial liabilities	13D	275.91	194.01
Other current liabilities	14B	67.93	39.63
Provisions	15B	35.42	27.63
Income tax liabilities (net)	16	53.02	53.46
Total current liabilities		3,257.91	3,162.04
Total - equity and liabilities		9,540.03	8,586.75
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

C. Manish Muralidhar
Partner
Membership No. 213649

Place: Hyderabad
Date: April 30, 2026

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

Standalone 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
I. INCOME			
Revenue from operations	17	6,089.07	5,216.98
Other income	18	30.86	65.10
Total income (I)		6,119.93	5,282.08
II. EXPENSES			
Cost of materials consumed	19	2,624.93	2,371.38
Purchase of traded goods		172.56	105.36
Changes in inventories of finished goods, work-in-progress and stock-in-trade	20	(236.87)	(13.55)
Employee benefits expense	21	757.86	608.64
Other expenses	22	1,332.33	1,200.82
Total expenses (II)		4,650.81	4,272.65
III. Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) (I-II)			
Depreciation and amortisation expense	3, 4 & 39A	378.64	358.79
Finance income	23A	(46.57)	(35.37)
Finance costs	23B	142.96	182.20
IV. Profit before tax		994.09	503.81
V. Tax expense			
Current tax		285.12	153.84
Deferred tax		(31.51)	(30.42)
Total tax expense		253.61	123.42
VI. Profit for the year (IV-V)			
Other comprehensive income/(loss) (OCI)	24		
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement gains/(losses) on defined benefit plans		3.88	(1.02)
Tax on remeasurement of defined benefit plans		(0.98)	0.26
Total other comprehensive income/(loss) for the year, net of tax		2.90	(0.76)
Total comprehensive income for the year, net of tax		743.38	379.63
Earnings per equity share ₹ 2/- each fully paid (March 31, 2025: ₹ 2/- each fully paid)	25		
Computed on the basis of total profit for the year			
Basic (₹)		13.72	7.06
Diluted (₹)		13.70	7.05
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

C. Manish Muralidhar
Partner
Membership No. 213649

Place: Hyderabad
Date: April 30, 2026

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

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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



Standalone Statement of Changes in Equity

for the year ended March 31, 2026

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

a. Equity share capital

Equity shares of ₹ 2/- each, fully paid up	Number	₹ in Crore
As at April 01, 2024	538,965,858	107.79
Issued during the year - ESOP	286,633	0.06
As at March 31, 2025	539,252,491	107.85
Issued during the year - ESOP	604,091	0.12
As at March 31, 2026	539,856,582	107.97

b. Other equity

Particulars	Reserves and surplus					Total
	Capital reserve	Securities Premium	Share based payments reserve	Retained Earnings	Re-measurement of the net defined benefit plans	
As at April 01, 2024	1.79	717.08	21.44	3,367.61	(8.66)	4,099.26
Profit for the year	-	-	-	380.39	-	380.39
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)
Remeasurement loss on net defined benefit liability, net of tax	-	-	-	-	(0.76)	(0.76)
As at March 31, 2025	1.79	732.84	26.02	3,704.87	(9.42)	4,456.10
Profit for the year	-	-	-	740.48	-	740.48
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)
Remeasurement loss on net defined benefit liability, net of tax	-	-	-	-	2.90	2.90
As at March 31, 2026	1.79	764.73	24.95	4,359.02	(6.52)	5,143.97

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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 DIN: 01424180

Place: Hyderabad
 Date: April 30, 2026

Place: Hyderabad
 Date: April 30, 2026

G. Venkateswar Reddy
 Company Secretary
 Membership No. F7016

Standalone 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
Cash Flow from operating activities		
Profit before tax	994.09	503.81
Adjustments for:		
Depreciation and amortisation	378.64	358.79
(Profit)/Loss on sale of Property, plant and equipment (net)	4.44	(58.12)
Finance income	(46.57)	(35.37)
Interest expense	138.45	177.30
Share based payment expense	10.94	10.23
Net (gain)/loss on foreign exchange fluctuations (unrealised)	(10.54)	0.01
Allowance for expected credit loss and bad debts (net)	74.89	45.79
Operating profit before working capital changes	1,544.34	1,002.44
Movement in working capital:		
Increase in inventories	(397.24)	(41.73)
Increase in trade receivables	(20.35)	(447.29)
(Increase)/Decrease in financial and non-financial assets	17.83	(37.52)
Increase/(Decrease) in trade payables (Refer note no. 13E)	249.25	(65.40)
Increase in financial, non-financial liabilities and provisions	276.68	263.95
Cash generated from operations	1,670.51	674.45
Income tax paid	(285.56)	(134.39)
Net cash generated from operating activities (A)	1,384.95	540.06
Cash flow used in investing activities		
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)	(714.23)	(380.68)
Proceeds from sale of property, plant and equipment	6.35	99.00
Movement in Bank balances other than Cash and cash equivalents	(0.03)	0.01
Investment in associates	(9.07)	-
Investment in others	(17.65)	-
Investment in Joint Venture	(49.00)	(105.35)
Investment in subsidiaries	(75.00)	-
Loan given to subsidiaries	(277.00)	(339.00)
Loan repaid by subsidiaries	242.00	99.00
Interest received	46.57	35.37
Net cash used in investing activities (B)	(847.06)	(591.65)
Cash flow from financing activities		
Proceeds from exercise of employee stock options	20.00	10.17
Repayment of long - term borrowings (Refer note no. 13g)	(250.59)	(244.42)
Proceeds from long - term borrowings (Refer note no. 13g)	179.26	178.86
Proceeds from/(Repayment of) Short - term borrowings (net) (Refer note no. 13g)	(275.55)	330.12
Proceeds from supplier financing arrangements (net) (Refer note no. 13E)	17.38	15.67
Payment of lease liabilities (Refer note no. 39A)	(10.99)	(11.81)
Dividend paid	(86.33)	(43.13)
Interest paid	(143.92)	(176.14)
Net cash generated from/(used in) financing activities (C)	(550.74)	59.32
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(12.85)	7.73
Cash and cash equivalents at the beginning of the year	50.36	42.63
Cash and cash equivalents at the year end	37.51	50.36



Standalone 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
Components of cash and cash equivalents:		
Cash on hand	0.11	0.07
Balances with banks		
On current accounts	36.32	50.29
Remittance in transit	1.08	-
Total cash and cash equivalents	37.51	50.36

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

Standalone 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

Laurus Labs Limited (the "Company") offers a broad and integrated portfolio of Active Pharma Ingredients (API) including intermediates, Generic Finished Dosage Forms (FDF) and Contract Research services to cater to the needs of the global pharmaceutical industry. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges 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 Company is equipped with an Active Pharma Ingredients (API) manufacturing facilities, FDF drug manufacturing facility situated in Parawada and Achutapuram at Visakhapatnam and a Research and Development Centre in IKP Knowledge Park at Hyderabad.

These financial statements are authorised by the Board of Directors for issue in accordance with their resolution dated April 30, 2026.

2. Material accounting policies

2.1 Basis of preparation

(a) The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS'), under the historical cost basis 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 Standalone financial statements have been prepared on accrual and Going concern basis. The Accounting policies are applied consistently to all the periods presented.

2.2 Summary of material accounting policies

(a) Current versus non-current classification

The Company 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

The Company 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 Company has identified twelve months as its operating cycle.

(b) Foreign currencies

The financial statements are presented in Indian rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. 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



Standalone Notes to Financial Statements

for the year ended March 31, 2026

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

using the exchange rates at the dates of the initial transactions.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss.

(c) Fair value measurement

The Company 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 Company.

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.

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 Company 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 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 financial statements on a recurring basis, the Company 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 and the financial controller of the Company determines the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where level 1 inputs are not available, the Company 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 Company 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.

(d) Revenue recognition

Revenue from contracts with customers is recognised to the extent that it is probable that the economic benefits will flow to the Company 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 Company derives revenues primarily from manufacture and sale

Standalone Notes to Financial Statements

for the year ended March 31, 2026

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

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 material accounting policies relating to revenue recognition. Further, refer note no. 17 for disaggregate revenues from contracts with customers.

Sale of products

The Company recognises revenue for supply of goods to customers against orders received. The majority of contracts that company 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 Company 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 Company 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.

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 Company has received consideration (or the amount is due) from the customer. If a customer

pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

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

(e) 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 Company operates



Standalone Notes to Financial Statements

for the year ended March 31, 2026

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

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 ("OCI") 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.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits 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.

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 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.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(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 Company 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 1 April 2015 (date of transition to Ind AS) on the date of transition to Ind AS. The Company has also determined that cost of acquisition or construction at deemed cost as at 1 April 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 Company 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

Standalone Notes to Financial Statements

for the year ended March 31, 2026

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

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 Company, 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 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

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 or 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.

(i) Leases

The Company 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.

Company as a lessee

The Company 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 Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. The Company 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.



Standalone Notes to Financial Statements

for the year ended March 31, 2026

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

At the date of commencement of the lease, the Company 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 Company 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.

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 Company 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.

Company as a lessor

Leases in which the Company 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.

Leases are classified as finance leases when substantially all of the risks and rewards of

ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company'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: 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.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Stores, spares and packing materials 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

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costs of completion and the estimated costs necessary to make the sale.

(l) Impairment of non-financial assets

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

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss. 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 Company 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 unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(m) Provisions

Provisions are recognised when the Company 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 Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is 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 Company has no obligation, other than the contribution payable to the provident fund. The Company 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 Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund by a third party.



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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 OCI in the period in which they occur. Remeasurements are not reclassified to Statement of Profit or Loss in subsequent periods.

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 Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company 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 Company 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.

(o) Share-based payments

Employees of the Company 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 Company'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 Company'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

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market place (regular way trades) are recognised on the trade date, i.e., the date that the Company 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 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 more information on receivables, refer to Note 9.

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 Company's balance sheet) when:

- the rights to receive cash flows from the asset have expired, or
- the Company 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
 - the Company has transferred substantially all the risks and rewards of the asset, or
 - the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates

if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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 Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the 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 Company follows 'simplified approach' for recognition of impairment loss. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company 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 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.



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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 Company 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 Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates the following provision matrix at the reporting date:

Particulars	% of provision on outstanding receivables
> 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 Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts 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 Statement of Profit or Loss. However, the Company 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 or Loss.

Loans and borrowings

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.

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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 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 or Loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the 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 Company 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) Investments in subsidiaries

In respect of equity investments, the entity prepares separate financial statements and account for its investments in subsidiaries at cost, net of impairment if any.

(r) Derivative instruments and hedge accounting

The Company 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.

(s) Cash and cash equivalents

Cash and cash equivalent 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 Company's cash management.

(t) Research and Development

Revenue expenditure on research and development is charged to revenue in the period

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in which it is incurred. Capital expenditure on research and development is added to property, plant and equipment and depreciated in accordance with the policies of the Company.

(u) Measurement of EBITDA

The Company presents EBITDA in the statement of profit or 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 company'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 Company 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 amortization expense, finance income, finance costs, share of profit/ loss from associate and tax expense in the measurement of EBITDA.

(v) 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.

(w) 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 Company 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 Company 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 Company 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 Company 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
Gross carrying value							
At cost							
As at April 01, 2024	174.82	1,206.42	2,974.88	92.95	49.72	35.35	4,534.14
Additions	4.46	28.85	189.70	1.14	8.31	11.44	243.90
Disposals	(31.80)	(0.60)	(30.73)	(0.57)	(0.75)	(5.65)	(70.10)
As at March 31, 2025	147.48	1,234.67	3,133.85	93.52	57.28	41.14	4,707.94
Additions	-	141.33	319.33	20.08	7.13	15.76	503.63
Disposals	-	-	(25.08)	(9.71)	(6.43)	(8.70)	(49.92)
As at March 31, 2026	147.48	1,376.00	3,428.10	103.89	57.98	48.20	5,161.65
Depreciation							
As at April 01, 2024	-	252.37	1,294.22	40.31	27.97	16.50	1,631.37
Charge for the year	-	49.67	266.97	10.30	6.82	9.06	342.82
Disposals	-	(0.45)	(22.65)	(0.33)	(0.49)	(5.30)	(29.22)
As at March 31, 2025	-	301.59	1,538.54	50.28	34.30	20.26	1,944.97
Charge for the year	-	56.08	277.74	10.74	7.66	10.62	362.84
Disposals	-	-	(17.33)	(7.63)	(6.22)	(7.95)	(39.13)
As at March 31, 2026	-	357.67	1,798.95	53.39	35.74	22.93	2,268.68
Net carrying value							
As at March 31, 2025	147.48	933.08	1,595.31	43.24	22.98	20.88	2,762.97
As at March 31, 2026	147.48	1,018.33	1,629.15	50.50	22.24	25.27	2,892.97

(i) Pledge on Property, plant and equipment:

Property, plant and equipment with a net carrying amount aggregating ₹ 2,892.97 (March 31, 2025: ₹ 2,762.97) 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. Also, refer note 13c.

(ii) The title deeds of all immovable properties are held in the name of the Company. The Company has not revalued its property, plant and equipment during the current or previous year.

(iii) Refer note no. 33 for purchase and sale of Property, plant and equipment to related parties.

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

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	336.24	155.51
Additions	736.81	424.63
Transfer to property, plant and equipment	503.63	243.90
Closing balance	569.42	336.24



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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	541.26	28.16	-	-	569.42
Projects temporarily suspended	-	-	-	-	-

For the year ended March 31, 2025

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	270.23	56.52	6.96	2.53	336.24
Projects temporarily suspended	-	-	-	-	-

(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	-	-	-	-	-
Balance as on March 31, 2026	-	-	-	-	-
Projects in progress	-	-	-	-	-
CETP - Unit VIII	123.53	-	-	-	123.53
Utility block - Unit II	12.51	-	-	-	12.51
Balance as on March 31, 2025	136.04	-	-	-	136.04

4. Other Intangible assets

Particulars	Computer software
Gross carrying value At cost	
As at April 01, 2024	49.55
Additions	5.57
Disposals	(0.99)
As at March 31, 2025	54.13
Additions	5.36
Disposals	(1.55)
As at March 31, 2026	57.94
Amortisation	
As at April 01, 2024	32.00
Charge for the year	5.49
Disposals	(0.99)
As at March 31, 2025	36.50
Charge for the year	6.47
Disposals	(1.51)
As at March 31, 2026	41.46
Net carrying value	
As at March 31, 2025	17.63
As at March 31, 2026	16.48

The Company has not revalued its intangible assets during the current or previous year.

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5 Financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
A. Investments		
Equity instruments of subsidiaries, associates and Joint venture	678.06	619.99
Compulsorily convertible preference shares of subsidiary and associate	191.82	116.82
Others	21.06	3.41
Total	890.94	740.22

(Unquoted ,except otherwise stated)

(a) Investment in equity instruments - carried at cost	As at March 31, 2026	As at March 31, 2025
I. Investments in subsidiaries		
- 9,700 (March 31, 2025: 9,700) Equity Shares of US\$ 100 each fully paid-up in Laurus Generics Inc	34.16	34.16
- 14,203,363 (March 31, 2025:14,203,363) Equity Shares of ₹ 10 each fully paid-up of Sriam Labs Private Limited	28.19	28.19
- 8,500 (March 31, 2025: 8,500) Equity Shares of GBP 100 each fully paid-up in Laurus Holdings Limited	7.79	7.79
- 107,600 (March 31, 2025:107,600) Equity Shares of ₹ 10 each fully paid-up of Laurus Synthesis Private Limited	99.23	99.23
- 2,000 (March 31, 2025: 2,000) Equity Shares of ZAR 1.00 each fully paid-up in Laurus Generics SA (Pty) Limited	0.03	0.03
- 2,35,919 (March 31, 2025: 235,919) Equity Shares of ₹ 10 each fully paid-up in Laurus Bio Private Limited	332.04	332.04
- 100,000 (March 31, 2025:100,000) Equity Shares of ₹ 10 each fully paid-up of Laurus Specialty Chemicals Private Limited (Note iv)	0.10	0.10
Sub-Total (I)	501.54	501.54
II. Investments in associates		
- 996 (March 31, 2025: 996) Equity shares of ₹ 10 each fully paid-up of Immunoadoptive Cell Therapy Private Limited	9.20	9.20
- 740,000 (March 31, 2025: 740,000) Equity shares of ₹ 10 each fully paid-up of Ethan Energy India Private Limited	3.90	3.90
- 9,072,000 (March 31, 2025: Nil) Equity shares of ₹ 10 each fully paid-up of Kurnool Renewables Private Limited (Note iii)	9.07	-
Sub-Total (II)	22.17	13.10
III. Investments in Joint Venture		
- 154,350,000 (March 31, 2025: 105,350,000) Equity shares of ₹ 10 each fully paid-up of KRKA Pharma Private Limited (Note i)	154.35	105.35
Total (a) (I+II+III)	678.06	619.99

(b) Investment in Compulsorily convertible preference shares - carried at cost	As at March 31, 2026	As at March 31, 2025
I. Investments in subsidiaries		
- 28,901 0.1% Compulsorily Convertible preference shares of ₹ 100 each fully paid in Laurus Bio Private Limited (note ii)	75.00	-
Sub-Total (I)	75.00	-
Investments in associates		
- 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)	36.80	36.80
- 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)	80.02	80.02
Total (b)	191.82	116.82
Total (a+b)	869.88	736.81

Standalone Notes to Financial Statements

for the year ended March 31, 2026

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

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 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.
- 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% (March 31, 2025: 76.32%).
- 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 Company incorporated wholly owned subsidiary, Laurus Specialty Chemicals Private Limited (LSCPL) in India on December 01, 2022. LSCPL has not commenced its operations.
- The Company 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.

(C) Unquoted investments (measured at fair value through profit and loss)

Particulars	As at March 31, 2026	As at March 31, 2025
- 3,405,000 (March 31, 2025: 3,405,000) Equity Shares of ₹ 10 each of Atchutapuram Effluent Treatment Ltd	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	-
Total	21.06	3.41

B. Loans (At amortised cost)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current (unsecured, considered good unless otherwise stated)		
Other loans		
- Loans to related parties* (Refer note no.33)	501.50	466.50
Total	501.50	466.50
Current (unsecured, considered good unless otherwise stated)		
Other loans		
- Loans to employees	0.67	0.69
- Loans to related parties* (Refer note no.33)	6.00	6.00
Total	6.67	6.69

* Percentage to the total loans 99.9% (March 31, 2025: 99.9%)

Standalone Notes to Financial Statements

for the year ended March 31, 2026

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

(C) Other financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current (unsecured, considered good unless otherwise stated)		
Security deposits	36.68	35.50
Export and other incentives receivable (net)*	-	8.51
Total	36.68	44.01
Current (unsecured, considered good unless stated otherwise)		
Export and other incentives receivable (net)*	3.07	5.36
Other receivable	0.82	7.57
Total	3.89	12.93

* 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

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

Particulars		As at March 31, 2026	As at March 31, 2025
Deferred tax liability			
Income tax at the applicable rate on the difference between the aggregate book written down value and tax written down value of property, plant and equipment		(103.89)	(111.71)
	(A)	(103.89)	(111.71)
Deferred tax asset			
Expenses allowable on payment basis		55.91	40.17
Other items giving raise to temporary differences		42.88	35.91
	(B)	98.79	76.08
Deferred tax assets/(liability) (Net)	(A+B)	(5.10)	(35.63)

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	(111.71)	7.82	-	(103.89)
Expenses allowable on payment basis	40.17	15.74	-	55.91
Other items giving rise to temporary differences	35.91	7.95	(0.98)	42.88
Total	(35.63)	31.51	(0.98)	(5.10)

Standalone Notes to Financial Statements

for the year ended March 31, 2026

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

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	(119.93)	8.22	-	(111.71)
Expenses allowable on payment basis	32.95	7.22	-	40.17
Other items giving rise to temporary differences	20.67	14.98	0.26	35.91
Total	(66.31)	30.42	0.26	(35.63)

The Company has accounted for deferred tax liabilities (net) of ₹ 5.10 (March 31, 2025: ₹ 35.63) 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
A) Non-current (unsecured, considered good unless otherwise stated)		
Capital advances	109.17	86.55
Advances to related parties (Refer note no. 33)	0.50	-
Prepayments	24.82	15.60
Balances with statutory/Government authorities	2.00	2.00
Taxes paid under protest	1.36	1.35
	137.85	105.50
Less: Allowance for doubtful advances	-	-
Total	137.85	105.50
B) Current (unsecured, considered good unless otherwise stated)		
Advances recoverable in cash or kind	37.76	24.94
Advances to related parties (Refer note no. 33)	0.50	-
Prepayments	22.27	24.69
Balances with statutory/Government authorities	90.92	111.05
Others	3.40	1.89
Total	154.85	162.57

8. Inventories

Particulars	As at March 31, 2026	As at March 31, 2025
(At lower of cost and net realisable value)		
Raw materials [including port stock and stock-in-transit ₹ 175.70 (March 31, 2025 : ₹ 96.35)]	651.17	506.49
Work-in-progress	795.46	691.16
Finished goods [Finished goods in transit of ₹ 41.12 (March 31, 2025 : ₹ 30.61)]	602.89	470.32
Stores, spares and packing materials	86.59	70.91
Total	2,136.11	1,738.88

Note:

During the year, the Company recognised inventory write down to net realisable value of ₹ 3.23 (March 31, 2025 : ₹ 3.31). The impact of these adjustments has been recognised within cost of material consumed and changes in inventories in the Statement of Profit and Loss.

Standalone Notes to Financial Statements

for the year ended March 31, 2026

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

9. Trade receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured		
Considered good	1,867.88	1,802.55
Receivable from related parties (Refer note no. 33)	155.37	232.52
Credit impaired	125.64	50.81
	2,148.89	2,085.88
Less: Allowance for doubtful debts	(125.64)	(50.81)
Total	2,023.25	2,035.07

- 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.33.
- 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 : ₹ 737.22) is due from the Company's customers individually representing more than 5 % of the total trade receivables balance.
- The Company 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 aggregating ₹ nil (as at March 31, 2025 : ₹ nil)

f) Movement in the expected credit loss allowance	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	50.81	5.57
Additions during the year	76.10	45.88
Recoveries/write offs during the year	(1.27)	(0.64)
Balance at the end of the year	125.64	50.81

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	1,340.95	630.47	22.75	18.45	10.63	-	2,023.25
ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade receivables - credit impaired	0.25	0.29	0.01	80.59	31.50	13.00	125.64
iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Total	1,341.20	630.76	22.76	99.04	42.13	13.00	2,148.89

Standalone 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, 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	1,270.21	608.98	129.04	19.00	7.84	-	2,035.07
ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade receivables - credit impaired	-	-	13.33	28.75	8.21	0.52	50.81
iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Total	1,270.21	608.98	142.37	47.75	16.05	0.52	2,085.88

10. Cash and cash equivalents and other bank balances

Particulars	As at March 31, 2026	As at March 31, 2025
A) Cash and cash equivalents		
Balances with banks		
- in current accounts	36.32	50.29
Remittance in transit	1.08	-
Cash on hand	0.11	0.07
Total	37.51	50.36
B) Bank balances other than Cash and cash equivalents		
Earmarked balances with banks:		
- Unclaimed dividend accounts*	0.31	0.28
Total	0.31	0.28

*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.

11. Equity share capital

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

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
Balance at the end of the year	539,856,582	107.97	539,252,491	107.85

Standalone Notes to Financial Statements

for the year ended March 31, 2026

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

11.2. 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 Company:

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

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%	-7.5%	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%	-



Standalone Notes to Financial Statements

for the year ended March 31, 2026

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

11.5. Details of shares reserved for issue under options

For details of shares reserved for issue under various Employee Stock Option Schemes of the Company, 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
Share based payment reserve	24.95	26.02
Retained earnings	4,359.02	3,704.87
Other comprehensive income	(6.52)	(9.42)
Total	5,143.97	4,456.10

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.

Share based payments 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 Share based payments reserve. This will be utilised for allotment of equity shares against outstanding employee stock options.

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.

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)

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	-	-
Total		86.33		43.13
Proposed dividends on equity shares:				
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	-	-
Total		64.78		43.14

*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.

Standalone 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
A) Non-current borrowings (At amortised cost)		
Term loans		
Indian rupee loans from banks (Secured)	378.21	376.52
Foreign currency loans from banks (Secured)	-	37.73
Total	378.21	414.25
Current maturities of non-current borrowings		
Term loans		
Indian rupee loans from banks (Secured)	177.58	205.90
Foreign currency loans from banks (Secured)	41.73	50.31
	219.31	256.21
Less: Amount disclosed under the head "current borrowings"	(219.31)	(256.21)
Total	-	-
B) Current borrowings (At amortised cost)		
Cash credits and working capital demand loans		
Indian rupee loans from banks (Secured)	348.47	534.28
Indian rupee loans from banks (Un Secured) *	914.58	999.20
Buyers credit from banks (Secured)	83.89	120.70
Buyers credit from banks (Unsecured)	54.29	-
Current maturities of non-current borrowings	219.31	256.21
Total	1,620.54	1,910.39

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

(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)

Standalone 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) 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 Company has used the borrowings for the purposes for which it was taken.

(f) The quarterly returns of current assets filed by the Company with banks are in agreement with the books of account.

(g) Reconciliation of liabilities from financing activities are given below:

Particulars	March 31, 2025	Cash flows	Non-cash transactions foreign exchange fluctuation	March 31, 2026
Non-current borrowings	670.46	(71.33)	1.61	597.52
Current borrowings	1,654.18	(258.17)	(5.22)	1,401.23

Particulars	March 31, 2024	Cash flows	Non-cash transactions foreign exchange fluctuation	March 31, 2025
Non-current borrowings	738.87	(65.56)	2.85	670.46
Current borrowings	1,310.19	345.79	1.80	1,654.18

C) Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Valued at amortised cost		
- Total outstanding dues to creditors other than micro enterprises and small enterprises	1,113.32	851.99
- Outstanding dues to related parties (Refer note no. 33)	38.61	52.25
Total	1,151.93	904.24
- Total outstanding dues to micro enterprises and small enterprises (Refer note no. 30)	45.34	24.46
Total	45.34	24.46

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 30-150 day terms.

For explanations on the Company's credit risk management processes, refer note no. 37.

Standalone 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 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	-	45.34	-	-	-	-	45.34
ii) Total outstanding dues to creditors other than micro enterprises and small enterprises	123.39	823.33	204.69	0.52	-	-	1,151.93
iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	123.39	868.67	204.69	0.52	-	-	1,197.27

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	-	24.46	-	-	-	-	24.46
ii) Total outstanding dues to creditors other than micro enterprises and small enterprises	125.30	517.25	261.69	-	-	-	904.24
iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	125.30	541.71	261.69	-	-	-	928.70

D) Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Capital creditors# (Refer note no. 33)	187.19	136.67
Interest accrued	3.50	8.98
Derivative financial instruments - liability	9.63	0.39
Employee payables (Refer note no. 33)	75.59	47.97
Total	275.91	194.01

Includes ₹ 26.35 (March 31, 2025: ₹ 10.70) payable to micro and small suppliers (Refer note no. 30)

E) Supplier financing arrangements

a) The Company 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 Company through designated financial institutions. Any charges or interest arising from such early settlement are solely borne by the participating suppliers. The Company 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 company 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 Company pays the financier within 90 days from the discounting date.



Standalone Notes to Financial Statements

for the year ended March 31, 2026

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

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

14. Other non-current and current liabilities

Carrying amount of liabilities under supplier financing arrangement	As at March 31, 2026	As at March 31, 2025
A) Non-current		
Advances from customers	450.18	267.26
Guarantee obligation	4.76	-
B) Current	454.94	267.26
Advances from customers	48.68	24.48
Unclaimed dividend	0.31	0.28
Statutory dues	17.44	14.87
Guarantee obligation	1.50	-
Total	67.93	39.63

15. Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
A) Non-current provisions		
Provision for gratuity (Refer note no. 28)	72.20	60.95
Provision for compensated absences	45.93	35.77
Total	118.13	96.72
B) Current provisions		
Provision for gratuity (Refer note no. 28)	15.32	11.98
Provision for compensated absences	20.10	15.65
Total	35.42	27.63

16. Income tax liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Income tax liabilities		
Provision for taxes [net of advance tax ₹ 1,182.14 (March 31, 2025: ₹ 947.26)]	53.02	53.46
Total	53.02	53.46

17. Revenue from operations

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of products		
Income from sale of API, Intermediates and Formulations	5,710.27	4,935.72
Income from sale of stock-in-trade	205.11	120.73
(A)	5,915.38	5,056.45

Standalone 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
Sale of services			
Contract research services		135.89	115.70
	(B)	135.89	115.70
Other operating revenue			
Sale of scrap		17.86	15.61
Others		19.94	29.22
	(C)	37.80	44.83
Revenue from operations	(A+B+C)	6,089.07	5,216.98

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	5,654.24	4,879.36
Adjusted for:		
Profit sharing adjustments	56.03	56.36
Total revenue from contracts with customers	5,710.27	4,935.72

(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	2,305.26	1,808.81
Revenue from operations - Exports	3,783.81	3,408.17
Total	6,089.07	5,216.98
Timing of revenue recognition		
Goods transferred at a point of time	5,953.18	5,101.28
Services transferred at a point of time/over time	135.89	115.70
Total	6,089.07	5,216.98

(iii) Details of contract balances	For the year ended March 31, 2026	For the year ended March 31, 2025
Trade receivables (Refer note no. 9)	2,023.25	2,035.07
Advance from customers (Refer note no. 14)	498.86	291.74

(iv) The amount of revenue recognised from advances from customers at the beginning of the year ₹ 36.85 (March 31, 2025 : ₹ 60.88)

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

18. Other income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Net gain on foreign exchange fluctuations	21.51	0.57
Profit on sale of property, plant and equipment (net) *	-	58.12
Gain on termination of lease	0.48	-
Corporate support service income (Refer note no.33)	7.33	6.39
Miscellaneous income	1.54	0.02
Total	30.86	65.10

* During the year ended March 31, 2025, 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. 33)



Standalone Notes to Financial Statements

for the year ended March 31, 2026

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

19. Cost of materials consumed

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
Raw materials consumed			
Opening stock at the beginning of the year		506.49	479.57
Add : Purchases		2,675.03	2,315.63
		3,181.52	2,795.20
Less : Closing stock at the end of the year		651.17	506.49
	(A)	2,530.35	2,288.71
Packing materials consumed	(B)	94.58	82.67
Total	(A+B)	2,624.93	2,371.38

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
Opening stock of inventories			
Finished goods of API, Intermediates and Formulations		470.32	481.88
Work-in-progress of API, Intermediates and Formulations		691.16	666.05
		1,161.48	1,147.93
Closing stock of inventories			
Finished goods of API, Intermediates and Formulations		602.89	470.32
Work-in-Progress of API, Intermediates and Formulations		795.46	691.16
		1,398.35	1,161.48
(Increase) / Decrease in inventories of finished goods and work-in-progress		(236.87)	(13.55)
(Increase) / Decrease in finished goods of API, Intermediates and Formulations		(132.57)	11.56
(Increase) / Decrease in Work-in-Progress of API, Intermediates and Formulations		(104.30)	(25.11)
(Increase) / Decrease in inventories of finished goods and work-in-progress		(236.87)	(13.55)

21. Employee benefits expenses

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, allowances and wages		541.34	448.35
Contribution to provident fund and other funds		29.45	27.90
Gratuity expense (Refer note no. 28)		28.46	13.99
Share based payment expense (Refer note no. 29)		10.94	10.23
Managerial remuneration (Refer note no. 33)		74.34	37.86
Recruitment and training		2.42	1.49
Staff welfare expenses		70.91	68.82
Total		757.86	608.64

22. Other expenses

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
Consumption of stores and spares		57.36	53.72
Conversion charges		55.84	42.58
Factory maintenance		245.03	213.53
Effluent treatment expenses		102.74	68.76
Power and fuel		330.61	289.49

Standalone 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
Repairs and maintenance		
Plant and machinery	95.04	83.16
Buildings	16.89	10.40
Others	5.87	3.64
Product development	41.11	64.85
Testing and analysis charges	1.24	1.00
Rent	2.12	2.35
Rates and taxes	40.35	38.38
Office maintenance	7.18	6.56
Insurance	34.33	32.93
Printing and stationery	3.15	3.61
Consultancy and other professional charges	44.53	24.72
Membership and subscription	11.70	8.22
Remuneration to auditors		
- Audit fee	0.62	0.62
- Limited review	0.39	0.39
- Other services	0.36	0.32
- Out of pocket expenses	0.03	0.03
Travelling and conveyance	9.29	8.55
Communication expenses	3.31	3.07
Loss on sale of property, plant and equipment (net)	4.44	-
Allowance for bad and doubtful advance and debts	74.89	45.79
Carriage outwards	69.69	66.38
Commission on sales	14.69	30.21
Other selling expenses	2.51	3.10
Business promotion and advertisement	40.00	66.53
CSR expenditure (Refer note no. 26)	12.49	15.77
Donations*	2.75	11.93
Miscellaneous expenses	1.78	0.23
Total	1,332.33	1,200.82

*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.

23A. Finance Income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income on		
Intercorporate loan (Refer note no. 33)	36.73	26.20
Commission on corporate guarantee (Refer note no. 33)	5.24	5.67
Electricity deposits and others	4.60	3.50
Total	46.57	35.37



Standalone Notes to Financial Statements

for the year ended March 31, 2026

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

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	41.11	48.05
- on working capital loans	85.04	117.82
- on others	8.50	8.06
Total interest expense	134.65	173.93
Bank charges	4.51	4.90
Exchange differences to the extent considered as an adjustment to finance costs	3.80	3.37
Total	142.96	182.20

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
Remeasurement gains/(losses) on defined benefit plans	3.88	(1.02)
Deferred tax on remeasurement of defined benefit plans	(0.98)	0.26
Total	2.90	(0.76)

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 available for equity shareholders	740.48	380.39
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 (₹)	13.72	7.06
- Diluted (₹)	13.70	7.05

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 .33)

Standalone Notes to Financial Statements

for the year ended March 31, 2026

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

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	285.12	153.84
Deferred tax credit	(31.51)	(30.42)
Total income tax expense recognised in Statement of Profit and Loss	253.61	123.42

(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	(0.98)	0.26
Total tax recognised in OCI	(0.98)	0.26

(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)	994.09	503.81
Enacted tax rate in India (B)	25.17%	25.17%
Expected tax expenses (C = A*B)	250.19	126.80
Permanent Difference		
Expenses disallowed under Income Tax Act, 1961	19.56	30.58
Impact of rate change on sale of capital assets	-	(20.85)
Tax pertaining to earlier years	(18.73)	(19.28)
Others	12.75	(3.89)
Total (D)	13.58	(13.44)
Profit after adjusting permanent difference	1,007.67	490.37
Expected tax expense	253.61	123.42
Total Tax expense	253.61	123.42
Effective Tax rate	25.51%	24.50%

(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 Company has a defined contribution scheme to provide pension to its eligible employees. The company has established a trust to administer its obligation for payment of pension to the employees. The 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 Company has discontinued the operations during the year, hence there is no expense incurred.

Standalone Notes to Financial Statements

for the year ended March 31, 2026

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

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 Company 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 Company 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. 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	As at March 31, 2026	As at March 31, 2025
A) Net employee benefit expense (recognised in Employee benefits expenses)		
Current service cost	11.50	9.46
Past service cost	12.20	-
Interest cost	5.50	4.91
Expected return on plan assets	(0.74)	(0.38)
Net employee benefit expenses	28.46	13.99
Actual return on plan asset	(1.08)	(0.18)
B) Amount recognised in the Balance Sheet		
Defined benefit obligation	102.84	80.35
Fair value of plan assets	15.32	7.07
	87.52	73.28
C) Changes in the present value of the defined benefit obligation		
Opening defined benefit obligation	80.35	69.92
Current service cost	11.50	9.46
Past service cost	12.20	-
Interest cost	5.50	4.91
Benefits paid	(2.83)	(3.58)
Transfer	-	(1.38)
Net actuarial (gains) / losses on obligation for the year recognised under OCI	(3.88)	1.02
Closing defined benefit obligation	102.84	80.35
D) Change in the fair value of plan assets		
Opening fair value of plan assets	7.07	3.72
Interest on plan assets	0.74	0.38
Remeasurement due to - actual return on plan assets less interest on plan assets	0.34	(0.20)
Contributions	10.00	6.75
Benefits paid	(2.83)	(3.58)
Closing fair value of plan assets	15.32	7.07

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

Particulars	As at March 31, 2026	As at March 31, 2025
Investments with SBI Life Insurance Company Limited	11.50	9.46
E) Remeasurement adjustments:		
Remeasurement gains/ (losses) recognised in other comprehensive income:	3.88	(1.02)

Standalone Notes to Financial Statements

for the year ended March 31, 2026

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

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

Particulars	As at March 31, 2026	As at March 31, 2025
Discount rate	7.79%	7.00%
Expected rate of return on assets	7.79%	7.00%
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	As at March 31, 2026	As at March 31, 2025
Year 1	15.38	12.04
Year 2	14.10	10.68
Year 3	13.59	10.20
Year 4	12.46	9.71
Year 5	11.72	8.77
Beyond 5 years	20.84	21.80

The average duration of the defined benefit plan obligation at the end of the reporting period is 25.54 years (March 31, 2025: 25.50 years).

(iii) Sensitivity analysis:

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

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Effect of 1% change in assumed discount rate on defined benefit obligation		
- 1% increase	(5.83)	(4.44)
- 1% decrease	5.03	4.17
(b) Effect of 1% change in assumed salary escalation rate on defined benefit obligation		
- 1% increase	3.89	3.60
- 1% decrease	(5.13)	(4.19)
(c) Effect of 1% change in assumed attrition rate on defined benefit obligation		
- 1% increase	(1.23)	(1.04)
- 1% decrease	0.14	0.36

(iv) Defined contribution plan

Particulars	As at March 31, 2026	As at March 31, 2025
Contribution to Provident Fund	29.20	25.17
Contribution to Superannuation Fund	-	2.10

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.



Standalone Notes to Financial Statements

for the year ended March 31, 2026

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

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 Company 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 ₹ 19.31 in the provision for gratuity and remeasurement of leave encashment, which has been recognised as employee benefit expense in the current year. The Company continues to monitor the finalisation of Central and State Rules, as well as Government clarifications on other aspects of the Labour Codes.

29. Share based payments

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.

Standalone Notes to Financial Statements

for the year ended March 31, 2026

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

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 price	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

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 2021 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

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for the year ended March 31, 2026

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

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:

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%	26.90%	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%	26.90%	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.

Standalone Notes to Financial Statements

for the year ended March 31, 2026

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

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
	No. of options	No. of options
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 *	71.69	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.	-	-
Total	71.69	46.34

* Includes amount pertaining to trade payables ₹ 45.34 (March 31, 2025: ₹ 27.75) and capital creditors ₹ 26.35 (March 31, 2025: ₹ 18.59)

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.

31. In accordance with Indian Accounting Standard (Ind AS) 108 on Operating segments, segment information has been given in the consolidated financial statements of the Company, and therefore no separate disclosure on segment information is given in these financial statements.

32. Research and development

i). Details of Research and development expenditure incurred during the year debited under various heads of Statement of profit and loss is given below:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
	No. of options	No. of options
Cost of materials consumed		
Raw materials consumed	27.57	29.69
Employee benefits expenses		
Salaries, allowances and wages	95.45	79.18
Staff welfare expenses	6.24	6.00
Recruitment and training	0.10	0.05
Other expenses		
Consumption of stores and spares	2.64	1.50
Factory maintenance	8.15	10.05
Repairs and maintenance		
- Plant and machinery	6.90	4.49
Effluent treatment expenses	1.99	1.70
Power and fuel	8.43	8.88
Product development	34.43	57.00
Testing and analysis charges	2.52	1.11
Rates and taxes	22.00	5.35
Insurance	2.85	2.76
Membership and subscription	4.06	1.67



Standalone 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
	No. of options	No. of options
Consultancy and other professional charges	23.21	11.55
Travelling and conveyance	1.92	1.19
Printing and stationery	0.14	0.28
Communication expenses	0.39	0.40
Business promotion and advertisement	0.13	0.29
Total	249.12	223.14

ii). Details of capital expenditure incurred for Research and Development are given below :

Particulars	Buildings	Plant and equipment	Furniture and fixtures	Computers	Total Property, plant and equipment
Gross carrying value					
As at April 01, 2024	13.07	126.00	17.74	9.92	166.74
Additions	0.97	12.26	0.03	1.70	14.95
As at March 31, 2025	14.04	138.26	17.77	11.62	181.69
Additions	0.35	10.46	-	-	10.81
As at March 31, 2026	14.39	148.72	17.77	11.62	192.50
Depreciation					
As at April 01, 2024	8.59	74.34	11.15	5.07	99.14
Charge for the year	1.28	12.39	1.73	1.64	17.05
As at March 31, 2025	9.87	86.73	12.88	6.71	116.19
Charge for the year	1.28	7.70	0.56	0.00	9.54
As at March 31, 2026	11.15	94.43	13.44	6.71	125.73
Net carrying value					
As at March 31, 2025	4.17	51.53	4.89	4.91	65.50
As at March 31, 2026	3.24	54.29	4.33	4.91	66.77

33. Related party disclosures

Names of related parties and description of relationship

Name of the related party	Relationship
Subsidiary Companies	
i) Sriam Labs Private Limited (Wholly owned subsidiary)	
ii) Laurus Synthesis Private Limited (Wholly owned subsidiary)	
iii) Laurus Holdings Limited (Wholly owned subsidiary)	
iv) Laurus Generics Inc (Subsidiary of Laurus Holdings Limited)	
v) Laurus Generics GmbH (Wholly owned subsidiary of Laurus Holdings Limited)	
vi) Laurus Generics SA (Pty) Limited (Wholly owned subsidiary)	
vii) Laurus Bio Private Limited (Holding 78.34%) (Formerly known as Richcore Lifesciences Private Limited)	
viii) Laurus Specialty Chemicals Private Limited (Wholly owned subsidiary)	
Joint Ventures	
i) KRKA Pharma Private Limited (Holding 49.00%) (w.e.f. October 03,2024)	
Associate Companies	
i) ImmunoAdoptive Cell Therapy Private Limited (Holding 34.89%)	
ii) Ethan Energy India Private Limited (Holding 26.00%) (w.e.f. January 03,2023)	
iii) Kurnool Renewables Private Limited (Holding 26.00%) (w.e.f. May 12,2025)	
Enterprise over which Key Management Personnel or their relatives exercise significant influence	
i) Chemiasoft Private Limited (Formerly known as Laurus Infosystems (India) Private Limited)	
ii) Laurus Charitable Trust	

Standalone Notes to Financial Statements

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
iii) Sterotherapeutics, LLC	
iv) NSN Investments	
Key Management Personnel	
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 Bhinge	Independent Director
vii) Dr. Rajesh Koshy Chandy	Independent Director
viii) Dr. Venugopala Rao Malempati	Independent Director (Retired w.e.f. May 18, 2024)
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
Relatives of Key Management Personnel	
i) Mr. Narasimha Rao Chava	

Transactions with related parties during the year :

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Subsidiary Companies		
i) Laurus Generics SA (Pty) Limited		
Business promotion	0.39	-
ii) Sriam Labs Private Limited		
Conversion charges	8.21	8.40
Purchase of goods	44.65	29.51
Sale of goods	7.50	2.79
Corporate Support service income	0.61	0.58
Product development expenses	-	0.10
Sale of assets	0.78	0.14
Reimbursement of expenses	0.57	0.34
iii) Laurus Holdings Limited		
Business promotion	6.13	5.20
Corporate Support service income	0.06	0.05
iv) Laurus Synthesis Private Limited		
Loan given/(repaid) (net)*	34.00	236.00
Interest income	35.82	23.51
Conversion charges	19.45	10.96
Purchase of goods	18.13	18.73
Sale of goods	20.28	9.07
Sale of assets	4.15	7.16
Purchase of fixed assets	3.65	0.39
Conversion Income	49.28	32.46
Business promotion	-	15.93
Effluent treatment service	0.29	-
Corporate Support service income	4.68	3.99
Reimbursement of expenses	2.04	2.03
Commission received on Corporate guarantee	3.71	4.05
R&D Services Billing	50.92	9.01



Standalone 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
v) Laurus Bio Private Limited		
Investments made	75.00	-
Corporate Support service income	1.27	1.12
Product development expenses	13.20	9.45
Loan given/(repaid) (net)*	1.00	4.00
Interest income	0.90	2.68
Commission received on Corporate guarantee	1.08	1.20
Purchase of goods	3.00	1.37
Sale of Services	0.25	0.07
Sale of assets	0.05	-
Advances given (net)	1.00	-
b) Step-down subsidiary companies		
i) Laurus Generics Inc		
Sale of goods	306.56	189.15
Business promotion	17.49	31.96
Corporate Support service income	0.44	0.42
Conversion income	0.08	2.70
Commission received on Corporate guarantee	0.44	0.42
Purchase of asset	-	0.14
ii) Laurus Generics GmbH		
Corporate Support service income	0.26	0.23
c) Joint Venture company		
i) KRKA Pharma Private Limited		
Investment made	49.00	105.35
Sale of assets	-	90.65
d) Associate companies		
i) Ethan Energy India Private Limited		
Purchase of solar power	7.34	7.30
ii) Kurnool Renewables Private Limited		
Investment made	9.07	-
e) Enterprise over which Key Management Personnel exercise significant influence		
i) Chemiasoft Private Limited		
Software maintenance	3.84	2.95
ii) Laurus Charitable Trust		
Donations	0.26	0.51
CSR expenditure	12.39	15.70
iii) Sterotherapeutics, LLC		
Sale of goods/services	1.32	-
Reimbursement of expenses	0.05	-
iv) NSN Investments		
Rent	9.77	9.78
Reimbursement of expenses	1.18	0.94
Security Deposit	-	1.51
f) Key Management Personnel		
i) Dr. Satyanarayana Chava		
Remuneration	38.12	23.06
ii) Mr. V.V. Ravi Kumar		
Remuneration	10.79	6.13
Rent	-	0.03
iii) Dr. C.V. Lakshmana Rao		
Remuneration	9.16	4.06

Standalone 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
iv) Mr. Krishna Chaitanya Chava		
Remuneration	7.65	1.90
v) Mrs. Soumya Chava		
Remuneration	7.04	1.24
Rent	-	0.06
vi) Mrs. Aruna Bhinge		
Independent directors fee	0.20	0.20
Sitting fee	0.10	0.10
vii) Dr. Rajesh Koshy Chandy		
Independent directors fee	0.36	0.34
Sitting fee	0.10	0.10
viii) Dr. Venugopala Rao Malempati		
Independent directors fee	-	0.03
Sitting fee	-	0.02
ix) Dr. Ravindranath Kancherla		
Independent directors fee	0.20	0.20
Sitting fee	0.06	0.06
x) Mr. Sekar Karnam		
Independent directors fee	0.20	0.19
Sitting fee	0.07	0.06
xi) Mr. Ramesh Subrahmanian		
Independent directors fee	0.20	0.14
Sitting fee	0.10	0.06
xii) Mr. G. Venkateswar Reddy		
Remuneration	0.86	0.91
g) Relatives of Key Management Personnel		
i) Mr. Narasimha Rao Chava		
Remuneration	1.55	1.68

Closing balances (Unsecured)

	As at March 31, 2026	As at March 31, 2025
a) Subsidiary Companies		
i) Laurus Generics SA (Pty) Limited		
Trade payable	0.11	-
ii) Sriam Labs Private Limited		
Trade receivable	1.62	0.39
Trade payable	14.45	6.57
iii) Laurus Holdings Limited		
Trade payables	0.44	0.40
Trade Receivable	0.02	0.01
iv) Laurus Synthesis Private Limited		
Other receivable	0.82	7.57
Trade payable	17.58	33.45
Capital creditors	2.19	-
Other payables	1.83	-
Trade receivable	47.63	41.79
Inter corporate loan	474.50	440.50
v) Laurus Bio Private Limited		
Trade payable	5.86	8.31
Trade receivable	8.07	1.48



Standalone Notes to Financial Statements

for the year ended March 31, 2026

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

	As at March 31, 2026	As at March 31, 2025
Inter corporate loan	33.00	32.00
Advances	1.00	-
Corporate guarantee commission received	6.26	-
b) Step-down subsidiary Companies		
i) Laurus Generics Inc.		
Trade receivable	96.42	188.74
Trade payables	-	3.43
ii) Laurus Generics GmbH		
Trade receivable	0.07	0.06
c) Enterprise over which Key Management Personnel exercise significant influence		
i) Chemiasoft Private Limited		
Trade payables	0.13	-
ii) Sterotherapeutics, LLC		
Trade receivable	1.53	0.04
iii) NSN Investments		
Trade Payables	0.01	0.08
Security deposit	2.43	2.43
d) Key Management Personnel ^		
i) Dr. Satyanarayana Chava		
Remuneration payable	23.64	9.89
ii) Mr. V.V. Ravi Kumar		
Remuneration payable	5.91	1.66
iii) Dr. C.V. Lakshmana Rao		
Remuneration payable	5.91	1.11
iv) Mr. Krishna Chaitanya Chava		
Remuneration payable	5.91	0.31
v) Mrs. Soumya Chava		
Remuneration payable	5.91	0.23
vi) Dr. Rajesh Koshy Chandy		
Independent directors fee payable	-	0.02
vii) Mr. Ramesh Subrahmanian		
Independent directors fee payable	0.04	0.02
viii) Mr. G. Venkateswar Reddy		
Remuneration payable	0.18	0.16
e) Relatives of Key Management Personnel		
i) Mr. Narasimha Rao Chava		
Remuneration payable	0.33	0.36

* Net of loan given ₹ 34.00 Maximum balance outstanding during the year ₹ 489.50 ; (March 31, 2025 : ₹ 440.50) loan given for business purposes at the rate of interest ranging from 8.50% to 7.50% (March 31, 2025 : 8.50%)

Maximum balance outstanding during the year ₹ 35.00 ; (March 31, 2025 : ₹ 33.00) loan given for business purposes at the rate of interest 7.50% (March 31, 2025 : 8.50%)

The Company has provided guarantees for ₹ 673.55 in the form of Corporate guarantees to CITI, SBI, HDFC, EXIM and DBS Bank for the loans obtained by Laurus Synthesis Private Limited, Laurus Bio Private Limited & Laurus Generics Inc, USA . (March 31, 2025: ₹ 534.01 in the form of Corporate guarantees to CITI, SBI and DBS Bank for the loans obtained by Laurus Synthesis Private Limited, Laurus Bio Private Limited & Laurus Generics Inc, USA).

^As the future liability for gratuity and leave encashment is provided on an actuarial basis for the Company 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.

Standalone Notes to Financial Statements

for the year ended March 31, 2026

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

34. Significant accounting judgements, estimates and assumptions

The preparation of the Company's 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. Refer note 37 and 38 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.



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for the year ended March 31, 2026

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

(v) Impairment of investments

The Company reviews its carrying value of investments annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

(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(i))

(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(d) and 2(p))

35. Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

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
Financial assets at fair value through profit & loss:				
Investments	21.06	3.41	21.06	3.41
Financial assets at cost:				
Investments	869.88	736.81	869.88	736.81
Financial assets at amortised cost:				
Loans	508.17	473.19	508.17	473.19
Other financial assets	40.57	56.94	40.57	56.94
Trade receivables	2,023.25	2,035.07	2,023.25	2,035.07
Cash and cash equivalents	37.51	50.36	37.51	50.36
Other balances with banks	0.31	0.28	0.31	0.28
Financial liabilities at amortised cost:				
Borrowings (Non-current and current)	1,998.75	2,324.64	1,998.75	2,324.64
Interest accrued	3.50	8.98	3.50	8.98
Trade payables	1,197.27	928.70	1,197.27	928.70
Capital creditors and others	262.78	185.03	262.78	185.03
Lease liabilities	81.62	55.12	81.62	55.12
Financial liabilities at fair value through profit and loss:				
Derivative contracts	9.63	0.39	9.63	0.39
Financial liabilities at fair value through OCI				
Hedges of highly probable forecasted transactions	-	-	-	-

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.

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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.

36. Fair value hierarchy

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

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

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

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

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



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for the year ended March 31, 2026

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

37. Financial risk management objectives and policies

Financial risk management framework

The Company 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 Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

A 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 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 Company'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 ₹ 737.22) is due from the Company's customers individually representing more than 5% of the total trade receivables balance and accounted for approximately 17.7% (March 31, 2025: 36.2%) of all the receivables outstanding. The Company's 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 Company 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 Company 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 Company 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 2 (p)

Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 2,023.25 (March 2025: ₹ 2,035.07), being the total of the carrying amount of balances with trade receivables.

Loans are given to subsidiaries for the purpose of working capital and other business requirements. Other than trade receivables and loans, the Company has no significant class of financial assets that is past due but not impaired.

B Liquidity risk

Liquidity risk refers to the risk that the Company 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 Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing

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for the year ended March 31, 2026

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

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 Company's financial liabilities based on contractual undiscounted payments*:

Particulars	Up to 1 Year	1 to 3 years	3 to 5 years	> 5 years	Total
As at March 31, 2026:					
Non-current borrowings (including current maturities)	219.28	327.71	50.53	-	597.52
Current borrowings	1,401.23	-	-	-	1,401.23
Interest accrued	3.50	-	-	-	3.50
Trade payables	1,196.75	0.52	-	-	1,197.27
Other payables	272.41	-	-	-	272.41
	3,093.17	328.23	50.53	-	3,471.93
As at March 31, 2025:					
Non-current borrowings (including current maturities)	256.21	372.98	41.27	-	670.46
Current borrowings	1,654.18	-	-	-	1,654.18
Interest accrued	8.98	-	-	-	8.98
Trade payables	928.70	-	-	-	928.70
Other payables	185.03	-	-	-	185.03
	3,033.10	372.98	41.27	-	3,447.35

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

C 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. Exposure to market risk with respect to commodity prices primarily arises from the Company's purchases and sales of active pharmaceutical ingredients, including the raw material components for such active pharmaceutical ingredients. These are commodity products, whose prices may fluctuate significantly over short periods of time. The prices of the Company's raw materials generally fluctuate in line with commodity cycles, although the prices of raw materials used in the Company's active pharmaceutical ingredients business are generally more volatile. Cost of raw materials forms the largest portion of the Company's operating expenses. Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. As of March 31, 2026, the Company had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

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 Company's position with regards to interest income and interest expenses and to manage the interest rate risk. The Company is exposed to interest rate risk primarily because it borrows funds at floating interest rates. The Company's open positions under derivatives and other financial instruments do not expose the Company 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 Company'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
As at March 31, 2026				
Indian Rupees	0.50%	0.50%	(8.75)	8.75
US Dollars	0.50%	0.50%	(0.98)	0.98

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for the year ended March 31, 2026

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Particulars	Change in basis points		Effect on profit before tax	
	Increase	Decrease	Decrease	Increase
As at March 31, 2025				
Indian Rupees	0.50%	0.50%	(9.88)	9.88
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 or 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 Company 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 functional currencies of the Company. The Company, as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange. The Company 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 - receivables
March 31, 2025 Buy US \$ 2,35,50,768.27	Designated as fair value hedge - Payables and Secured loans

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	42,014,629	397.69	94.65	15,692,984	134.30	85.58
	EURO	718,146	7.83	109.01	467,408	4.32	92.32
	GBP	-	-	125.63	35,872	0.40	110.74
	CAD	-	-	68.03	142,317	0.85	59.99
	SGD	4,477	0.03	73.29	-	-	64.02
Capital creditors	USD	275,718	2.61	94.65	279,500	2.39	85.58
	EURO	826,437	9.01	109.01	113,460	1.05	92.32
Trade receivables	USD	47,061,654	445.46	94.65	104,600,002	895.18	85.58
	EURO	8,529,172	92.97	109.01	9,121,462	84.21	92.32
	GBP	1,250	0.02	125.63	1,250	0.01	110.74
	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	2,827,707	26.77	94.65	417,359	3.57	85.58

* Amount less than Indian Rupees 100,000.

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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 Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives. The Company'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)	
As at March 31, 2026				
USD	1.00%	1.00%	(1.09)	1.09
EURO	1.00%	1.00%	0.76	(0.76)
As at March 31, 2025				
USD	1.00%	1.00%	6.32	(6.32)
EURO	1.00%	1.00%	0.79	(0.79)

38. Capital management

For the purpose of the Company'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 Company's capital management is to maximise the shareholder value.

The Company manages its capital structure in consideration to the changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company 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)	2,002.25	2,333.62
Less: Cash and cash equivalents; other balances with banks (Note 10A & 10B)	(37.82)	(50.64)
Net debt	1,964.43	2,282.98
Equity	107.97	107.85
Other equity	5,143.97	4,456.10
Total equity	5,251.94	4,563.95
Gearing ratio (Net debt/ Total equity)	0.37	0.50

In order to achieve this overall objective, the Company'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.

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 - Company as lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company 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

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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 Company 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 Company uses incremental borrowing rate.

The Company 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	106.90	115.99
Additions	38.36	1.39
Deletions	(4.33)	-
Depreciation	(9.33)	(10.48)
Closing Balance	131.60	106.90

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	55.12	60.76
Additions	38.36	1.39
Deletions	(4.81)	-
Finance cost accrued during the year	3.94	4.78
Payment of lease liabilities	(10.99)	(11.81)
Closing Balance	81.62	55.12

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	73.80	46.90
Current lease liabilities	7.82	8.22
Total	81.62	55.12

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	10.32	11.75
After one year but not more than five years	33.93	28.99
More than five years	1,226.24	1,182.90

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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	237.18	154.73

C. Contingent liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Outstanding bank guarantees (excluding performance obligations)	302.51	319.91
(ii) Claims arising from disputes not acknowledged as debts - direct taxes	25.55	14.54
(iii) Claims arising from disputes not acknowledged as debts - indirect taxes	59.78	62.57
(iv) On account of provident fund liability	7.57	7.57
(v) Corporate guarantees	673.55	534.01

40. Ratios

The following are the analytical ratios for the year ended March 31, 2026 and March 31, 2025

Particulars	Numerator	Denominator	As at March 31, 2026	As at March 31, 2025	Variance	Reasons for variance
Current Ratio	Current Assets	Current Liabilities	1.34	1.27	6%	
Debt-Equity Ratio	Total Debt (1)	Shareholder's Equity	0.38	0.51	-25%	The variance is due to increase in profits and reduction in overall debt
Debt Service Coverage Ratio	Earnings available for debt service (2)	Debt service (3)	3.87	2.64	47%	The variance is due to increase in profits
Return on Equity (ROE)	Net profit after taxes	Average Shareholder's Equity	15.09%	8.67%	74%	The variance is due to increase in profits
Inventory Turnover Ratio	Revenue from Operations	Average Inventory	3.14	3.04	3%	
Trade Receivables Turnover Ratio	Revenue from Operations	Average Receivables	3.00	2.84	6%	
Trade Payables Turnover Ratio	Purchases	Average Trade Payables	2.68	2.51	7%	
Net Capital Turnover Ratio	Revenue from Operations	Working Capital (4)	5.51	6.18	-11%	
Net Profit Ratio	Net Profit	Revenue from Operations	12.16%	7.29%	67%	The variance is on account of increase in Profit after tax which is primarily on account of increase in revenue
Return on Capital Employed (ROCE)	Earnings Before Interest and Taxes (EBIT)	Capital Employed (5)	15.52%	9.97%	56%	The variance is on account of increase in Profits.
Return on Investment (6)	Income generated from investments	Investment	N.A.	N.A.	-	

- (1) Long Term borrowings + Short Term borrowings + interest accrued
- (2) Net profit after tax + Depreciation and amortisation + Term loan Interest
- (3) Term loan Interest + Principal repayments
- (4) Current assets - Current liabilities
- (5) Networth + net total debt including interest accrued - cash and cash equivalents
- (6) The Company is not having any market linked investments.

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

41. Other statutory information

- i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- ii) The Company does not have any transactions with companies struck off.
- iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- vi) The Company 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 company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- vii) The Company 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 Company 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 Company doesn't 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.

42. 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.

43. 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 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.

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

The Scheme inter alia provides for the following:

- i) The demerger of LSPL, whereby the Identified Business Undertaking i.e., Unit-1 of LSPL shall be demerged and be merged with Sriam; and
- ii) 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 Applicant 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.

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

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

G. Venkateswar Reddy
Company Secretary
Membership No. F7016