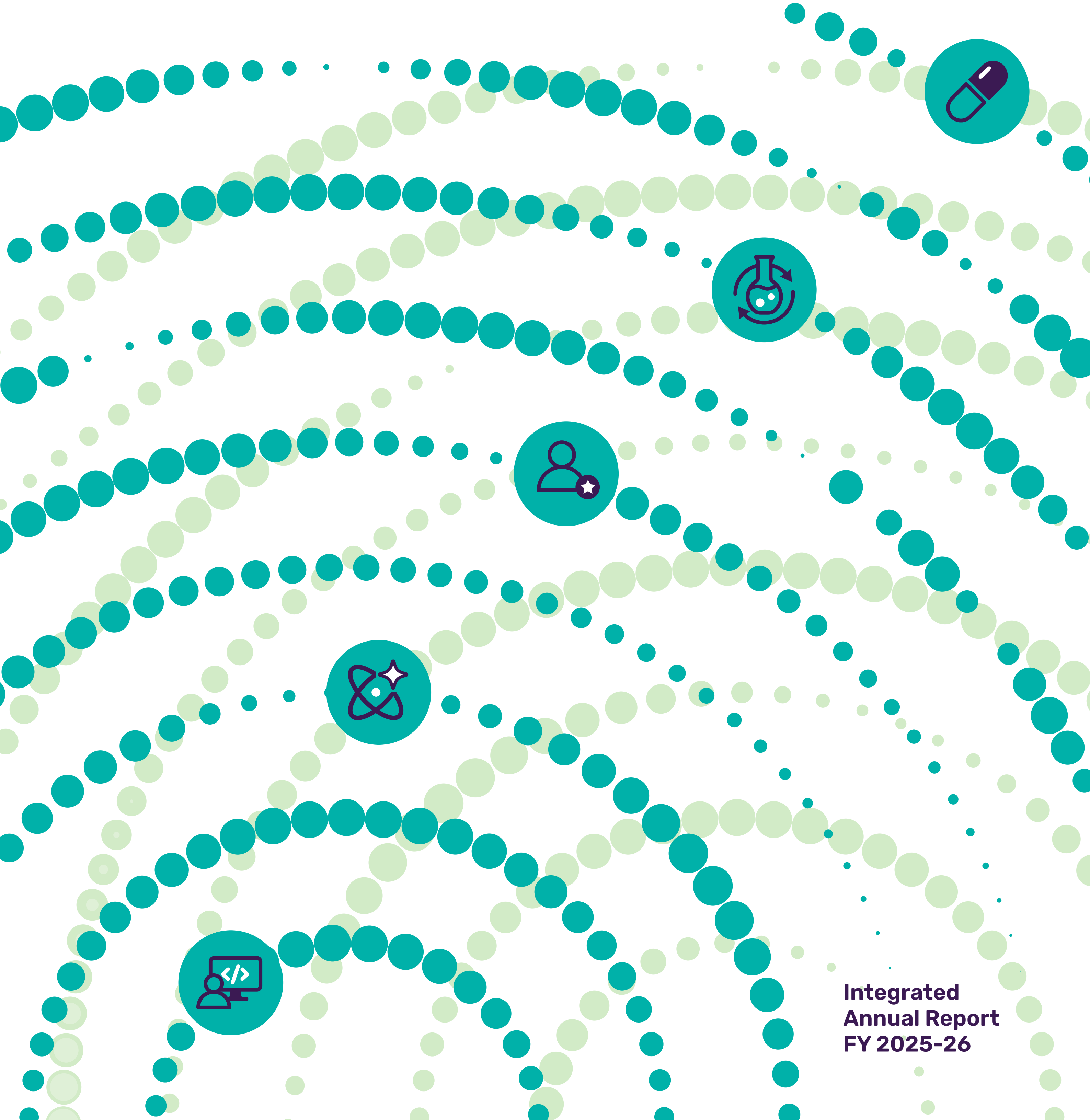
20 years of Chemistry for Better Living

LAURUS Labs
Chemistry for Better Living

Grounded in Values, Growing in Capability.



Integrated
Annual Report
FY 2025-26

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Dr. Satyanarayana Chava

Executive Director and
Chief Executive Officer

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Investments continued across our facilities spanning CDMO, Affordable Medicines and FDF. These expansions are reinforcing our commitment to being a high-quality development and manufacturing partner at scale, including in advanced therapies.

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Our people have been central to our success. We remain focused on building an organisation where talent, learning, safety and well-being evolve alongside business growth, enabling our teams to contribute meaningfully in a high-performance and values-driven environment.

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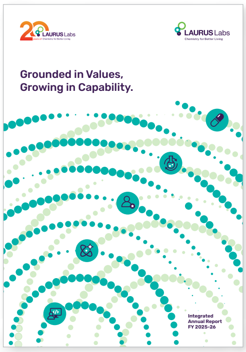
Our governance framework is anchored in ethical conduct, transparency and accountability. Our Code of Conduct and supporting policies guide decision-making across the organisation, ensuring responsible business practices and respect for human rights.

Read more

Scan the code to view the report online

About the Report



This Integrated Report presents a holistic view of Laurus' performance for FY 2025-26, bringing together financial and non-financial disclosures to explain how we create and sustain value over time. It reflects the interplay between our purpose, strategy, governance, business model, risks and opportunities, and the operating context in which we deliver long-term stakeholder value.

Reporting Period and Boundary

This Report covers the period from April 1, 2025 to March 31, 2026. Financial information is presented on a consolidated basis. Non-financial and ESG disclosures cover the Company's manufacturing and R&D locations within the defined reporting boundary.

Frameworks and Alignment

The Report has been prepared in accordance with applicable statutory requirements and with reference to globally recognised reporting frameworks and standards, including the Global Reporting Initiative (GRI) and Indian Accounting Standards (Ind AS). These alignments support consistency, transparency and comparability across disclosures.

Board Responsibility

The Board believes that this Report presents a fair, balanced and credible account of the Company's financial, operational, governance and sustainability performance for FY 2025-26. The contents have been compiled by the relevant functions and reviewed under the oversight of senior management.

Assurance

Management has undertaken an internal review of the disclosures contained in this Report to support their accuracy, completeness and reliability, and to ensure that the information is presented in a balanced and transparent manner.

Feedback and Queries

We welcome stakeholder feedback on this Report. Suggestions, comments and queries may be shared at

secretarial@lauruslabs.com

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Stakeholders

- Customers
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UN SDGs Impacted

- 1 NO POVERTY
- 2 ZERO HUNGER
- 3 GOOD HEALTH AND WELL-BEING
- 4 QUALITY EDUCATION
- 5 GENDER EQUALITY
- 6 CLEAN WATER AND SANITATION
- 7 AFFORDABLE AND CLEAN ENERGY
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Grounded in Values, Growing in Capability.

Twenty years ago, Laurus began with a clear belief: that science-led innovation, guided by strong values, can create enduring impact. Laurus strategy centres on being a research-driven manufacturing organisation.

Two decades on, that belief continues to shape every decision we make.

20 years of Chemistry for Better Living
LAURUS Labs

Our journey has been one of deliberate evolution. What began as a focused API platform has grown into an integrated platform to manufacture formulation by adopting latest technologies available globally. This transformation has been built through sustained investments in people, science and infrastructure, creating a stronger and more resilient foundation over time.

At the core of this progress is a deep commitment to values. Knowledge, Innovation, Excellence, Integrity and Care are not just words. They shape how we think, build and grow. One quality standard across markets. Respect for people and partnerships. Discipline in capital allocation. Together, these principles have helped us build credibility and long-term relationships in complex, high-value segments.

Today, Laurus is increasingly positioned at the intersection of chemistry, biology and emerging modalities. Our capabilities across CDMO, Affordable medicines and newer technologies are enabling us to participate more meaningfully in complex therapies and long-duration programmes, supported by a diversified pipeline. The same values-led approach also informs our ESG focus, strengthening our commitment to responsible growth and stakeholder trust.

As we mark this 20-year milestone, we do so with clarity and intent. We are defined not only by what we manufacture, but by how we innovate, partner and execute. Our focus remains on building depth, not just scale, and on creating long-term value.

20 Years and Beyond

For 20 years, we have been guided by a vision that has remained constant, even as it has strengthened over time. What began as a bold scientific aspiration has grown into an organisation of far greater scale and capability. Yet through every phase of transformation, the spirit at our core has remained the same: to build with purpose, think long-term and keep raising the bar.

Our rewarding journey has taken us from leadership in the ARV space to commercial supplies of multiple NCE APIs, while steadily deepening our investments in science and scale. Our progress has been shaped by a conscious choice to get better before getting bigger, an approach that has helped transform us into a fully integrated, research-driven manufacturing company. The road has also tested us at times, including through a few existential moments, but each phase has left us stronger and better prepared for what lies ahead.

Our Evolution – Transforming Laurus with Focus & Agility

		One Product (2006-10)	API Company (2011-15)	Formulation (2016-20)	Integrated (2021 till March, 2026)
Employees		883	2,266	4,808	**8,126**
Scientists		400+	500+	750+	**1,540+**
Manufacturing	# Sites	1 (FDA approved)	2 (2 FDA approved)	9 (6 FDA approved)	**15* (7 FDA approved)**
	Reactor Volume (KL)	220	1,870	4,638	**~8,200**
	Oral Dosage (Bn)	-	2	5	**12+**
	Fermentation (KL)	-	-	10	**240+**
API portfolio		12	28	61	**92**
FDF portfolio		-	-	50	**94**
CDMO	Pipeline Projects	-	<20	50	**125+**
Audits	Regulatory[1]	3 (0 CF[2])	16 (0 CF)	27 (0 CF)	**29 (0 CF)**
	Clients	80	171	389	**646**

₹ 6,813 crore

Revenues (FY 2025-26, +23%)

26.8% EBITDA

Business Division

CDMO

Contract Development & Manufacturing Services

31%

% to revenues

Affordable medicines

FDF and API

69%

* Developed market (US/EU/Canada) * Includes 3 US FDA approvable sites

[1] Inspections from key 6 global regulators USFDA/WHO/PMDA/ANVISA/TGA/One of the European agencies

[2] CF-Critical Findings

Beyond 20, the horizon before us is wider and more promising. We are shaping an integrated platform that can partner global customers across the full lifecycle, from development to commercial supply, spanning multiple modalities. Backed by sustained investments in manufacturing capacity and scientific depth, we are building not only for the opportunities in front of us, but also for those beginning to emerge.

This next chapter will be defined by deeper platform strength and thoughtful expansion. From flow chemistry, biocatalysis, fermentation, peptides and continuous manufacturing to selective investments in ADC-related capabilities, integrated services and gene therapy infrastructure, we are widening the canvas with intent. The ambition is not merely to grow bigger, but to become more capable, more relevant and more valuable with every step forward.

FY 2025-26 HIGHLIGHTS

Momentum Built on Capability

Financial

₹ 6,813 crore
Revenue from operations
↑ 23%

₹ 1,826 crore
EBITDA
↑ 64%

26.8%
EBITDA margin
↑ 6.7% bps

₹ 889 crore
Profit after tax
↑ 148%

14.6%
Dividend payout ratio

17.7%
Return on capital employed
↑ 8% pp

↑ y-o-y growth

Operational

Advancing Peptides development & manufacturing infrastructure in Vizag to support fully integrated programmes

Established Gene therapy/ ADC process development lab in Hyderabad

Accelerating greenfield capacity creation for microbial fermentation in Vizag

Completed 132 Quality audits in FY 2025-26
Company has successfully passed audit inspections without critical findings

ESG

Achieved a Global Corporate Sustainability Assessment (CSA) & ESG score of 81 out of 100 points, an impressive 8 points increase over the last year

Consecutive Four Years' MSCI "BBB" Rating (as on September 2025), S&P Global Sustainability Yearbook 2026 member from Pharma industry

Commenced process of establishing GHG targets aligned with SBTi standards

1,17,375 GJ
Energy consumed from renewable sources

3,42,862 KL
Water recycled or reused

9%
Female employees

1,11,941
Man-hours spent on health and safety training

50%
Independent Directors

20%
Women Directors

LAURUS AT A GLANCE

Advancing Science with Purpose

Guided by the principle “Chemistry for Better Living”, we are advancing science through differentiated capabilities that expand access, enable innovation and support better health outcomes across global markets.

Laurus is a research-led pharmaceutical and biotechnology company offering an integrated platform across Affordable medicines and CDMO services. From our strong base in APIs and FDF, we have evolved into a global development and manufacturing partner with capabilities spanning early development through commercial supply.

Our operations are anchored in deep scientific expertise, manufacturing scale and an expanding suite of technology platforms across complex chemistry and emerging modalities. Beyond small molecules, we are strengthening our presence in biotechnology, large molecules, cell and gene therapies, while broadening our offerings across human and animal health, crop science and specialty ingredients.

With one quality standard for all markets and a long-term, partnership-led approach to growth, we are building a more differentiated position in global healthcare, bringing together access, innovation and execution at scale. This journey is supported by a clear focus on responsible growth, environmental stewardship, ethical business conduct and long-term value creation.

Business Divisions

Affordable Medicines

Our Affordable medicines business remains a core pillar of the Company, supported by integrated capabilities and disciplined execution across APIs and finished dosage forms.

API

Large-scale active pharmaceutical ingredient manufacturing backed by process expertise, backward integration and execution reliability.

40%
Revenue contribution

FDF

Formulation development and manufacturing capabilities that extend integration and support wider market access.

29%
Revenue contribution

CDMO

We serve global pharmaceutical and biotechnology partners across development and manufacturing, with capabilities spanning early-stage programs to commercial supply.

Small Molecules

Complex chemistry capabilities supported by process expertise, scale-up strength and integrated manufacturing infrastructure.

28%
Revenue contribution

Bio

A growing bio platform built on fermentation-led capabilities and positioned to support future opportunities in bio-manufacturing and emerging modalities.

3%
Revenue contribution

20 years
of industry experience

8,200 KL
Reactor volumes

12 billion
Units OSD capacity

240 KL
Fermentation capacity

15
Manufacturing sites

6
R&D sites

125+
Active CDMO projects

94
DS/ DP launches

8,126
Employees, including

3,134
Scientists/quality team

6th consecutive year
Certified as Great Place to Work

2nd consecutive year
S&P Global Sustainability Yearbook 2026

Our Differentiators

Scalable and Integrated Manufacturing Network
Our development and manufacturing platform is built to support a broad range of products and customer requirements, from early-stage work to commercial supply.

Global Customer Base
We work with a diverse set of global pharmaceutical and biotech partners across regulated and emerging markets.

One Quality Standard across Markets
A consistent quality philosophy underpins every product, program and market we serve.

Strong Team Guided by Experienced Management
A committed talent base and experienced leadership team continue to support disciplined execution and long-term growth.

Robust R&D Capabilities
Deep scientific expertise and process development capabilities enable us to solve complex chemistry challenges and support faster, more effective scale-up.

Evolving Technology-led Platform
Capabilities across flow chemistry, biocatalysis, fermentation, peptides and other advanced modalities strengthen our ability to deliver differentiated solutions.

Awards and Recognitions

Platinum

Safety Excellence Award at Safety Award Goa 2026

Gold

Best Safety Performer for the year 2025 at CII Andhra Pradesh Industrial Safety Excellence Awards 2025.

Silver

State Energy Conservation Award SECA-2025 by State Energy Conservation Mission (SECM), A Govt. of AP Society

Bronze

Fire Safety Excellence Awards 2026 by AP State Disaster Response and Fire Services Department.

Recognised as a Sustainability Yearbook Member 2026 by S&P Global for its performance in the Corporate Sustainability Assessment (CSA) 2025.

Certified as great workplace by Great Place To Work®, India

BUSINESS MODEL

Turning Capability into Compounding Value

Input

Financial Capital

Deploying financial resources to generate long-term value through strategic investments.

- Equity: ₹ 5,300 crore
- Debt: ₹ 2,397 crore
- Gross Block: ₹ 7,650 crore

Intellectual Capital

Strengthening innovation through R&D, securing patents and developing differentiated solutions.

- R&D investment: ₹ 282 crore
- R&D centres: 6
- R&D and quality team strength: 3,134

Manufactured Capital

Enabling scalable and integrated manufacturing and operational efficiency through technology-led process improvements.

- 15 manufacturing sites, including bio division
- 100% manufacturing sites are cGMP compliant

Social and Relationship Capital

Building stakeholder trust through transparent engagement and proactive responsiveness.

- CSR spend: ₹ 12.5 crore
- Regulatory and customer audits: 132

Human Capital

Cultivating a highly skilled team through targeted training and aligning their expertise with our vision

- Total employees: 8,126
- Employee benefit expense: ₹ 895 crore
- Health and safety training hours: 1,11,941 man-hours

Natural Capital

Safeguarding natural resources by adopting sustainable sourcing and optimising operations.

- Energy from renewable sources: 1,17,375 GJ
- Energy from non-renewable sources: 48,63,278 GJ
- Water consumed: 10,46,969 KL

Value Creation Process

Vision

To be a leading player in offering integrated solutions for global pharmaceutical needs in creating a healthier world.

Values

Knowledge
Integrity
Excellence
Innovation
Care

Business Division

CDMO

- Small Molecules
- Bio

Business Activities

- Advance integrated development and manufacturing programmes
- Execute complex chemistry and commercial-scale production
- Supply high-quality APIs and formulations across global markets

Strategy

Innovate

Stakeholders Impacted

Employees · Communities · Customers · Suppliers · Government / Regulatory Authorities · Investors

Mission

We constantly strive for innovation to enhance quality and to provide affordable, integrated pharmaceutical solutions to facilitate wellness and well-being across the globe.

Our Pillars of Excellence

Quality · Safety · Compliance

Affordable Medicines

- API
- FDF

- Strengthen long-term customer partnerships
- Expand capabilities across existing and emerging platforms

Excel · Expand

Output	Outcome
Revenue: ₹ 6,813 crore; EBITDA: ₹ 1,826 crore; Market capitalisation: ₹ 536 billion; Total dividend paid: ₹ 86 crore	Enhanced shareholder returns through capital appreciation and dividend payout
244 patents granted; 94+ launches across drug product (DP) and drug substance (DS)	Superior solutions, patent portfolio growth and expanded expertise
12 billion tablets and capsules formulation (OSD); Zero incidents of product recall; 11 ongoing growth projects (7 API, 2 FDF, 1 Fermentation, 1 Gene Therapy/ADC); 8,200 KL reactor capacity	Increased efficiency through technological advancements in continuous manufacturing
275+ clients served; ₹ 294 crore direct taxes paid	Strengthened trust and collaboration with all stakeholders, including regulatory bodies
Certified as great place to work; 100% of employees received career development reviews; Healthy and skilled workforce	A more skilled workforce aligned with organisational goals through ongoing development
'BBB' rated by MSCI ESG Rating; S&P Global ESG Score of 81 (vs. PY: 73); 3,77,764 tCO_2e of Scope 1 Emissions; 1,89,832 tCO_2e of Scope 2 Emissions; 37,449 tonnes of waste recycled and re-used; 2nd Consecutive year in S&P Global Yearbook	Reduced environmental impact through sustainable practices and operational efficiency

Chairman's Statement

Dear Stakeholders,

As Laurus marks two decades of its journey, FY 2025-26 stands as a year that reflects both progress and perspective. Over the past 20 years, the Company has evolved with discipline, building capabilities, relationships and a values-led culture that continue to guide its growth. This milestone offers an opportunity not only to reflect on the path traversed, but also to reaffirm the principles that will shape the next phase of our journey.

Macro and Industry Perspective

The global pharmaceutical and life sciences industry continues to undergo structural shifts. Increasing complexity in drug development, heightened regulatory expectations and a growing emphasis on environmental, social and governance (ESG) performance are reshaping how companies operate. At the same time, there is a clear movement towards diversification of manufacturing partnerships, with innovators seeking reliable, integrated partners capable of supporting the full product lifecycle.

These trends have strengthened the role of contract development and manufacturing organisations, particularly those with scientific depth, operational scale and a proven track record of execution. India continues to be well positioned within this evolving landscape, supported by its talent base, manufacturing capabilities and increasing integration into global supply chains.

Business Performance

Against this backdrop, Laurus delivered a strong and consistent performance during the year. Growth was supported by continued momentum in the CDMO business, alongside stable contributions from the Affordable Medicines segment. Improved product mix, better utilisation of recently commissioned capacities and disciplined execution contributed to a meaningful expansion in margins over the course of the year.

At a broader level, the progress reflects the benefits of investments made over recent years to strengthen capabilities, expand infrastructure and enhance the Company's positioning across the development and manufacturing value chain. The business today is more diversified, with deeper customer engagements and a growing presence across multiple geographies.

Sustainability and Governance

The Company remains committed to operating with the highest standards of quality, compliance and governance. The principle of maintaining a single quality standard across all markets continues to underpin operations, reinforcing trust with customers and regulators alike.

Laurus has also continued to advance its sustainability agenda, with focused efforts towards improving energy efficiency, increasing the share of renewable energy and embedding environmentally responsible practices across its manufacturing network. These initiatives, alongside strong governance frameworks, reflect the Company's broader responsibility to its stakeholders and the communities it serves.

Vision and Way Forward

Looking ahead, the Company remains focused on strengthening its integrated capabilities, deepening strategic customer partnerships and selectively expanding into areas that offer long-term value. Continued investments in infrastructure, technology platforms and talent will be critical to sustaining growth in an increasingly complex and competitive environment.

While the operating environment may continue to evolve, Laurus enters the next phase of its journey with a stronger foundation, improved visibility across its business segments and a clear sense of direction anchored in its core values.

Acknowledgements

On behalf of the Board, I would like to express my sincere appreciation to our employees for their dedication and commitment, to our customers and partners for their continued trust and to our shareholders for their steadfast support over the years.

As we step into the next chapter, we remain confident in our ability to build on this foundation and create enduring value for all stakeholders.

Sincerely,

Dr. K. Ravindranath
Non-Executive Chairman and Independent Director

Looking ahead, the Company remains focused on strengthening its integrated capabilities, deepening strategic customer partnerships and selectively expanding into areas that offer long-term value.

CEO's Message

Dear Stakeholders,

As we complete 20 years, I am pleased to share that, guided by our purpose of improving lives through our chemistry expertise, we continued to address evolving healthcare needs while building enduring value for our stakeholders. During the year, operational momentum strengthened, our investment programmes advanced steadily, and the capabilities built over the past several years translated more visibly into business performance. Our progress is anchored in the values that have shaped us and continue to define our path ahead.

Operating Environment

The operating environment remains positive despite global challenges. Across the global pharmaceutical landscape, customers are seeking deeper, more strategic partnerships, increasing demand for partners with strong process chemistry capabilities, specialised technology platforms, and the ability to operate at scale. Customers are also rebalancing their sourcing networks to reduce concentration in selected geographies, positioning India well to benefit from this diversification. At the same time, sustained demand for affordable healthcare underpins the generics opportunity, while advances in new modalities are widening the sector's long-term potential.

Financial Performance

Against this backdrop, we reported revenues of ₹ 6,813 crore, reflecting 23% growth over the previous year, supported by robust demand across our CDMO and Affordable Medicine businesses. EBITDA stood at ₹ 1,826 crore, with margins of 26.8%, marking a significant improvement over last year, driven by a favourable product mix and better utilisation of assets.

Gross margins were healthy at 60.4%. Return on capital employed improved to 17.7%, supported by stronger operating efficiency and disciplined capital deployment. During the year, we invested ₹ 1,070 crore in capital expenditure, primarily towards expanding our CDMO manufacturing capabilities, while net debt-to-EBITDA improved to 1.3x.

CDMO Momentum

Our CDMO business is one of the key driver of our long-term growth trajectory. For the year, CDMO revenues increased by 36%, with strong momentum in small molecules supported by late-stage and commercial programme deliveries, repeat business from existing customers, and ramp-up of new manufacturing assets. Small molecule CDMO pipeline momentum is healthy, with a balanced mix of large pharma and mid- and small-biotech companies. We are also seeing increasing engagement in complex chemistries and advanced modalities. Our active pipeline stands at over 125 projects across human health, animal health, and crop science, providing continuity and depth to customer relationships.

Affordable Medicines Strength

Our Affordable Medicines business provided scale and stability through the year. The division increased revenues by 18%, supported by ARV volumes, formulations growth, and progress in developed markets. This business is foundational to our portfolio and plays an important role in our market reach and operating base. We strengthened our ARV portfolio, expanded formulation opportunities, advanced CMO-led activity, and made steady progress in product filings.

Capability Expansion

Alongside this, we expanded our manufacturing network and strengthened niche capabilities. In CDMO, we advanced our capabilities in peptides development and manufacturing and also invested further in enabling technologies such as flow chemistry, biocatalysis, and other specialised platforms. Construction of the Vizag microbial fermentation facility is progressing in line with our plan.

In formulations, the oral dosage capacity expansion became operational in part and being used for commercial supplies; while the KRKA joint venture facility construction is progressing as scheduled, with Phase 1 expected to be completed in mid-2027. We also operationalised process development laboratories for gene therapy and antibody-drug conjugates in Hyderabad and continue to invest in new modalities. These initiatives are strengthening our current capabilities while preparing us for future opportunities.

Long-term Platform

A significant milestone during the year was the allotment of 532 acres of land in Visakhapatnam by the Government of Andhra Pradesh. This provides a strong platform for long-term expansion and supports our plans to develop a world-class pharmaceutical manufacturing complex in proximity to our existing operations. Over the coming years, we plan to invest more than USD600 million across manufacturing and R&D infrastructure, representing a significant commitment to scale and technology-led growth.

Quality and ESG

Quality remains central to how we operate and reflects our values-led approach. Our commitment to one quality standard across markets is non-negotiable, guided by our belief that quality should not vary by geography, economics or regulatory category. During the year, we completed 132 quality audits across our facilities, with no critical findings. This consistency underpins the trust we have built with customers and regulators globally.

We also made steady progress on our ESG priorities, with a meaningful improvement in our S&P Global ESG assessment over the previous year, reflecting advancement across environmental, social, and governance parameters. On the social front, our support for paediatric cardiac interventions is among the most meaningful expressions of our commitment. To date, around 500 such interventions have been supported, including 125 during the year.

Restructuring

During the year under review, the Board has approved the Composite Scheme of Arrangement ("the Scheme") 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 for (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 Unit-1) with the Company.

The aforesaid companies have filed the requisite application along with the Scheme with the Hon'ble National Company Law Tribunal ("NCLT"), Amaravati Bench, Andhra Pradesh. The implementation of the Scheme is now subject to the final approval and sanction from the competent authorities. We expect the merger process to be completed by September 2026.

People and Culture

Our progress is built on the strength of our people. As we scale, leadership depth, execution capability, and organisational discipline are critical priorities. We are pleased to have been recognised as a Great Place to Work for the sixth consecutive year, reflecting the strength of our culture and employee engagement.

Looking Ahead

Entering the new fiscal, while the global environment remains uncertain, we are navigating this period with prudence and staying focused on our priorities. We will continue to strengthen our CDMO platform, improve execution in Affordable Medicines, advance capacity creation aligned with demand, and invest in technologies and capabilities that support long-term growth. As we enter our third decade, we do so with a stronger foundation while staying grounded in the values that have brought us this far.

I thank our employees, customers, partners, and shareholders for their continued trust and support.

Best regards,

Dr. Satyanarayana Chava
Executive Director and
Chief Executive Officer

OPERATING ENVIRONMENT

Macro Trends Shaping our Business

Global CDMO demand continues to rise, supported by sustained R&D spending, supply-chain diversification and growing demand for specialised outsourced capabilities, notwithstanding near-term challenges. With expanding technologies, manufacturing depth and integrated offerings, we are well positioned to participate in this opportunity.

Trade and Geopolitics

Trade policy shifts, tariff actions and geopolitical tensions are reshaping global supply chains, making sourcing and manufacturing decisions more complex and less predictable. According to the WTO, world merchandise trade volume growth is expected to ease from 4.6% in 2025 to 1.9% in 2026, before improving to 2.6% in 2027. Commercial services trade growth is projected to moderate from 5.3% in 2025 to 4.8% in 2026, before rising to 5.1% in 2027.

Our response

We are staying agile in response to these shifts by strengthening supply resilience, broadening our manufacturing base and investing in capacity with greater long-term visibility. This is helping us respond more proactively to changes in trade flows, sourcing decisions and customer priorities.

India's CDMO Opportunity

Global customers are increasingly looking to diversify supply chains and build alternative manufacturing partnerships outside concentrated geographies. According to BCG and IPSO, India's CRDMO sector grew at a 15% CAGR between 2019 and 2024, versus 7%–8% globally, and is expected to expand from USD3–3.5 billion currently to USD22–25 billion by 2035.

Our response

We are investing behind high growth opportunity through expansion in CDMO platform, fermentation, peptides and other specialised capabilities, while deepening our engagement with global pharmaceutical and biotechnology customers.

Strategic Partnerships

Pharmaceutical outsourcing is increasingly shifting from transactional engagements to deeper, longer-term partnerships. Growing product complexity and tighter development timelines are encouraging innovators to reduce handoff risks, avoid delays in technology transfer and work with partners that can provide integrated support across development and manufacturing.

Our response

Our end-to-end integrated capabilities have enabled us to build deeper and longer-term customer relationships across development and manufacturing. Our CDMO platform now includes more than 125 active pipeline projects, with a growing mix of clinical, late-stage and commercial programs.

Complex Chemistry

As outsourcing matures, technical depth is becoming a more important differentiator than capacity alone. Customers are placing greater value on process chemistry expertise, scale-up capability and specialised technology platforms such as flow chemistry, biocatalysis, and fermentation.

Our response

We continue to strengthen these technology-led platforms. In FY 2025-26, projects on our biocatalysis platform increased by 50%, while continuous flow reaction projects increased by 42%, reflecting stronger engagement in complex and process-intensive programs.

Advanced Modalities

Cell and gene therapies, ADCs and related next-generation modalities are expanding the long-term opportunity set for the industry, but they remain capability-intensive and typically require longer investment cycles before meaningful revenues emerge. Currently, there are 13 FDA-approved ADCs and more than 200 ADCs in clinical development, underlining the scale of innovation in this space.

Our response

We are building this platform selectively through our Gene Therapy and ADC GMP facility in Hyderabad, process development labs and our strategic investment in Aarvik Therapeutics, which strengthens access to next-generation ADC technology and pipeline.

Affordable Healthcare

Demand for affordable medicines remains structurally important, even when quarterly patterns are influenced by tenders, procurement cycles, shipping schedules and product mix. In the United States, 9 out of 10 prescriptions are filled with generic drugs, underscoring the continuing importance of cost-effective, high-quality supply in healthcare systems.

Our response

Our Affordable medicine business continues to provide a strong foundation, supported by integrated API and FDF capabilities, scale in antiretrovirals, developed-market supplies, expanding emerging market supplies and ongoing efforts to improve utilisation, capacity balance and execution consistency.

ESG Expectations

Sustainability is becoming an increasingly important part of business evaluation, with customers, investors and other stakeholders placing greater emphasis on environmental performance, responsible operations and long-term resilience.

Our response

We continue to integrate sustainability into the way we grow, operate and engage with stakeholders. This includes a clear focus on environmental stewardship, ethical business conduct and responsible value-chain practices, alongside measurable progress in ESG performance.

Business Review

Affordable Medicines – API

Grounded in Science, Growing in Scale.

Our API business remains a core pillar of the Affordable Medicines platform, supported by scale, process chemistry expertise and a strong position in antiretroviral APIs.

We develop, manufacture and supply APIs across key therapeutic areas such as ARVs, cardiovascular and CNS, while gradually expanding the portfolio beyond its traditional base. The business is characterised by high-volume manufacturing, cost competitiveness and consistent supply to global markets, supported by integrated operations.

Market Context

The global API market continues to be supported by rising demand for affordable therapies, increasing chronic disease burden and sustained generic penetration across major healthcare systems. Recent estimates place the market at approximately USD270 billion in 2025, with the potential to exceed USD400 billion by the early 2030s, reflecting steady growth driven by generics and outsourcing demand.

Generics and biosimilars remain central to healthcare affordability. In the United States alone, generic and biosimilar medicines generated over USD450 billion in savings in 2024, highlighting the scale of value creation through cost-efficient manufacturing.

The ARV opportunity remains especially relevant, with over 31 million people globally accessing antiretroviral therapy, up from 7.7 million in 2010, underscoring the continued need for reliable API supply. At the same time, the market remains shaped by tender-led procurement, pricing pressure, regulatory timelines and evolving product mix across markets.

Our Strategic Response

Our strategy in APIs remains centred on reinforcing leadership in ARVs while steadily broadening the portfolio across other therapeutic areas and customer segments. Alongside this, we continue to focus on backward integration, process optimisation and closer alignment between capacity creation and demand visibility. The intent is not only to grow volumes, but also to improve the quality of growth by building a more balanced, efficient and resilient API platform over time.

FY 2025-26 Financial Highlights

The API business delivered a stronger performance in FY 2025-26, supported by healthy ARV demand, improved utilisation and better operating leverage. Growth during the year was aided by higher volumes, a more supportive product mix and improving traction across the broader portfolio.

₹ 2,746 crore
API revenue

13%
Year-on-year growth

92
Cumulative DMF filings

FY 2025-26 Operational Highlights

- Maintained consistent deliveries despite global supply chain challenges
- Planned capacity availability for the business remained on track, supporting better delivery-readiness
- Higher CMO-linked volumes and revenue scale-up from new contracts contributed to stronger utilisation
- Production planning and manufacturing-readiness were more closely aligned with demand visibility
- Filing activity continued during the year, with 2 filings in FY 2025-26, taking cumulative DMF filings to 92
- Continued work on portfolio expansion and process efficiency supported the development of a broader and more effective API platform

Outlook

The outlook for the API business remains stable, supported by the structural demand for affordable medicines, our established position in ARVs and the gradual broadening of the portfolio. While near-term performance may continue to reflect procurement cycles and product mix dynamics, the underlying demand environment remains resilient.

Going forward, our focus will remain on improving utilisation and expanding the product portfolio. We will also strengthen our participation across developed and emerging markets, while driving closer integration between APIs and formulations. These efforts position the business for more consistent growth over the medium term.

Business Review

Affordable Medicines – FDF

Grounded in Science, Growing in Access.

Our Finished Drug Formulation (FDF) business extends the Affordable Medicines platform from APIs into formulations, enabling wider market access and deeper participation across value chains.

Present across therapeutic areas such as ARVs, cardiovascular, CNS and anti-infectives, the business is supported by integrated manufacturing, strong quality systems and a growing product portfolio. This provides a solid base to serve institutional and developed markets while expanding the role of formulations within the broader Affordable Medicines platform.

Market Context

The global generics market continues to expand, supported by rising healthcare access, patent expiries and sustained demand for affordable medicines. Recent estimates place the global generic pharmaceuticals market at USD454.7 billion in 2025, with the potential to reach USD770.0 billion by 2033, reflecting a CAGR of 6.5%. Oral formulations remain the most widely used delivery format within this market, underlining their importance as scalable and cost-effective therapies.

This relevance is equally visible in mature healthcare systems, where affordability and volume continue to define the category. In the United States, generic and biosimilar medicines accounted for 90% of prescriptions filled in 2024, while representing only 12% of prescription drug spending, highlighting the structural role of generic formulations in expanding access at lower cost.

Our Strategic Response

Our approach to formulations is centred on strengthening scale, improving portfolio depth and expanding participation across both global access and developed/emerging markets. The focus remains on deepening our position in ARV formulations while building a calibrated portfolio in select molecules.

We continue to leverage integration with our API business to support reliable supply, cost competitiveness and faster execution. Alongside this, the formulations platform is being strengthened through steady progress in product filings and approvals, expansion of oral solid dosage capacity and the addition of products under CMO to support better utilisation.

The KRKA joint venture remains an important part of this strategy, supporting the development of a formulations platform for regulated markets.

FY 2025-26 Financial Highlights

The FDF business delivered strong growth during FY 2025-26, with higher ARV volumes and strong offtake in select molecules within developed markets offsetting price pressure. The business also benefited from improving scale and better utilisation across the formulations platform.

₹ 1,987 crore
FDF revenue

26%
Year-on-year growth

94
Cumulative dossiers filings

FY 2025-26 Operational Highlights

- Continued uptake in ARV formulations and developed-market supplies supported growth during the year
- Dedicated CMO oral dosage capacity in Vizag commenced operations during FY 2025-26
- An additional packaging line is being implemented, with the full commercial production line scheduled to commence from June 2026
- Filing activity in developed markets progressed further during the year, with 7 product dossiers filed and 6 approvals received during the year, taking cumulative product filings to 94
- Construction of the KRKA JV finished formulations facility progressed as planned, with Phase 1 expected to be completed by mid-2027. Laurus infused capital in KRKA Pharma India of ₹ 49 crore, while both partners together infused ₹ 100 crore to support ongoing facility construction

Outlook

The outlook for the FDF business remains positive, supported by stable demand in ARV formulations, continued traction in developed-market supplies, expanded footprint in emerging markets and the ramp-up of dedicated oral dosage capacity. While tender cycles, pricing dynamics and approval timelines may continue to influence near-term phasing, the business is building a stronger and more scalable formulations platform.

Going forward, the focus will remain on selective portfolio expansion, progress in filings and approvals, ramp-up of integrated CMO oral dosage capabilities and execution of the KRKA JV platform, supporting the next phase of growth.

Business Review

CDMO – Small Molecules

Grounded in Chemistry, Growing in Partnerships.

Our Small Molecules CDMO business supports global pharmaceutical innovators across development and manufacturing, with capabilities spanning early-stage programs to commercial supply.

Built on process chemistry expertise, integrated infrastructure and scale-up strength, the platform supports complex molecules across the development lifecycle. The business continues to strengthen its role as a long-term development and manufacturing partner to global pharmaceutical companies, supported by a growing pipeline and increasing participation in late-stage and commercial programs.

Market Context

The global small molecule CDMO market continues to expand, supported by rising outsourcing, increasing development complexity and the need for specialised manufacturing partners. Recent estimates place the market at USD76.1 billion in 2025, with the potential to reach approximately USD145.5 billion by 2035, reflecting the growing need for partners that can support complex development pathways and commercial scale-up.

Small molecules also continue to dominate innovation pipelines. In 2025, the US FDA approved 46 novel drugs, of which 34 were new molecular entities, reinforcing the continued importance of small molecules in drug development. As pipelines become more complex and development timelines more compressed, innovator companies are increasingly looking for partners that can combine specialised chemistry capabilities, phase-appropriate development support and integrated pathways from early development to commercial supply.

Our Strategic Response

Our approach to small molecules CDMO is centred on deepening strategic partnerships, strengthening specialised capabilities and building scale in areas where complexity, reliability and speed of execution matter most. The focus remains on supporting customers across clinical and commercial phases through a combination of process chemistry expertise, integrated development and manufacturing infrastructure and flexible scale-up capabilities.

We continue to invest in differentiated technology platforms such as biocatalysis, flow chemistry, trickle-bed processing and peptides, while expanding development and manufacturing capacity to support a broader mix of programs over time. The platform is also supported by phase-appropriate quality systems across development and manufacturing, enabling fit-for-purpose execution at each stage of the product lifecycle while balancing speed, control and cost efficiency.

FY 2025-26 Financial Highlights

The small molecules CDMO business delivered strong growth during FY 2025-26, supported by late-stage pipeline progression, commercial supplies across multiple complex NCE APIs and ramp-up in growth projects.

₹1,896 crore
Small molecules CDMO revenue

38%
Year-on-year growth

125
Active pipeline projects

FY 2025-26 Operational Highlights

- Strong demand in complex small molecule offerings supported expansion of the project funnel, with a healthy mix of big and mid-sized pharma clients
- Expanding project pipeline, based on trust, capabilities, scale and delivery; the portfolio now comprises more than 125 active pipeline projects, including over 102 in human health and around 23 in animal health and crop science
- Several projects across scales were executed using flow chemistry and bio-catalysis technology
- Peptide manufacturing capability and capacity were further strengthened in line with future customer requirements
- Continued focus on new modalities with key partners and fully integrated projects
- Investment in large-scale commercial capacity expansion at Vizag continued through the year

Outlook

The outlook for the small molecules CDMO business remains positive, supported by a healthy project pipeline, continued demand for complex offerings and increasing traction in late-stage and commercial programs. Vendor diversification, rising chemistry complexity and the preference for strategic end-to-end partners continue to support the opportunity set.

Going forward, the focus will remain on deepening strategic customer relationships, advancing technology-led capabilities, expanding commercial capacity and maintaining strong quality and execution standards across the development-to-commercialisation cycle.

Business Review

CDMO – Bio

Grounded in Biology, Growing in Capability.

Our Bio CDMO business is built on large-scale microbial fermentation and downstream processing capabilities, supporting global customers across development and manufacturing of bio-based products, specialty ingredients and industrial biotechnology applications.

The platform is anchored in precision fermentation, enzymatic technologies and animal-origin-free (AOF) offerings, serving customers across life sciences, nutrition, personal care, industrial biotechnology and specialty applications. The business continues to build a diversified pipeline and deepen engagement with global customers, while expanding its capability base to support future opportunities in bio-manufacturing and next-generation therapies.

Market Context

The global industrial biotechnology market is expanding, supported by rising demand for sustainable manufacturing, bio-based ingredients and precision fermentation-derived products. Valued at approximately USD320 billion in 2025, it is projected to exceed USD600 billion by 2035.

Within this, precision fermentation is gaining strong momentum across specialty ingredients, enzymes, nutrition, personal care and functional bio-based products. Estimated at USD4.5 billion in 2025, the market is expected to grow at over 40% CAGR over the next decade.

Alongside this, the global industrial enzymes market, estimated at USD8–10 billion, continues to see strong demand. Together, these trends are creating opportunities for fermentation-focused CDMO partners with integrated scale-up, process development and manufacturing capabilities.

Our Strategic Response

Our approach to Bio CDMO is centred on building a robust and diversified pipeline, strengthening fermentation-led capabilities and deepening long-term customer partnerships. The focus remains on scaling the precision fermentation, AOF and enzymatic platform, while expanding capabilities to support evolving customer requirements for bio-based applications.

We continue to see increasing customer interest in dedicated manufacturing lines and longer-term partnerships, supported by the platform's ability to integrate development and manufacturing. At the same time, investments are being directed towards expanding fermentation capacity, downstream processing infrastructure and strengthening capability in enzymatic technologies.

The platform is supported by phase-appropriate quality systems across development and manufacturing, enabling fit-for-purpose execution across industrial, food, nutrition, personal care and life science applications.

FY 2025-26 Financial Highlights

The Bio CDMO business delivered healthy growth during the year, supported by revenue diversification and continued pipeline progress with larger global accounts. Momentum was further strengthened by accelerated product development and launch activities, along with an improving mix of higher-value products and customers within CDMO.

₹ 184 crore

Bio CDMO revenue

15%

Year-on-year growth

FY 2025-26 Operational Highlights

- Focus remained on building a strong and diversified pipeline across customers, applications and fermentation platforms
- Customer interest in dedicated manufacturing lines and new innovative products continued during the year
- Discussions for longer-term manufacturing contracts progressed, improving visibility into FY 2026-27 and beyond
- Enzymatic and bio-catalysis platforms continued to gain traction across small molecule clinical and commercial API projects.
- Process development and scale-up capabilities continued to strengthen across precision fermentation programs
- The fermentation manufacturing site at Vizag progressed as planned, with operations expected to commence by the end of 2026

Outlook

The outlook for the Bio CDMO business remains constructive, supported by improving demand visibility, a strengthening pipeline and increasing customer engagement in long-term partnerships. Growing global interest in fermentation-led manufacturing and enzyme-based platforms is expected to support future growth.

Going forward, the focus will remain on building a diversified pipeline, scaling fermentation capacity, strengthening downstream processing capabilities, advancing enzymatic capabilities and progressing long-term customer engagements, supporting the next phase of growth in the Bio CDMO business.

MANUFACTURING STRENGTH

Advancing our Manufacturing Capability

Investments continued across our facilities spanning CDMO, Affordable Medicines and FDF. These expansions are reinforcing our commitment to being a high-quality development and manufacturing partner at scale, including in advanced therapies.

Our development and manufacturing network continued to expand during the year in line with the growing scale and complexity of the business. With a strong base across APIs, formulations and CDMO services, we remained focused on strengthening core manufacturing assets, progressing key expansion projects and adding capabilities aligned to future customer requirements.

Integrated Manufacturing Platform

We operate an integrated manufacturing platform anchored by large-scale small molecule and formulation capacities, supported by specialised capabilities across fermentation and advanced therapies. Key technology platforms include high potent chemistry, bio-catalysis, flow technology, trickle bed hydrogenation, continuous manufacturing and spray drying, strengthening our ability to support a broader mix of products, processes and customer requirements

15 sites
Manufacturing network

8,200 KL
Reactor capacity

12 billion units
Formulation capacity

240 KL
Fermentation capacity

Network Strength across Locations

Our manufacturing footprint in Visakhapatnam remains the core of the network, spanning API, drug substance and finished dosage facilities. This is complemented by fermentation capabilities in Bengaluru, development infrastructure in Hyderabad and cell therapy manufacturing through our associate, ImmunoACT, in Mumbai. Together, these assets support a broader and more integrated development and manufacturing offering across customer programs.

Expanding our Capabilities

Our capital allocation remained focused on growth-oriented projects, directed towards API and CDMO manufacturing expansion. Cumulative capex from FY 2021-22 to FY 2025-26 stood at ₹ 4,350+ crore, while FY 2025-26 capex was ₹ 1,070 crore, representing 16% of revenue.

Commercial peptides manufacturing
We continued to invest in commercial-scale peptides manufacturing to support pipeline opportunities. During the year, several peptide synthesisers were installed and qualified, along with purification and isolation capabilities, strengthening our ability to support more complex programs.

Client-specific oral dosage expansion
Client-specific CMO oral dosage capacity became operational during the year. This was further supported by the implementation of an additional packaging line, while the full commercial production line is expected to start from June 2026.

Microbial fermentation facility, Visakhapatnam
Construction of the Vizag microbial fermentation facility progressed through the year, with Phase 1 capacity of around 400 KL planned to strengthen our fermentation manufacturing base. The project remained on track for operations by end-2026.

Gene therapy/ADC manufacturing facility, Hyderabad
We continued to advance the Gene therapy/ ADC cGMP facility in Hyderabad, following the groundbreaking in June 2025. The facility is expected to be completed by end-2026 and is being built with capabilities for plasmid DNA, viral vectors (such as AAV), bioconjugation, lyophilisation and sterile fill-finish. Planned investment in the site is over ₹ 200 crore.

Commercial spray drying capability
Commercial spray drying capacity remained one of the identified capability additions within the manufacturing build-out for the year, broadening our process and formulation-linked manufacturing toolkit.

KRKA JV formulation facility, Hyderabad
Construction also progressed at the KRKA JV finished formulation manufacturing site in Hyderabad. The Phase 1 expansion is expected to be completed in mid-2027, adding to our future formulations manufacturing footprint.

Our Manufacturing Facilities

Small Molecules

Unit 1 & Unit 3 – Vizag

Large-scale API manufacturing

~3,600 KL

Platforms:

High potent | Bio-catalysis | Flow technology | Trickle-bed Hydrogenation | Continuous manufacturing | Spray drying

Unit 2 – Vizag

FDF manufacturing

>12 billion units

Platforms:

Continuous manufacturing | Spray drying

Unit 4 – Vizag

API manufacturing

>2,000 KL

Platforms:

High potent | Bio-catalysis | Flow technology | Continuous manufacturing

Unit 5 – Vizag

API manufacturing

161 KL

Platforms:

High potent | Bio-catalysis

Unit 6 – Vizag

API manufacturing

1,476 KL

Platforms:

Bio-catalysis | Large scale manufacturing

LSPL 1 – Vizag

API manufacturing

- 149 KL

LSPL 2 – Vizag

API manufacturing

~350 KL

Platforms:

High potent | Bio-catalysis | Continuous manufacturing | Dedicated to Animal Health Ingredients

LSPL 4 – Vizag

API manufacturing

~300 KL

Platforms:

Dedicated to Crop science ingredients

Sriam Unit - Hyderabad

API manufacturing

86 KL

Advance Biologics

Gene Therapy / ADC facility*

Development and manufacturing

Microbial Fermentation

LB-1 & LB-2 – Bengaluru

R&D and manufacturing

~240 KL

Cell Therapy

GMP Facility 1 – Mumbai^^

CAR-T Development & manufacturing

About 600 treatments per year

GMP Facility 2 – Mumbai^^

CAR-T Development & manufacturing

About 2500 treatments per year

^^ Through our associate company ImmunoACT

R&D EDGE

Deepening our Scientific Capability

As the business expands into more complex molecules and emerging therapeutic areas, our R&D efforts are focused on enabling scalable processes, strengthening platform technologies and accelerating the transition from development to commercialisation.

Research and development remains central to our strategy, supporting both near-term execution and long-term capability building. The platform supports development across complex synthetic molecules, peptides, biocatalysis, continuous flow chemistry and advanced therapies. To date, through our R&D efforts we have supported 90+ drug substance/drug product launches.

During the year, the focus remained on extending scientific depth in areas that are closely aligned to customer programs and future growth platforms, while continuing to support high-quality CMO/CDMO services for global partners.

FY 2025-26 Highlights

₹ 282 crore
R&D spend

4%
R&D spend as a share of revenue

68
Projects supported

94
DS/DP launches

50%
Increase in projects on Bio-catalysis platform

42%
Increase in Continuous Flow Reaction projects

1,540
R&D scientists

56,000m²
R&D centre space

Strengthening our Platforms

Complex chemistry and process innovation
We continued to strengthen process development capabilities for complex synthetic molecules, with growing application of advanced flow chemistry, biocatalysis and continuous hydrogenation technologies. These capabilities are helping us support a broader mix of customer requirements while improving process efficiency, scalability and technical differentiation.

Peptide development capabilities

During the year, we strengthened our peptide development platform through investments in synthesis, purification and isolation capabilities, supporting our ability to address growing opportunities in this area.

Gene therapy and ADC capabilities
A dedicated Gene therapy and ADC process development lab was operationalised in Hyderabad during the year. The site includes capabilities such as bioconjugation of antibodies and payloads, as well as plasmid and AAV gene therapy services. We also continued to advance the construction of our Gene/ADC cGMP facility in Hyderabad as part of our build-out in next-generation modalities.

Strategic access to ADC capabilities
During the year, we made a strategic investment in Aarvik Therapeutics to access next-generation ADC technologies and pipeline opportunities, complementing our in-house capability build-out and supporting the development of our integrated ADC services platform.

Our R&D Infrastructure

R&D centre and pilot production facility – Hyderabad & Vizag

API and FDF

New R&D centre–Hyderabad

Complex drug synthesis, flow chemistry, bio-catalysis, high potent chemistry, high-pressure hydrogenation and continuous manufacturing

Gene Therapy Lab & ADC – Hyderabad

Process development lab supporting bioconjugation of antibodies and payloads, plasmid and AAV gene therapy services

Biotechnology R&D Facility – Bengaluru

Focused on microbial precision fermentation solution

QUALITY AND COMPLIANCE

Grounded in Values, Strengthened by Systems.

Quality is a foundational principle that shapes how we operate, how we scale and how we build long-term credibility with customers and regulators. As the business expands across geographies, products and modalities, consistency in quality systems remains central to our approach.

We operate with a clear philosophy of "one quality standard for all markets", applying the same rigour, discipline and compliance standards across products, facilities and customer engagements, whether the destination is the US, India, Africa or any other market. This values-led approach reflects our belief that quality should not vary by geography, economics or regulatory category.

Global Compliance Track Record

Our manufacturing network continues to meet the expectations of leading global regulators, supported by a strong track record of inspections and certifications. The regulatory inspection record since inception includes 21 inspections by USFDA, 15 by WHO-Geneva, 10 by ANVISA, 8 by PMDA, and 18 by European agencies, along with inspections by other agencies, taking the total number of site-wise inspections to 115, excluding audits by the Indian drug regulator. In addition, the network undergoes more than 100 customer audits each year, with customer expectations increasingly extending to digital-readiness and system maturity.

Quality Systems at Scale

Our quality framework is designed to operate across development, manufacturing and technical operations through a common set of standards, systems and oversight mechanisms. A single SOP structure is applied across sites to support consistent GMP practices and aligned execution across a multi-site, multi-product network. Audit-driven changes, once adopted, are implemented across sites to reinforce standardisation and reduce variability.

At the same time, phase-specific quality requirements for early-stage molecules provide greater flexibility where appropriate, helping balance speed, control and cost competitiveness without compromising the underlying quality framework.

Digitisation and Quality Infrastructure

The Quality framework is being strengthened through a series of digital initiatives. Electronic Lab Notebooks have been in use across analytical, process and formulation R&D for over a decade. Other digitisation priorities include automated method-validation workflows, wider electronic data capture in manufacturing, expanded SAP usage in warehouses and QR-code-based controls to reduce manual errors. LIMS has recently gone live at one unit and is planned for rollout across additional sites over the coming year.

Oversight and Continuous Strengthening

Oversight is supported not only through site-level QA structures, but also through a dedicated Development QA and Compliance (DQA) function that operates with a broader cross-site lens. This function conducts internal and regulator-style audits, performs random compliance verifications and reviews day-to-day activities independent of routine site operations. Its observations feed into awareness campaigns, cross-site comparisons and targeted closure of compliance gaps, supporting continuous improvement across the network.

Execution Discipline and Reliability

Quality performance is reflected not only in inspection outcomes, but also in the discipline and consistency of routine execution across sites and functions. Operational improvements continue to support this discipline. For example, tighter QC turnaround targets have shortened release timelines for recovered solvents to within 24 hours, helping reduce solvent storage and consumption. Such improvements reflect a wider emphasis on strengthening responsiveness, reducing process inefficiencies and embedding quality into day-to-day operations rather than treating it as a checkpoint at the point of inspection.

Our Quality Performance

1,400+

Quality audits and inspections conducted by global customers and regulatory authorities since inception

54

Inspections successfully cleared across major regulators including US FDA, WHO, EMA and PMDA

132

Quality audits completed during FY 2025-26 across regulatory and customer audits

Zero

Product recalls over the last five years

INFORMATION TECHNOLOGY

Grounded in Systems, Growing through Intelligence.

Our digital strategy is focused on building a resilient, secure and scalable technology backbone, while progressively embedding digital tools across operations to enhance efficiency, strengthen compliance and enable data-driven decision-making across the organisation.

Infrastructure and Operational Excellence

We continued to strengthen our IT infrastructure to support expanding operations and new locations. During the year, new infrastructure was deployed across facilities, alongside datacentre modernisation with smart racks, virtual desktop infrastructure (VDI) and robust Wi-Fi connectivity. These investments have enhanced system reliability, accessibility and operational continuity.

Cybersecurity and Risk Management

Cybersecurity remains a critical priority, supported by a structured and continuously evolving framework. During the year, the Company achieved ISO 27001 certification. Security posture was further strengthened through deployment of network access control (NAC), bi-annual vulnerability assessments and penetration testing (VAPT), and multiple phishing simulation campaigns to build employee awareness.

Digital Platforms and Enterprise Systems

Our core enterprise architecture continues to be anchored on SAP, enabling integrated data management and process standardisation across the organisation. Digital adoption is well advanced at key points in the value chain, including paperless electronic lab notebooks in R&D and electronic batch records in finished dosage manufacturing, while broader shopfloor digitalisation is being implemented in phases. We also expanded the deployment of business applications such as Salesforce CRM, LIMS and MES, strengthening visibility, traceability and execution across functions.

Automation, Data and Smart Manufacturing

Automation and analytics initiatives were scaled up through robotic process automation (RPA) and real-time data systems. Smart factory initiatives, including real-time reactor utilisation tracking, are enabling improved operational control and decision-making. Data resilience was enhanced through immutable backup systems and automated protection frameworks, ensuring business continuity and data integrity.

AI and Emerging Capabilities

We continued to advance our digital capabilities through selective adoption of AI-led tools. This included deployment of document management systems with AI-enabled summarisation and search, along with in-house tools to improve communication and productivity across teams.

ISO 27001:2022

Certified information security framework

100% Locations

Network Access Control (NAC) implemented

6 Campaigns

Phishing simulation and awareness drives

Zero

Incidents of Data Breaches

STRATEGIC PRIORITIES

Innovate. Excel. Expand

We are advancing our strategy through three focused pillars: Innovate, Excel and Expand. These priorities reflect our commitment to strengthening scientific capabilities, execution discipline and scalable infrastructure to support evolving customer needs and sustained growth.

INNOVATE

Strategic Objectives

- R&D-led diversification and integrated offerings
- Investment in disruptive innovation
- Advancing new technology platforms
- Digitisation and automation

EXCEL

Strategic Objectives

- Strong product portfolio and customer-centric approach
- Operational excellence and regulatory compliance
- Talent development and leadership culture

EXPAND

Strategic Objectives

- Large-scale manufacturing and R&D infrastructure
- Market and customer base expansion
- Leveraging technology synergies
- Sustainable growth and value creation

Progress during FY 2025-26

- Accelerated involvement in key clinical and commercial integrated programs with innovator partner
- Sustained global market leadership in ARV
- Progressed capabilities in peptides, ADC and gene therapy, including continued build-out of related development and manufacturing infrastructure
- Invested in Aarvik Therapeutics, an ADC platform company
- ImmunoACT partnered with Cipla to launch NexCAR-19 in Africa and initiated Phase 1 BCMA-CT
- Advanced technology platforms such as biocatalysis, flow chemistry and continuous manufacturing across mid- and late-stage clinical projects and commercial-stage projects
- Achieved ISO 27001:2022 certification, reinforcing the Company's information security framework

Progress during FY 2025-26

- Maintained a healthy CDMO pipeline with 125+ active projects across clinical and commercial stages
- Advanced the developed market FDF portfolio, with 7 dossiers filed and 6 approvals received during the year
- Supported 94 R&D projects (DS/DP) during the year
- Delivered continued growth across CDMO and Affordable Medicines, supported by commercial deliveries, volume growth and improving operating leverage
- Maintained a strong quality track record, with 132+ quality audits completed during the year without critical findings
- Continued to strengthen the team to support expanded facilities and new capabilities, while investing in people, process and leadership for scale-up and execution
- Installed advanced foam tender systems across manufacturing sites
- Completed career development reviews for 100% of employees
- Continued to operate with a "one quality standard for all markets" approach across the manufacturing network

Progress during FY 2025-26

- Continued capex-led expansion across manufacturing and R&D, with investments of ~16% of revenue during the year
- Progressed key projects including small molecules APIs, microbial fermentation capacity, oral dosage expansion at Vizag, and Gene therapy/ADC capabilities
- Secured 532 acres of land in Andhra Pradesh to support development of a future integrated manufacturing complex
- Continued expansion of customer-aligned capacity across CDMO and Affordable Medicines to support future growth and utilisation visibility
- Maintained an outstanding track record in EHS systems
- Achieved an S&P Global ESG score of 81/100 points, reflecting a 10 points improvement over the previous year

MATERIALITY

Grounded in Relevance, Guided by Impact.

We identify and prioritise ESG topics that are most relevant to our business and stakeholders through a structured materiality assessment. This process is revisited every two years to ensure continued relevance, incorporating inputs from both internal and external stakeholders to determine key focus areas.

M1 | Regulatory Compliance

ESG Category
Governance

Why is it material?
Regulatory compliance is essential to ensure product quality, meet legal requirements and maintain stakeholder trust.

Risk/Opportunity
Risk

Rationale
It enables adherence to regulations, protects reputation and trust, ensures ethical operations, safeguards intellectual property and supports a compliant supply chain.

Linkages

Stakeholder **Capitals** **Strategy** **S2 – Excel**

M2 | Product Quality and Safety

ESG Category
Social | Governance

Why is it material?
Consistent product quality and safety are critical to customer trust, compliance and competitive positioning.

Risk/Opportunity
Risk

Rationale
Quality issues can impact brand reputation, differentiation and overall value creation.

Linkages

Stakeholder **Capitals** **Strategy** **S2 – Excel**

Stakeholder

Customers
Employees
Suppliers
Communities
Government / Regulatory authorities
Investors

Capital

Financial Capital
Intellectual Capital
Manufactured Capital
Human Capital
Social and Relationship Capital
Natural Capital

M3 | Occupational Health and Safety

ESG Category
Social

Why is it material?
Ensuring employee health and safety is fundamental to operational continuity and workforce well-being.

Risk/Opportunity
Risk

Rationale
Workplace hazards can pose regulatory, reputational and business continuity risks.

Linkages
Stakeholder **Capitals** **Strategy** S2 – Excel

M4 | Protecting Intellectual Property Rights

ESG Category
Governance

Why is it material?
Protecting intellectual property is key to sustaining innovation and competitive advantage.

Risk/Opportunity
Risk

Rationale
It prevents unauthorised use, safeguards innovation and strengthens market positioning.

Linkages
Stakeholder **Capitals** **Strategy** S1 – Innovate

M5 | Cybersecurity and Data Privacy

ESG Category
Governance

Why is it material?
Securing digital systems and data is critical to protecting business operations and sensitive information.

Risk/Opportunity
Risk

Rationale
Strong cybersecurity reduces vulnerabilities and safeguards digital assets and operations.

Linkages
Stakeholder **Capitals** **Strategy** S2 – Excel

M6 | Ethical Governance

ESG Category
Governance

Why is it material?
Ethical governance underpins trust, compliance and responsible business conduct.

Risk/Opportunity
Risk

Rationale
It ensures regulatory compliance, builds trust, prevents conflicts of interest and supports long-term sustainability.

Linkages
Stakeholder **Capitals** **Strategy** S2 – Excel

M7 | Risk Management

ESG Category
Governance

Why is it material?
Effective risk management is essential to safeguard business continuity and financial stability.

Risk/Opportunity
Risk

Rationale
Helps identify and mitigate risks that may impact reputation, operations and long-term performance.

Linkages
Stakeholder **Capitals** **Strategy** S2 – Excel

M8 | Employee Well-being and Satisfaction

ESG Category
Social

Why is it material?
Employee well-being drives productivity, engagement and organisational performance.

Risk/Opportunity
Opportunity

Rationale
A motivated workforce enhances productivity, retention and talent attraction.

Linkages
Stakeholder **Capitals** **Strategy** S2 – Excel

M9 | Talent Attraction and Retention

ESG Category
Social

Why is it material?
Attracting and retaining talent is critical for sustaining innovation and growth.

Risk/Opportunity
Opportunity

Rationale
Ensures availability of skilled talent and supports innovation and organisational capability.

Linkages
Stakeholder **Capitals** **Strategy** S1 – Innovate
S2 – Excel

M10 | Learning and Development / Skilling

ESG Category
Social

Why is it material?
Continuous learning enhances workforce capability and performance.

Risk/Opportunity
Opportunity

Rationale
Improves employee skills, productivity and overall organisational effectiveness.

Linkages
Stakeholder **Capitals** **Strategy** S1 – Innovate
S2 – Excel

M11 | Access and Affordability

ESG Category
Social

Why is it material?
Improving access and affordability of medicines is critical to expanding healthcare reach and supporting better health outcomes.

Risk/Opportunity
Opportunity

Rationale
Enhanced access and affordability contribute to improved healthcare equity, broader patient reach and overall well-being, particularly in underserved markets.

Linkages
Stakeholder | **Capitals** | **Strategy** S3 – Expand

M12 | Responsible Supply Chain Management

ESG Category
Social

Why is it material?
A resilient and responsible supply chain is essential to ensure uninterrupted operations and sustainable sourcing.

Risk/Opportunity
Risk

Rationale
Helps identify and mitigate risks related to supply disruptions, supplier reliability and environmental sustainability across the value chain.

Linkages
Stakeholder | **Capitals** | **Strategy** S2 – Excel, S3 – Expand

M13 | Innovation Management

ESG Category
Social

Why is it material?
Innovation is key to maintaining competitiveness and driving long-term growth.

Risk/Opportunity
Opportunity

Rationale
Supports differentiation, fosters collaboration and partnerships, and strengthens the Company's market position.

Linkages
Stakeholder | **Capitals** | **Strategy** S1 – Innovate

M14 | Ethical Sales and Responsible Marketing

ESG Category
Governance

Why is it material?
Ethical sales and marketing practices are critical to maintaining compliance and protecting patient safety.

Risk/Opportunity
Risk

Rationale
Ensures responsible promotion of products, prevents misuse or off-label promotion, and safeguards regulatory compliance and reputation.

Linkages
Stakeholder | **Capitals** | **Strategy** S2 – Excel

For detailed materiality disclosures, please refer to the BRSR section of this Report.

STAKEHOLDER ENGAGEMENT

Grounded in Dialogue, Growing through Partnership.

We view stakeholder engagement as a critical enabler of responsible growth. Through continuous dialogue and transparent communication, we seek to understand evolving expectations and integrate them into our decision-making to create long-term shared value.

Our Approach

Identifying stakeholders
We map and prioritise key internal and external stakeholders based on their influence, impact and relationship with our business.

Assessing material issues
We evaluate industry trends, regulatory developments and business priorities, complemented by leadership inputs, to identify and validate key material topics.

Engagement and feedback
We engage stakeholders through structured channels such as surveys, consultations and forums to gather insights and perspectives.

Action and integration
Stakeholder inputs are analysed to identify priority areas and are integrated into our strategy, sustainability initiatives and operational improvements.

Employees

Capitals Impacted

Risk Linkage

Environment Health & Safety (EHS), Operating-Risk, Innovation Risk

Strategy Linkage

S1 – Innovate
S2 – Excel

Value Created

1,11,941

Training man-hours

Material Topics Linked

M3 - Occupational Health and Safety, M6 - Ethical Governance, M8 - Employee Well-being and Satisfaction, M9 - Talent Attraction and Retention, M10 - Learning and Development / Skilling

Purpose of Engagement

We engage continuously to strengthen capabilities, enhance engagement and drive sustained organisational growth.

Focus Areas

- Safe and healthy work environment
- Equal opportunity and fair treatment
- Learning, development and career growth
- Work-life balance and employee well-being
- Competitive benefits and rewards
- Performance-driven recognition

Customers

Capitals Impacted

Risk Linkage

Operating Risk, Industry Risk, Innovation Risk, Competition Risk, Regulatory Risk

Strategy Linkage

S2 – Excel

Value Created

Zero

Product recall incidents

Material Topics Linked

M1 – Regulatory Compliance, M2 – Product Quality & Safety, M11 – Access & Affordability, M13 – Innovation Management, M14 – Ethical Sales & Responsible Marketing

Purpose of Engagement

Customer engagement enables us to anticipate needs, ensure quality and compliance, and strengthen long-term relationships.

Focus Areas

- Anticipating and responding to evolving customer needs
- Delivering consistent product quality and compliance
- Strengthening service excellence and responsiveness
- Driving innovation through customer insights

Financial Capital
Intellectual Capital
Manufactured Capital
Human Capital
Social and Relationship Capital
Natural Capital

Communities

Capitals Impacted

Strategy Linkage

S3 – Expand

Material Topics Linked

M3 – Occupational Health & Safety, M6 – Ethical Governance, M11 – Access & Affordability, M12 – Responsible Supply Chain Management

Risk Linkage

Environment, Health & Safety (EHS), Industry Risk

Value Created

₹ 12.5 crore

CSR spend

Purpose of Engagement

Empowering communities is essential to our long-term sustainability. Through upliftment initiatives, we strengthen relationships and create lasting impact.

Focus Areas

- Contribution to societal development
- Enabling self-sustenance and community empowerment

Investors

Capitals Impacted

Strategy Linkage

S3 – Expand

Material Topics Linked

M1 – Regulatory Compliance, M4 – Protecting Intellectual Property Rights, M5 – Cybersecurity & Data Privacy, M6 – Ethical Governance, M7 – Risk Management, M13 – Innovation Management

Risk Linkage

Capacity Planning & Optimisation, Operating Risk, Foreign Exchange Rate Risk, Industry Risk, Innovation Risk, Competition Risk, Regulatory Risk

Value Created

₹ 86 crore

Total dividend paid

Purpose of Engagement

We engage with investors to build trust, communicate our strategic direction and demonstrate long-term value creation.

Focus Areas

- Enhancing shareholder value
- Maintaining transparency and disclosures
- Communicating long-term growth strategy

Suppliers

Capitals Impacted

Strategy Linkage

S2 – Excel

Material Topics Linked

M1 – Regulatory Compliance, M2 – Product Quality & Safety, M6 – Ethical Governance, M12 – Responsible Supply Chain Management

Risk Linkage

Capacity Planning & Optimisation, Operating Risk, Regulatory Risk

Value Created

Our procurement team is trained on various aspects of sustainable procurement guidelines

Purpose of Engagement

We work closely with suppliers to ensure efficient, transparent and responsible procurement practices that support seamless operations.

Focus Areas

- Building long-term partnerships
- Promoting transparency and ethical practices
- Timely query resolution
- Driving cost efficiency

Government / Regulatory authorities

Capitals Impacted

Strategy Linkage

S2 – Excel

Material Topics Linked

M1 – Regulatory Compliance, M2 – Product Quality & Safety, M3 – Occupational Health & Safety, M4 – Protecting Intellectual Property Rights, M6 – Ethical Governance, M14 – Ethical Sales & Responsible Marketing

Risk Linkage

Environment, Health & Safety (EHS), Industry Risk, Regulatory Risk

Value Created

- Timely tax payments
- High regulatory compliance

Purpose of Engagement

We engage with government and regulatory bodies to ensure compliance, enable smooth operations and align with statutory requirements.

Focus Areas

- Compliance with applicable laws and regulations
- Timely and accurate regulatory reporting

For detailed stakeholder engagement disclosures, please refer to the BRSR section of this Report.

RISK MANAGEMENT

Grounded in Prudence, Growing with Preparedness.

In a highly regulated pharmaceutical landscape, we adopt a disciplined approach to risk governance to ensure product quality, patient safety, and compliance. The Board defines our risk appetite and retains overall oversight. The Risk Management Committee provides direction and monitors key risks, while the Audit Committee evaluates the effectiveness of internal controls. This is reinforced through periodic internal and external audits.

Enterprise Risk Management Framework

Our ERM framework enables a structured, enterprise-wide approach to identifying, assessing, and mitigating risks. It supports informed decision-making, strengthens resilience, and aligns risk management with strategic priorities.

Risk Management Approach

Identify – Enterprise-wide processes capture internal and external risks through cross-functional inputs.

Define – Risk appetite guides balanced and consistent decision-making.

Assess – Tools such as risk registers, scenario analysis, and key indicators help prioritise risks.

Mitigate – Targeted controls, including quality systems, pharmacovigilance, compliance, and continuity planning, manage key risks.

Monitor – Ongoing review and reporting enable timely action and continuous improvement.

How We Manage Risk

Operational Risks

Capacity Planning and Optimisation Risk

Inadequate capacity alignment with evolving demand patterns may constrain responsiveness and impact margins.

Capitals Impacted

Stakeholder Impacted

Strategic Priorities

S2 – Excel | **S3** – Expand

Risk Owner

Operations / Supply Chain

Oversight

Risk Management Committee; Board

Mitigating Measures

- Strengthening demand forecasting through data-led planning tools
- Enhancing capacity flexibility across manufacturing sites
- Monitoring input cost exposures and deploying structured hedging mechanisms

Environment, Health and Safety (EHS)

Stringent and evolving EHS regulations across geographies may impact operational continuity and compliance.

Capitals Impacted

Stakeholder Impacted

Strategic Priorities

S2 – Excel

Risk Owner

Operations / EHS

Oversight

Risk Management Committee; Board

Mitigating Measures

- Advancing sustainable operations and resource efficiency initiatives
- Reinforcing safety culture through continuous training and awareness programmes
- Strengthening process safety systems for high-risk operations

Operating Risk

Inefficiencies in managing vendor and customer relationships may affect revenue stability and operational efficiency.

Capitals Impacted

Stakeholder Impacted

Strategic Priorities

S2 – Excel

Risk Owner

Supply Chain / Commercial

Oversight

Risk Management Committee

Mitigating Measures

- Diversifying supplier base to reduce single-source dependency
- Strengthening long-term partnerships across the value chain
- Leveraging digital tools for better coordination and visibility

Financial Risk

Foreign Exchange Rate Risk

Exposure to multiple currencies across revenues, costs, and investments may lead to earnings volatility.

Capitals Impacted

Stakeholder Impacted

Strategic Priorities

S2 – Excel

Risk Owner

Finance / Treasury

Oversight

Audit Committee

Mitigating Measures

- Implementing a disciplined and structured hedging framework
- Continuously monitoring currency movements and exposures
- Aligning treasury strategies with evolving market conditions

Compliance Risk

Regulatory Risk

Non-compliance with evolving regulatory requirements may disrupt operations and delay product approvals.

Capitals Impacted

Stakeholder Impacted

Strategic Priorities

S2 – Excel

Risk Owner

Quality / Regulatory Affairs

Oversight

Audit Committee; Board

Mitigating Measures

- Maintaining robust compliance and quality management systems
- Engaging proactively with regulatory authorities
- Ensuring continuous monitoring of evolving regulatory requirements

Strategic Risks

Industry Risk

Macroeconomic shifts or industry downturns may adversely affect demand and growth momentum.

Capitals Impacted

Stakeholder Impacted

Strategic Priorities

S2 – Excel | **S3** – Expand

Risk Owner

Strategy / Leadership Team

Oversight

Board

Mitigating Measures

- Expanding presence across key and emerging markets
- Diversifying portfolio to enhance business resilience
- Embedding business continuity planning across operations

Innovation Risk

Limited differentiation in products or processes may constrain long-term growth and competitiveness.

Capitals Impacted

Stakeholder Impacted

Strategic Priorities

S1 – Innovate

Risk Owner

R&D

Oversight

Risk Management Committee; Board

Mitigating Measures

- Increasing investments in R&D and product development
- Accelerating commercialisation of niche and value-added products
- Leveraging advanced capabilities to drive process innovation

Competition Risk

Intensifying competition in domestic and global markets may impact market share and pricing power.

Capitals Impacted

Stakeholder Impacted

Strategic Priorities

S1 – Innovate | **S2** – Excel

Risk Owner

Commercial / Strategy

Oversight

Leadership Team

Mitigating Measures

- Driving cost optimisation across operations
- Enhancing product differentiation and value proposition
- Strengthening customer engagement through quality and service excellence

ESG APPROACH

Embedding ESG into the Way We Grow

We integrate Environmental, Social and Governance (ESG) principles into our core business strategy, enabling responsible growth and long-term value creation. Our approach is anchored in adopting advanced technologies such as bio-catalysis and continuous flow chemistry, fostering safe and inclusive workplaces, and upholding the highest standards of ethics and compliance. Through these efforts, we aim to strengthen operational resilience while contributing positively to our stakeholders and the environment.

ESG Governance and Oversight

Sustainability is embedded within our governance framework, with defined accountability and structured oversight to drive effective execution across ESG priorities.

Ownership

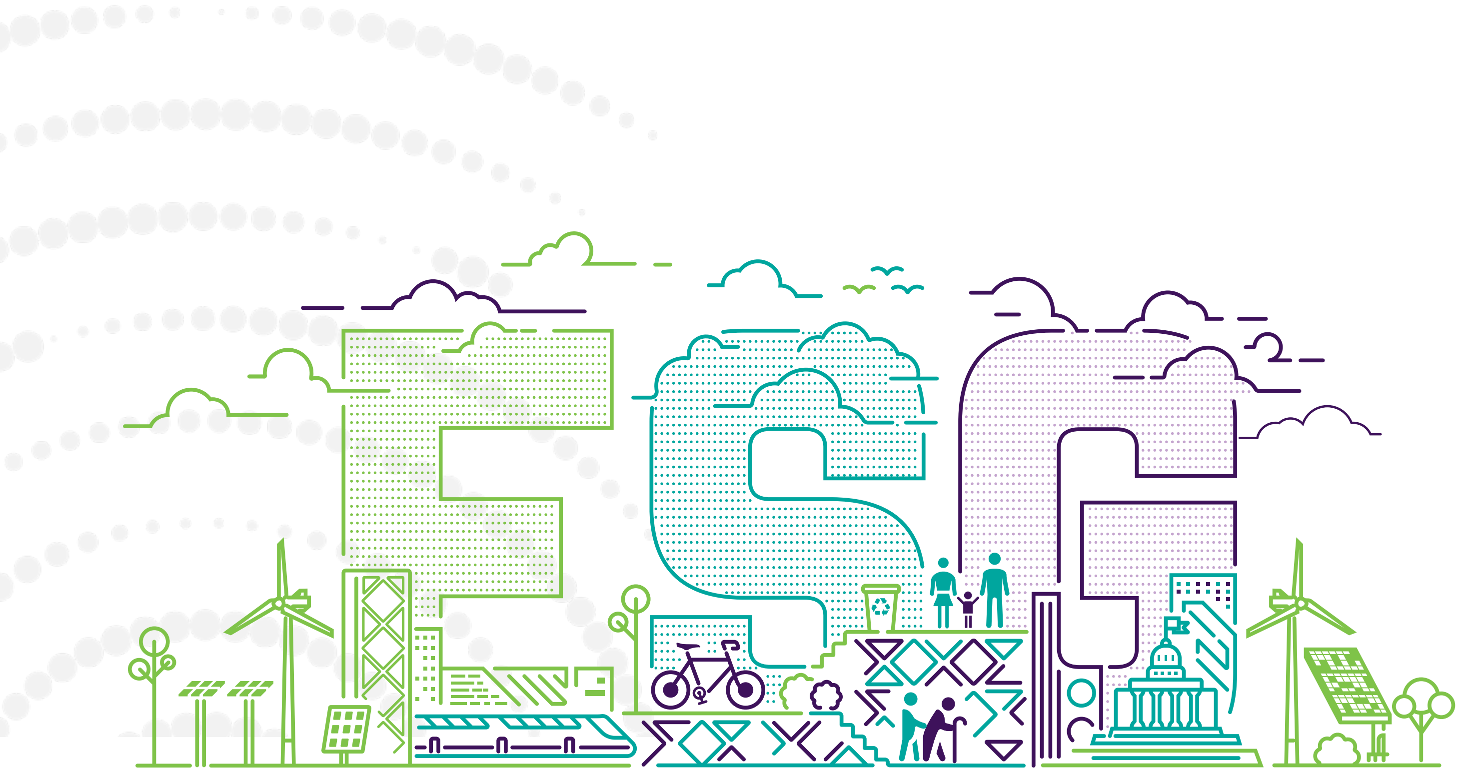
ESG initiatives are led by the Sustainability/CSR function with strong cross-functional alignment

Oversight

Reviewed periodically by senior management and the Board / relevant committees

Monitoring

Performance tracked through defined KPIs, internal dashboards, audits, and regular reporting mechanisms



ESG Snapshot

Our ESG priorities are anchored in key focus areas across Environmental, Social, and Governance, with progress tracked through defined metrics.

Environmental

2.2%
Reduction in Scope 1 and 2 emission intensity per rupee of turnover

All
sites certified to ISO 14001 and ISO 50001

1,17,375 GJ
Renewable energy consumption

37,449 tonnes
of waste recycled and reused

Social

₹12.5 crore
Invested in community development initiatives

Zero
Lost time injury rate

9 %
Women in the workforce

100 %
Employees trained on code of conduct and ethics

Governance

20 %
Women Directors on the Board

50 %
Independent Directors

Zero
Cases of unethical business practices

Zero
Incidents of data breaches

Sustainability Goals

At Laurus, sustainability is rooted in the way we create long-term value for society while advancing our corporate purpose. We view ESG as an essential part of responsible growth, helping us align business decisions with environmental stewardship, social progress, strong governance and transparent disclosure.

As we strengthen our ESG journey, we have set out our first formal sustainability goals across environmental, social and governance priorities. These targets reflect our intent to convert commitments into measurable action, guided by our values and supported by growing capabilities across operations, people and governance.

Environmental

Our Ambition	Our Commitment	Goal Description	Target	Target Year	Base Year
Responsible Manufacturing 7 AFFORDABLE AND CLEAN ENERGY 6 CLEAN WATER AND SANITATION 13 CLIMATE ACTION 14 LIFE BELOW WATER 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 15 LIFE ON LAND	Climate Change & Emissions	Reduce absolute Scope 1 and 2 GHG emissions.	42.0%	2031	2025
		Reduce Scope 3 GHG emissions 51.6% per ₹ value added.	51.6%	2031	2025
		Conduct a Life Cycle Assessment (LCA)/ Product Carbon Footprint (PCF) evaluation for top 10 products.	10 Products	2030	-
	Energy	Achieve an energy efficiency improvement of 15%.	15%	2030	2025
		Achieve 40% renewable energy contribution to total energy consumption.	40%	2030	-
	Water Management	Achieve a 20% water recycling against business-as-usual projections via strategic efficiency initiatives.	20%	2030	2025
	Waste Management & Circular Economy	Striving for Zero Waste to Landfill – 80% of hazardous wastes routed to recycling and co-processing at all operational sites.	80%	2030	2025
	Environment Pollutants	Reduce emissions of air pollutants (SOx, NOx, and Particulate Matter).	5%	2030	2025
	Biodiversity	Conduct a comprehensive biodiversity assessment and implement conservation measures to protect endangered species and critical habitats.	1 No.	2030	-
	Customer Health & Safety	Achieve zero product recall and incidents across the business.	Zero	-	-

Social

Our Ambition	Our Commitment	Goal Description	Target	Target Year	Base Year
Equitable Society 3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES	Working Conditions	Sustain our established fair compensation structure, ensuring 100% of direct and indirect employees continue to receive wages meeting living wage benchmarks.	100%	-	-
	Occupational Health & Safety	Achieve a goal of zero reportable accidents throughout all operations.	Zero	-	-
	Social Dialogue	Continue to implement the standing orders agreement across all relevant locations, ensuring that the rights of employees to associate freely and engage in collective bargaining are upheld on a bi-annual basis.	Sustain	-	-
	Equal Opportunity	10% female representation in the Employees.	10%	2030	-
	Career Management & Training	Achieve an average of 48 training man-hours per employee annually.	48 training Man-hours	2030	-
		Ensure 100% of employees receive annual refresher training on the Human Rights Policy.	100%		
	Child Labour, Forced Labour & Human Trafficking	Conduct a comprehensive biodiversity assessment and implement conservation measures to protect endangered species and critical habitats.	1 No.	2030	-

Governance

Our Ambition	Our Commitment	Goal Description	Target	Target Year	Base Year
Enhance Trust among stakeholders 8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 16 PEACE, JUSTICE AND STRONG INSTITUTIONS 17 PARTNERSHIPS FOR THE GOALS	Business Ethics	Achieve zero confirmed incidents of code of conduct violation.	Zero	-	-
		Achieve zero confirmed incidents of corruption and bribery.	Zero	-	-
		100% of employees are trained on the employee business code of conduct & ethics policy.	100%	-	-
	Data Privacy and Security	Achieve zero confirmed information security incidents.	Zero	-	-
	Sustainable Supply Chain Management	100% of key supply partners will be assessed periodically against the Laurus sustainability criteria.	100%	2030	-
		Ensure that 50% of assessed key supply partners follow the environmental, health, and safety, and human rights procedures and policy.	50%	2030	-
		100% of key supply partners establishing and conducting business with Laurus must acknowledge Laurus supplier code of conduct.	100%	2030	-
		100% training coverage of procurement team employees on Laurus Sustainability initiatives.	100%		-

EMPLOYEES

Growing through our People

Our people have been central to our success. We remain focused on building an organisation where talent, learning, safety and well-being evolve alongside business growth, enabling our teams to contribute meaningfully in a high-performance and values-driven environment.

KPIs

100%
Employees trained on code of conduct and ethics

100%
Sites ISO 45001 certified and assessed for health and safety practices

Zero
Lost time injury frequency rate (LTIFR)

Great Place to Work certified organisation

UN SDGs

3 GOOD HEALTH AND WELL-BEING | 4 QUALITY EDUCATION | 5 GENDER EQUALITY | 8 DECENT WORK AND ECONOMIC GROWTH | 10 REDUCED INEQUALITIES

Key Risks

- EHS risk
- Operating risk

Material Matters

- Occupational health and safety
- Employee well-being and satisfaction
- Talent attraction and retention
- Learning and development/skilling
- Diversity and inclusion

Talent Acquisition, Onboarding and Retention

Building the right talent ecosystem remained a strategic priority during the year, supported by focused efforts across hiring, onboarding and workforce retention.

Strengthening the hiring engine

Our hiring model combines campus recruitment for early-career talent with lateral hiring for specialised and leadership roles. During the year, we strengthened recruitment outreach through walk-in drives, scheduled hiring programmes and digital talent acquisition channels, while continuing to maintain diversity considerations across recruitment processes.

We also engaged with scientists and professionals seeking opportunities to return to India and contribute to emerging areas such as gene therapy and peptides. These efforts support capability creation in areas expected to shape Laurus' next phase of growth.

To further strengthen hiring efficiency and widen access to experienced talent pools, we introduced LinkedIn Recruiter for lateral hiring and partnered with specialist agencies for recruitment across the US and UK markets.

Talent acquisition channels

- Campus recruitment
- Walk-in drives
- Scheduled interviews
- LinkedIn Recruiter
- Specialist agencies for US and UK hiring
- Return-to-India scientific talent

1,700+
Employees hired during the year

8,126
Employees as of March 31, 2026 (7,042 in the previous year)

Integrating talent into the Laurus culture

Recognising that successful integration is critical to long-term retention, we further strengthened our onboarding framework during the year. Structured induction programmes, organisation familiarisation sessions and unit-level Laurus Ignite interactions were conducted to help new employees understand the Company's culture, policies and growth philosophy. New employees are also supported by a SANCHALAK mentor during the initial phase of their journey at Laurus, enabling smoother integration into teams and ways of working.

Onboarding journey

- Structured induction
- Organisation familiarisation
- Laurus Ignite sessions
- SANCHALAK mentor support
- Team integration

Enabling fair recruitment and workforce stability

A key aspect of Laurus' people philosophy is maintaining fairness and internal parity in compensation practices. Structured salary bandwidths are followed across levels to ensure equitable integration of new hires while maintaining alignment with existing employees.

Retention remained an important focus area amid industry-wide competition for skilled talent. We enhanced our retention bonus framework for select employee categories to improve workforce stability and support long-term engagement.

Workforce stability indicators

Attrition reduced to

10.3% from 17% in the previous year

Great Place to Work score improved to

83% from 80%

DARPAN 2025

Listening to our people, strengthening our culture

Laurus partnered with Great Place to Work® to assess employee engagement through the Trust Index© and Culture Audit© framework. Named DARPAN, meaning mirror, the survey reflects our commitment to understanding employee experience with honesty and transparency.

The survey covered 6,553 employees, achieved a 96% response rate and was conducted online in English, Hindi and Telugu over two weeks in July 2025. Laurus recorded a Trust Index score of 83, reinforcing its position as a Great Place to Work certified organisation for the sixth consecutive year.

Trust Index journey

2018: 72 → 2020: 78 → 2021: 84 → 2022: 84 → 2024: 80 → 2025: 83

Employee Well-being and Engagement

At Laurus, employee well-being extends beyond workplace support systems to encompass physical, emotional, mental and financial wellness. Our initiatives are designed to create an environment where employees and their families feel supported throughout different stages of life and career.

Strengthening mental and emotional well-being

The Employee Assistance Programme (EAP), titled A Happier and Healthier You, continued to strengthen its reach. Introduced in partnership with external experts, the programme provides confidential counselling and support services for employees and their family members across areas such as stress management, emotional well-being, work-life balance and personal challenges.

Expert counsellors remained accessible across sites through scheduled sessions, ensuring employees could seek support in a comfortable manner. Monthly workshops were also organised on topics related to mental wellness, behavioural awareness and personal development, helping employees build greater resilience in both professional and personal environments.

Employee assistance programme cumulative impact

131
Counselling sessions

3,251
Employees impacted

110
Workshops

Promoting preventive health and nutrition

To further strengthen preventive healthcare, we introduced a dedicated dietician role during the year. The dietician reviews meals prepared across our in-house kitchens for balanced nutrition and conducts sessions across locations to build awareness on healthy eating and lifestyle practices.

Employee fitness infrastructure was further enhanced through well-equipped gym facilities and dedicated shuttle courts across plant locations. The gyms are supported by trainers who guide employees on various forms of exercise, encouraging healthier and more active lifestyles.

Building a supportive employee ecosystem

As part of our broader employee support ecosystem, Laurus Enclave continued to provide residential support for designated employees and their families in a secure and community-oriented environment.

Our commitment to employee care is reflected through initiatives such as the Laurus ESOP programme, where eligible employees were granted ESOPs to reward them for their dedicated service in the growth journey of the Company. This is complemented by employee well-being interventions and the Laurus Employee Trust (LET Scheme), which provides financial support during emergencies.

Creating moments of belonging

Over the years, we have consciously nurtured a culture that values belonging, long-term relationships and family participation. This culture continued to be reinforced through a range of employee engagement initiatives conducted across locations.

Programmes such as Family Day celebrations, women's engagement events, children's summer camps and festival celebrations saw active participation from employees, families and senior leadership teams. These initiatives help strengthen interpersonal connections and reinforce the values-led culture of the organisation.

Recognising commitment

Long-service awards recognise employees completing 10 and 15 years at Laurus, with cash rewards linked to designation. These awards celebrate their contribution, commitment and long-standing association with the Company.

Camaraderie & engagement

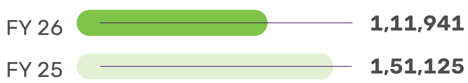
Strong emphasis on community-building through summer camps for employees' children, Women's day celebration where we invite the wives of our colleagues, annual events such as Sports Week, Family Day, and festival celebrations fostering belonging and shared joy.

Workplace Safety & Occupational Health

Maintaining a safe, healthy and risk-aware workplace remains fundamental to our operating philosophy. We remain focused on strengthening safety culture through robust systems and proactive monitoring.

Zero
Cases of Lost Time Injury Frequency Rate (LTIFR) for three consecutive years

Total safety training (Man-hours)



All manufacturing units are ISO 45001 (Occupational Health and Safety Management System) certified

Safety practices are anchored in continuous awareness, behavioural reinforcement and leadership accountability. Regular safety training programmes, operational reviews and workplace assessments were conducted during the year to strengthen adherence across functions and sites.

Our safety philosophy also places strong emphasis on preventive interventions and employee participation, helping build a workplace culture where safety remains an everyday responsibility across all levels of the organisation.

Learning & Development

Our learning and development framework focuses on strengthening technical expertise, leadership-readiness, behavioural capabilities and future-oriented skill development across the organisation.

Developing Middle-management Capability

The MANTHAN Management Development Programme (MDP) continued during the year as a structured intervention for middle-management capability building. The programme includes competency assessments, 360-degree review, one-to-one feedback, personalised development planning and long-duration learning interventions conducted through classroom, virtual and field-based formats. Designed in partnership with external experts, the programme combines behavioural capability development with leadership effectiveness and cross-functional collaboration.

Preparing Future Leaders

To strengthen succession-readiness and future leadership pipelines, Laurus advanced its Leadership Development Programme (LDP), titled Gearing Up Leaders for Tomorrow (GUT). The programme is designed around two levels of leadership, focusing on leaders working closely with senior management and the next line of critical talent.

Delivered with an external partner, the initiative includes leadership expectation-setting, structured assessments, behavioural and skill-based interventions, feedback, development planning and guided assignments to prepare leaders for larger roles.

Scaling Learning across the Organisation

Structured training calendars were rolled out across employee levels based on capability requirements identified through the performance management system.

Key Learning Programmes

PIONEER
Focused on Level 2–4 employees

SYNERGY
Focused on Level 5–7 employees

Elantree
Focused on leadership and communication

Prabuddha
Focused on emotional intelligence and behavioural capability development

Enabling Digital Learning

To strengthen accessibility and digital learning adoption, we also introduced the Laurus Learning portal and mobile application during the year. The platform enables employees to access learning modules, training schedules and classroom participation records through an integrated digital interface.

Diversity, Equity & Inclusion (DEI)

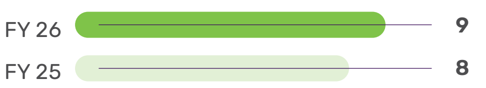
An inclusive and respectful workplace continues to remain integral to Laurus' culture and long-term growth philosophy. We believe diverse perspectives strengthen innovation, collaboration and organisational resilience. Our aim is to create an environment where employees across backgrounds, generations and experiences have equal opportunities to realise their potential.

Diversity in our workforce

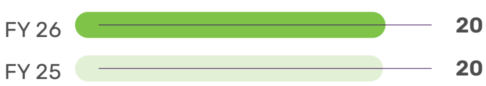
Our workforce is multigenerational, with millennials forming 88% of the permanent workforce. Women represented 9% of the total employees during the year, while women's representation on the Board remained at 20%. To support a more inclusive work environment, we continued to strengthen childcare support systems and employee engagement initiatives for women employees across locations.

To strengthen diversity in hiring, we conducted walk-in recruitment drives across locations such as Goa, Hyderabad, Ahmedabad and Chennai. These initiatives enabled access to wider talent pools and brought greater regional diversity into the organisation.

Women in Workforce (%)



Women on Board (%)



Zero tolerance policy

Laurus maintains a zero-tolerance approach towards sexual harassment and workplace misconduct. Awareness and sensitisation programmes continued during the year through mandatory POSH training modules integrated into employee induction and learning management systems. Reporting mechanisms and grievance redressal frameworks remain aligned with the Company's POSH policy and applicable regulatory requirements.

Inclusive and unbiased hiring

Fairness, meritocracy and equal opportunity remain central to our recruitment practices. Standard operating procedures across recruitment processes include clear provisions relating to diversity, non-discrimination and unbiased evaluation practices. Interviewers and candidates are both informed of Laurus' commitment towards fair and inclusive hiring practices, reinforcing accountability and transparency across recruitment interactions.

Human Rights & Ethical Labour Practices

Laurus is committed to upholding human rights and ethical labour standards across operations and business relationships.

Commitment to ethical labour standards

Our policies are aligned with globally recognised frameworks including the Universal Declaration of Human Rights (UDHR), International Labour Organisation (ILO) standards and the United Nations Guiding Principles on Business and Human Rights (UNGPs).

We continue to maintain systems and practices that support fair wages, equal opportunity, safe working conditions and non-discriminatory employment practices across the organisation. Human rights due diligence processes, employee grievance mechanisms and ongoing workforce engagement support continuous monitoring and timely resolution of workplace concerns.

Responsible supply chain & compliance

Our commitment to ethical conduct extends across the supply chain through a structured Supplier Code of Conduct that outlines expectations relating to labour standards, workplace safety and responsible business practices.

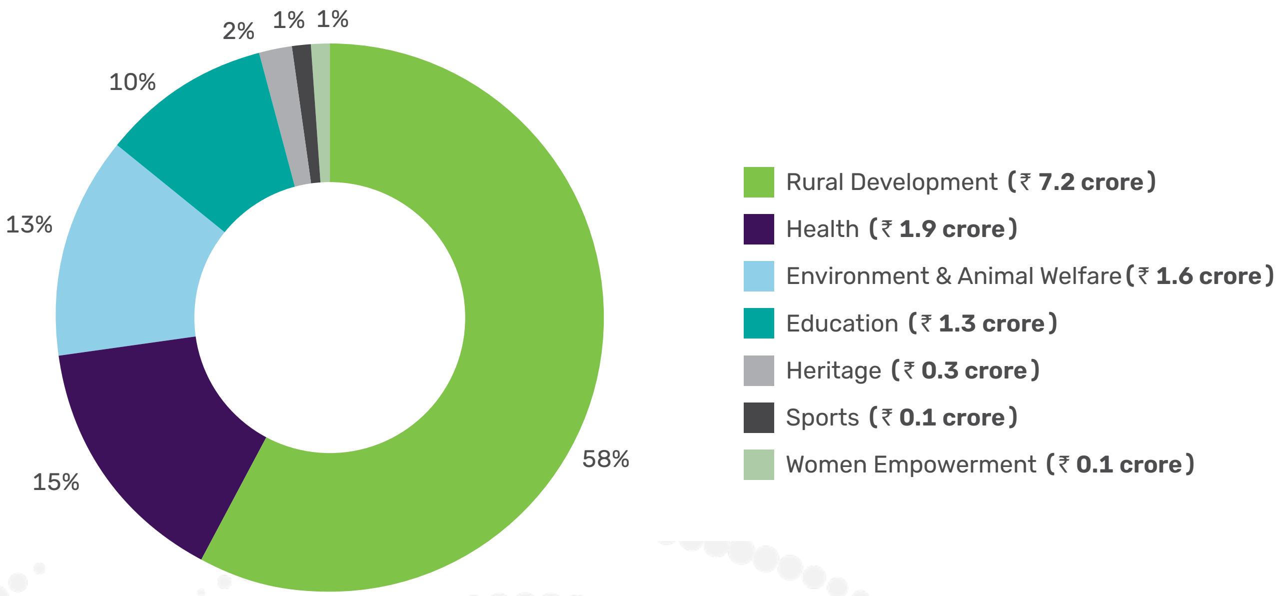
Periodic supplier assessments, monitoring mechanisms and engagement initiatives continue to strengthen alignment with Laurus' ethical and compliance standards across the value chain.

COMMUNITIES

Growing with Care

At Laurus, our approach to community engagement is grounded in a simple belief: meaningful progress must extend beyond our operations. As we continue to grow, we remain equally focused on contributing to the well-being of the communities around us through targeted, need-based interventions. Our unwavering commitment to community well-being centres around health, education, rural development and environmental sustainability. We believe that fostering sustainability in these key areas is integral to the long-term enhancement of our communities and plays a vital role in overall economic growth.

Our CSR initiatives are shaped through regular engagement with local stakeholders, NGOs and government bodies, ensuring that each programme addresses real and evolving community needs. These initiatives are implemented mainly through the Laurus Charitable Trust or trusted partners, with a focus on delivering tangible, on-ground impact.



KPIs

₹ 12.5 crore
CSR spent

UN SDGs

3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
5 GENDER EQUALITY
6 CLEAN WATER AND SANITATION
8 DECENT WORK AND ECONOMIC GROWTH
11 SUSTAINABLE CITIES AND COMMUNITIES
15 LIFE ON LAND

Key Risks

- EHS risk
- Regulatory risk

Material Matters

- Community engagement
- Access and affordability
- Biodiversity management

Rural Development

Vibrant communities require more than intent, they need infrastructure that works. During the year, our efforts were directed towards strengthening civic infrastructure and supporting local development across regions where we operate.

We supported a range of public infrastructure projects, including construction and development works in Yellamanchili and Anakapalli, provision of furniture for public service facilities such as fire stations and electrical and painting upgrades for government buildings. Community-focused initiatives such as jungle clearance works and support to municipal infrastructure further contributed to improving local living conditions. We also extended support towards the development of cultural and public spaces, including infrastructure at Annawaram Temple and beautification initiatives at Kaleshwaram.

Education and Skill Development

Lasting change often begins in a classroom. With this in mind, our efforts in education were centred on improving infrastructure and creating better learning environments for students in underserved communities.

During the year, we supported the construction of educational infrastructure, including a 200-seater auditorium at Andhra University. We also partnered with organisations such as Abhaya Foundation and undertook repair and renovation work at government institutions, including social welfare hostels and polytechnic colleges in Parawada, Narsipatnam and Koruwada, helping enhance access to quality education.

As part of our continued focus on livelihood enhancement, the Laurus Skill Development Centre remained an important platform for skilling youth, especially from marginalised communities. With employment-oriented training, the centre helps young individuals build industry-relevant capabilities and access sustainable livelihood opportunities.

Health

When it comes to healthcare, timely intervention can make all the difference. Our initiatives during the year focused on supporting critical care and improving access for those who need it the most.

We continued our partnerships with Pure Little Hearts Foundation and Hrudaya Care a Little Foundation, enabling life-saving pediatric cardiac surgeries and ensuring that children receive timely, high-quality treatment. Support was also extended to Bal Arogya Samwardhan and Cure SMA Foundation of India, contributing towards care for patients with serious and rare health conditions. In addition, initiatives such as improving access to safe drinking water through ATP Aqua Systems helped address basic health and sanitation needs at the community level.

Women Empowerment

Economic participation at the grassroots can unlock powerful change. Our initiatives in this area focused on creating sustainable livelihood opportunities for women.

We supported self-help group (SHG) women through the installation of seaweed cultivation rafts at Tantadi Beach, enabling income generation while encouraging community-led enterprise and resilience.

Environment

Caring for the environment is not a separate agenda, it is integral to how communities thrive. Our initiatives during the year focused on conservation, green cover and better waste management practices.

We continued our association with organisations such as ICRISAT and supported the maintenance of TTD Gardens at Tirumala, contributing to the preservation of biodiversity, enhancement of green spaces and improvement of the overall environment for pilgrims and local communities. At the grassroots level, we supported waste management through the provision of garbage collection vehicles and related infrastructure to local gram panchayats, strengthening sanitation systems and community hygiene.

Heritage and Culture

Cultural heritage carries the stories and identity of communities. Our support in this area focused on sustaining these traditions and enabling wider participation.

During the year, we extended support to initiatives such as Anakapalli Utsav and organisations including Sangitanjaly Foundation and Pandit Jasraj Cultural Foundation, helping promote and preserve traditional art forms and cultural expression.

Sports

Talent often needs just the right support at the right time. Our initiatives in sports focused on encouraging emerging athletes and enabling them to pursue excellence.

We extended support to promising sportspersons, including golfer Sneha Singh, helping them access resources and opportunities required to compete at higher levels.

CUSTOMERS

Growing with Customer Confidence

At Laurus, customer confidence is built on consistent execution, scientific depth and uncompromising quality. As our partnerships deepen across affordable medicines, CDMO, biotechnology and allied life sciences divisions, we continue to support customers with integrated development and manufacturing capabilities, reliable supply and one quality standard across all markets.

KPIs

275+
Clients served

7
Big Pharma customers

Zero
Product recall

UN SDGs

8 DECENT WORK AND ECONOMIC GROWTH

Key Risks

- Regulatory risk
- Competition risk
- Innovation risk

Material Matters

- Product quality and safety
- Protecting intellectual property rights
- Ethical sales and responsible marketing
- Cybersecurity and data privacy
- Access and affordability

Customer Profile and Market Presence

We serve a diverse customer base across pharmaceutical, healthcare and allied life sciences industries. Our customer profile reflects the breadth of our capabilities across affordable medicines, CDMO, biotechnology and emerging science-led applications.

Customer segments

Segment	Engagement focus
Multinational pharmaceutical companies	APIs, formulations, clinical supplies, commercial supplies and integrated CDMO programmes
Pharmacy chains	Reliable supply of high-quality affordable medicines
Global funding agencies	Anti-retroviral APIs and formulations supporting access to HIV treatment
Animal health companies	Development and supply of animal health ingredi-ents and novel products
Specialty chemi-cal companies	Chemistry-led develop-ment and manufacturing support
Precision fermentation companies	Biological process devel-opment and fermenta-tion-led solutions
Food companies	Sustainable science-led solutions for emerging ingredient applications
Crop sciences	Technical manufacturing of crop sciences

In Affordable Medicines, we continued to expand our role in supplying anti-retroviral APIs and formulations to global markets, supporting access to treatment for HIV patients worldwide. This business remains anchored in quality, supply reliability and the ability to serve large-volume requirements with discipline and consistency.

In CDMO, we supported multinational companies with clinical trial material, commercial supplies and integrated development and manufacturing solutions. Our work spans complex small molecules, advanced technologies and select allied segments, including animal health and crop sciences. We also engaged with companies focused on sustainable chemistry and biological processes, reflecting the growing relevance of science-led manufacturing in building more sustainable value chains.

Through our associate company ImmunoACT, we continued to support access to advanced cell therapy, with patients treated across 60+ hospitals in India. This reinforces our broader commitment to enabling science-led solutions that respond to evolving healthcare needs.

Building Long-term Customer Partnerships

Our customer relationships are built with a long-term view. We work closely with customers to understand their product requirements, technical challenges, supply needs and future growth plans. We welcome customer feedback and use it to improve processes, strengthen service delivery and enhance responsiveness. This enables us to move beyond transactional supply and build collaborations that are deeper, more strategic and better aligned to customer pipelines.

As Laurus has grown, so has the depth of its customer relationships. From serving 190+ clients in 2016, we now serve 275+ clients, including 7 Big Pharma customers. This growth reflects the trust customers place in our capabilities, operating discipline and ability to support them across evolving requirements.

Product Quality and Safety

Product quality and patient safety remain central to our customer promise. Our philosophy of One Quality Standard for All Markets guides the way we manufacture, test and supply products across geographies, irrespective of market classification or regulatory complexity.

This principle ensures that the same discipline is applied whether we are serving regulated markets, emerging markets, global health programmes or strategic CDMO customers. Our quality systems are supported by standardised processes, robust documentation, trained teams and continuous monitoring across facilities.

Customer Engagement and Industry Partnerships

Customer engagement at Laurus is continuous and multi-layered. It takes place through business development discussions, technical reviews, programme execution meetings, audits and feedback mechanisms. These interactions help us remain aligned with customer expectations, respond to changing requirements and identify new opportunities for collaboration.

Additionally, participation at leading industry platforms enabled us to showcase our scientific and manufacturing capabilities, deepen engagement with existing customers and build visibility with potential partners across global markets.

Key industry platforms in FY 2025-26

Business area	Forums attended
CDMO	DCAT, TIDES, CPhI APMOS, EPOS, BOS, BIO and ChemOutsourcing
Affordable Medicines	DCAT, 26th AIDS Conference and CPhI

Regulatory Compliance and Global Standards

We operate in a highly regulated environment where customer confidence depends on consistent adherence to global standards. Our facilities are regularly reviewed by regulatory authorities and customers, reinforcing our ability to serve stringent markets and complex customer requirements.

As we expand capacity and enter newer areas such as peptides, fermentation, gene therapy and ADC-related capabilities, regulatory-readiness remains integral to our customer proposition. Our focus is to grow capability while staying grounded in quality, safety and responsible execution.

SUPPLIERS

Growing with Responsible Sourcing

Our procurement function is focused on continuous improvement and sustainable value creation, supported by structured monitoring and performance evaluation. To align our sustainable procurement objectives with our broader ESG commitments, we have established a formal framework for defining and tracking Key Performance Indicators (KPIs). These SMART KPIs are designed to be specific, measurable, achievable, relevant and time-bound, covering key areas of supplier performance and sustainability.

KPIs

65%

Total Tier-1 suppliers of raw material and packing material spend has been screened on ESG criteria

66%

Indian Tier-1 raw material and packing material suppliers (by spend) have undergone ESG screening

100%

Screened suppliers have complied with our ESG requirements

UN SDGs

5 GENDER EQUALITY
8 DECENT WORK AND ECONOMIC GROWTH
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
17 PARTNERSHIPS FOR THE GOALS

Material Matters

- Responsible supply chain management
- Ethical governance
- Risk management

Key Risks

- Capacity planning and optimisation risk
- Operating risk

Responsible Sourcing and Supplier Engagement

We actively engage with suppliers to promote responsible sourcing practices aligned with our ESG commitments. Through regular reviews, ongoing dialogue and leadership-level interactions, we reinforce expectations around human rights, labour practices, employee well-being, environmental stewardship and ethical conduct across the value chain.

100%

of our procurement team is trained on various aspects of sustainable procurement guidelines

Supplier Policies & Commitments

Our supply chain governance framework is guided by the Sustainable Procurement Policy and Supplier Code of Conduct, which define expectations across ethics, compliance, sustainability and responsible business practices. These frameworks help ensure that suppliers, distributors and partners operate in alignment with our ESG standards and regulatory expectations.

During FY 2025-26, we further strengthened our procurement governance framework through the establishment of a Sustainable Procurement Manual aligned with ISO 20400:2017 principles. This framework supports a more structured and integrated approach towards sustainable sourcing, supplier engagement and risk management across procurement activities.

Sustainable Procurement Manual inline with ISO 20400:2017 principles has been established.

Supplier Base and Partnerships

Our supplier ecosystem spans procurement of key starting materials, packaging materials, capital and utility equipment and logistics services, supported through a balanced mix of domestic and international sourcing relationships. Within India, our supplier base remains concentrated across Gujarat, Maharashtra, Andhra Pradesh and Telangana.

As our business continues to scale, supply chain resilience remains a strategic priority. Over the past five years, we have meaningfully reduced our concentration risk by strengthening diversification across supplier geographies and sourcing networks. Alongside these efforts, we continue to strengthen domestic procurement capabilities in line with initiatives such as Make in India, helping mitigate single-source risks and improve responsiveness across global operations.

Supplier Assessment & Development Programme

All key suppliers are assessed through a structured on-boarding process covering capacity, quality, compliance and ESG parameters, supported by our sustainable supply chain questionnaire. This process forms the foundation of a continuous supplier evaluation framework designed to strengthen quality, reliability and operational resilience.

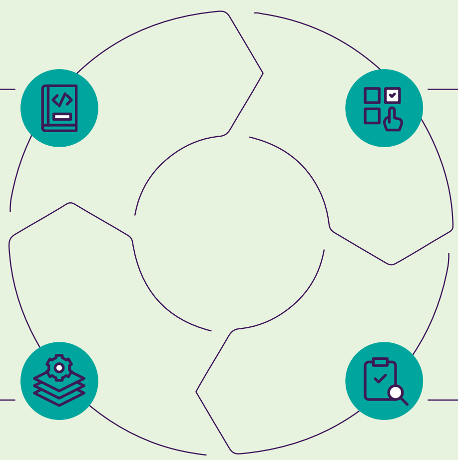
Periodic assessments, annual reviews and offshore QA audits enable us to monitor supplier performance against our standards for quality and ethical practices. Following evaluations, we work collaboratively with suppliers to implement targeted improvement plans that strengthen capabilities, enhance compliance and support long-term performance improvement.

Awareness

Suppliers are aligned to our standards through the Supplier Code of Conduct, which outlines requirements across quality, environment, health, safety, labour, ethics and management systems.

Selection

Supplier nomination is based on detailed risk evaluation, ensuring a resilient, compliant and high-quality supply base.



Development

Post-assessment, we work with suppliers on targeted improvement plans to strengthen capabilities, ensure compliance and enhance performance.

Evaluation

Performance is monitored through periodic reviews and audit-based assessments, including structured questionnaires.

ENVIRONMENT

Growing Sustainably

We continue to integrate sustainability into our operations by focusing on energy efficiency, emissions reduction and responsible water management. Through targeted initiatives and continuous monitoring, we aim to minimise our environmental impact while ensuring compliance and long-term operational resilience.

KPIs

37,449 tonnes
Waste recycled and reused

3,42,862 KL
Water recycled across our operations

UN SDGs

Material Matters

- Climate risks and resilience
- Climate and environment management
- Toxic emissions
- Green chemistry
- Biodiversity management

Key Risks

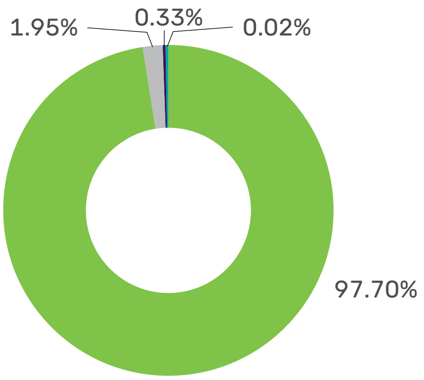
- EHS risk

Energy Management

Our energy management approach focuses on improving efficiency while gradually diversifying the energy mix. We use coal, diesel, grid electricity, solar power and steam from waste heat recovery, with continued emphasis on renewable energy adoption and lower energy intensity across operations.

Our ISO 50001-certified Energy Management System enables us to monitor consumption, identify high-energy areas and implement targeted efficiency initiatives.

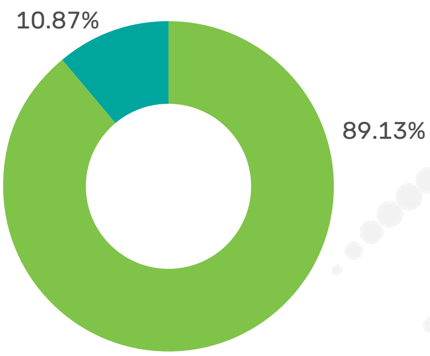
Energy from Fuels (%)



- Coal (**38,11,081 GJ**)
- Diesel (**76,092 GJ**)
- Petrol and LPG (**12,842 GJ**)
- Steam (from waste heat recovery) (**737GJ**)

Wood saw - 0%
(No usage of Wood saw in the current year)

Energy from Electricity (%)



- Electricity from Grid (**9,62,526 GJ**)
- Renewable Energy (Electricity) (**1,17,375GJ**)

Key Initiatives

- Transitioned to energy-efficient LED lighting across facilities, reducing overall electricity consumption
- Improved cooling tower efficiency through Variable Frequency Drives (VFDs), thermostats, centrifugal chillers and EC blowers
- Established a connecting pipeline between Utility-1 and Utility-2, enabling a single chiller to support MB-5, MB-6A and MB-4 operations during lower load periods
- Optimised process parameters and installed pressure control pumps, VFDs for cooling tower fans and timers for lighting systems
- Installed on/off control valves for specified AHUs to improve energy optimisation
- Increased renewable energy usage through captive solar power and power purchase agreements.
- Replaced screw chillers with energy-efficient centrifugal chillers
- Installed IE3 pumps and initiated plans for progressive replacement with higher-efficiency IE4 and IE5 motors

Key Outcomes

- Renewable energy generated: 30,31,547 kWh
- Energy savings achieved: 38,19,211 kWh

Way Forward

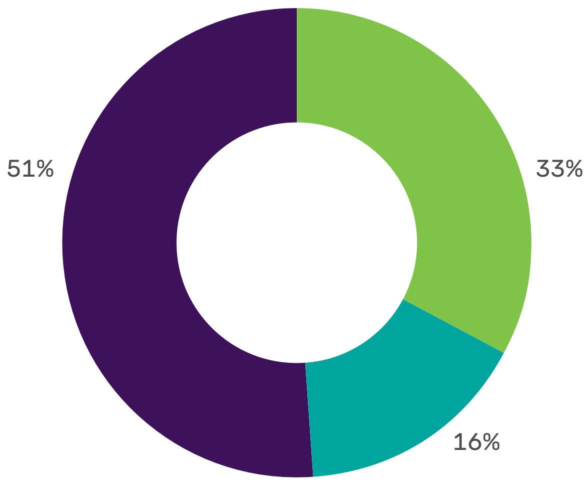
Reducing energy intensity will remain a key operational priority for us. Our focus will be on improving process efficiency, strengthening utility performance, increasing renewable energy adoption and gradually upgrading older systems with more efficient alternatives. These actions will help us optimise energy use across operations while supporting our broader environmental goals.

Emissions Management

A comprehensive GHG inventory covering Scope 1, Scope 2 and select Scope 3 emissions guides our emissions management, helping us identify hotspots and implement targeted reduction strategies.

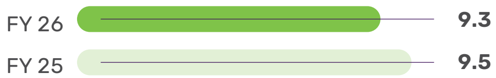
Scope 1 emissions primarily arise from fuel consumption and refrigerants, while Scope 2 emissions relate to purchased electricity. Scope 3 emissions, including supply chain and transportation, remain a key focus area, with efforts directed towards localisation and efficiency improvements.

Distribution of Scope 1, 2, and 3 Emissions (%)



- Scope 1 (**3,77,764 tCO_2e**)
- Scope 2 (**1,89,832 tCO_2e**)
- Scope 3 (**5,89,356 tCO_2e**)

Scope 1 & 2 Emission Intensity (tCO_2e/₹ million)



Key Initiatives

- Expanded coal storage shed capacity from 900 tonnes to 1,800 tonnes, reducing coal exposure to moisture during the monsoon season, improving combustion efficiency and lowering coal consumption by 945 tonnes during the rainy season
- Routed steam condensate trap lines to boiler feed water tanks, reducing coal consumption required for steam generation
- Continued renewable energy integration and operational efficiency initiatives across facilities

Key Outcomes

- Emissions reduction achieved: 5,101 tCO_2e

Way Forward

As we look towards FY 2026-27, our emissions reduction priorities will be anchored in a clear decarbonisation roadmap. We will continue to deepen renewable energy integration, strengthen our GHG management systems and improve operational efficiency across our manufacturing network.

Our focus will remain on maintaining rigorous oversight of Scope 1, Scope 2 and Scope 3 emissions, while aligning our operations with global climate goals. Through transparent monitoring, data-led interventions and targeted reduction initiatives, we aim to make steady progress towards a lower-carbon operating model.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

SBTi Near-Term Targets Approved

Our GHG reduction targets are aligned with Science Based Targets initiative (SBTi) near-term criteria and have been validated by the SBTi, marking an important milestone in our climate roadmap. These targets align our decarbonisation efforts with the 1.5°C pathway and set clear reduction goals to be achieved by FY 2030-31.

- Scope 1 and Scope 2: 42.0% absolute reduction in GHG emissions from the FY 2024-25 base year
- Scope 3: 51.6% reduction in GHG emissions per ₹ value added

This validation strengthens our accountability to stakeholders and reinforces our focus on building a lower-carbon operating model.

Water Management

Our water management commitment is centred on efficient use, recovery and reuse across operations. Advanced treatment systems enable us to reuse water in boilers, cooling towers and horticulture, reducing dependence on freshwater sources.

Across facilities, we continue to implement targeted efficiency measures to improve water recovery and strengthen reuse practices.

Key Initiatives

- Diverted rinsing water from the new pre-treatment plant to main water source tanks through ponds, resulting in water savings
- Reused steam condensate from MEE systems and rejected process water across boilers, cooling towers and gardening applications
- Treated Bio ETP outlet water through reverse osmosis systems at the Common Effluent Treatment Plant and reused it for cooling tower makeup and boiler feed applications
- Reused softener backwash water for gardening, reducing freshwater consumption

Key Outcomes

- Reduction in freshwater usage: 1,15,643 KL

Way Forward

As part of water stewardship efforts, we will continue to prioritise responsible water management, higher recycling and improved process efficiency across operations. Through our CETP at Unit 8 and unit-level process optimisation initiatives, we aim to maximise effluent recovery and strengthen water reuse across manufacturing processes.

Our focus will remain on reducing freshwater dependency and advancing a more circular approach to water management, supporting long-term water security across the regions where we operate.

Waste Management

The principles of reduce, reuse and recycle guide our waste management policy. Structured handling processes help us ensure safe disposal, regulatory compliance and improved resource efficiency across hazardous and non-hazardous waste streams.

Key Initiatives

- Redirected wastewater from LTDS operations to the Common Effluent Treatment Plant for reverse osmosis treatment and reuse across operational units
- Recovered and reused effluents generated from DMSO layers and other process streams, reducing wastewater generation
- Reduced hazardous waste generation by lowering ATFD salt moisture content and improving segregation practices to reduce ETP sludge generation
- Continued wastewater recovery and reuse initiatives across operations

Key Outcomes

- Wastewater recycled and reused: 89,036 KL

Way Forward

Our waste management approach will be shaped by a stronger circular economy mindset, where waste is increasingly treated as a recoverable resource. Our aspiration is to build a more regenerative operational model that reduces waste at source and moves us closer to a zero-landfill future.

This will be supported by advanced solvent recovery, strategic partnerships, food waste composting and continued efforts to reduce hazardous waste through lower ATFD salt moisture content and improved ETP sludge segregation.

Biodiversity Management

We recognise the importance of ecological balance in and around our operating locations. Through awareness programmes, plantation initiatives and community participation, we aim to support conservation and responsible environmental stewardship.

Key Initiatives

- Conducted plantation drives and environmental awareness programmes across locations
- Participated in community-led environmental activities in collaboration with local bodies and stakeholders
- Continued initiatives to improve environmental awareness among employees and local communities

Way Forward

Moving forward, our biodiversity efforts will focus on ecological restoration, science-based planting and deeper community engagement. The aim is to move beyond greening alone and support resilient ecosystems around our operating locations.

Through planting initiatives, environmental education programmes and long-term monitoring, we will continue to strengthen stewardship among our workforce and local communities while creating lasting ecological value.

INVESTORS

Growing Shareholder Value

We continued to strengthen long-term value creation through disciplined execution, prudent capital allocation and sustained investments in differentiated capabilities. During the year, strong operational performance, improving business mix and continued diversification across platforms strengthened our growth trajectory while reinforcing the resilience of our business model.

KPIs

₹ 6,813 crore
Revenue

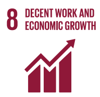
₹ 1,826 crore
EBITDA

100%
Shares in demat form

₹ 889 crore
PAT

₹ 2
Dividend per share

UN SDGs



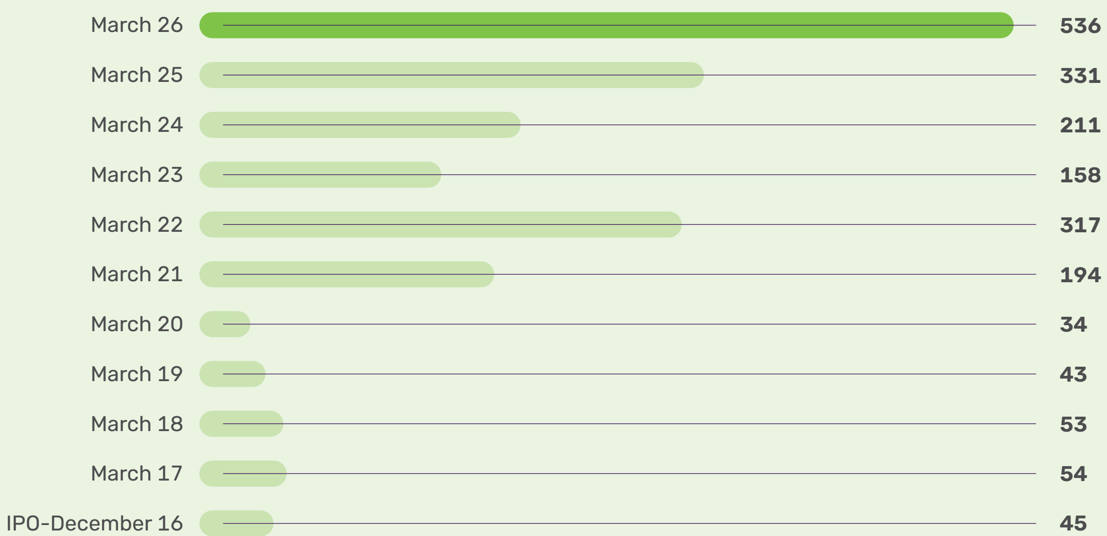
Material Matters

- Ethical governance
- Risk management
- Climate risks and resilience

Key Risks

- Financial risk
- Regulatory risk
- Innovation risk
- Industry risk

Market Capitalisation (₹ billion)



Financial Performance Analysis

We delivered strong operational and financial performance during the year, with revenues rising 23% YoY to ₹ 6,813 crore. Growth was driven by continued momentum across both CDMO and Affordable Medicines businesses, supported by robust demand for integrated offerings, late-stage and commercial CDMO supplies, higher ARV and oncology volumes and traction from developed market formulations.

The business portfolio continued to diversify. CDMO revenues increased 36% to ₹ 2,080 crore, taking its contribution to 31% of revenues. Affordable Medicines grew 18% to ₹ 4,733 crore, while ARV revenues remained strong in absolute terms even as their share continued to decline structurally.

Improving profitability and operating leverage

Profitability improved significantly during the year. EBITDA increased 64% to ₹ 1,826 crore, while EBITDA margins expanded by 670 basis points to 26.8%. Gross margins improved to 60.4%, supported by better business mix, process efficiencies, increasing utilisation of maturing growth assets and operating leverage arising from higher revenues. PAT increased 148% to ₹ 889 crore, reflecting stronger operational performance across business divisions.

Strengthening balance sheet and returns

We also strengthened our balance sheet and liquidity profile during the year. Operating cash flow improved sharply to ₹ 1,624 crore, supported by higher EBITDA and improved working capital management. Long-term debt remained stable, while net debt to EBITDA reduced to 1.3x from 2.3x in FY 2024-25, reflecting healthy internal cash generation and disciplined financial management. ROCE improved significantly to 17.7% despite continued investment into growth projects and new manufacturing infrastructure.

Strategic Investments in Capacity & Capabilities

We continued to invest aggressively in strengthening manufacturing infrastructure, technology platforms and future growth capabilities. Capital expenditure for the year stood at ₹ 1,070 crore, with a majority directed towards growth-oriented projects across CDMO, formulations, fermentation and advanced biologics.

Key investments during the year included:

- Expansion of commercial peptide manufacturing capabilities
- Formulation line expansion and packaging infrastructure at Unit 2
- Intermediate and API manufacturing blocks for human and animal health at Vizag
- Investments in ADC and gene therapy process development infrastructure
- Development of cGMP manufacturing facilities in Hyderabad
- Continued investments in fermentation infrastructure, including the upcoming large-scale Vizag fermentation facility

While expanding our manufacturing capacity, these investments are expected support customer diversification, improve service offerings and drive differentiation across the value chain.

Advancing R&D and Innovation

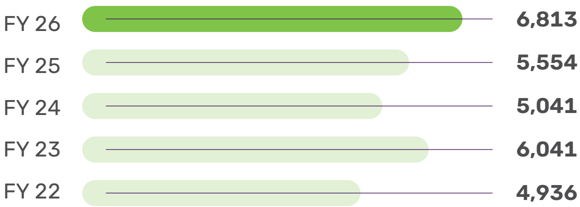
R&D remained central to our long-term growth strategy during the year. R&D expenditure stood at ₹ 282 crore, representing 4.1% of revenues, with investments focused on platform technologies, complex modalities and differentiated manufacturing capabilities.

During the year, we continued to strengthen end-to-end peptide capabilities while advancing technologies such as biocatalysis, flow chemistry and continuous manufacturing across commercial-stage projects. We also accelerated investments in emerging biologics capabilities, including gene therapy, ADCs and cell therapy infrastructure. The process development lab for gene therapy and ADC services became operational during the year, while development of the integrated cGMP manufacturing facility in Hyderabad continued to progress.

Strength in Numbers

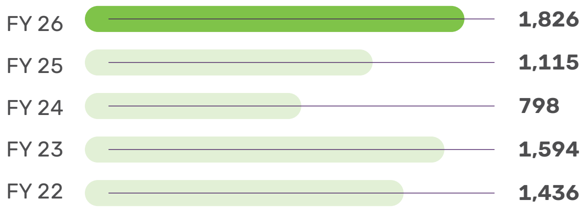
Net Sales (₹ in crore)

Net sales reached their highest level in five years, driven by broad-based volume growth and sustained momentum across the formulations and CDMO divisions.



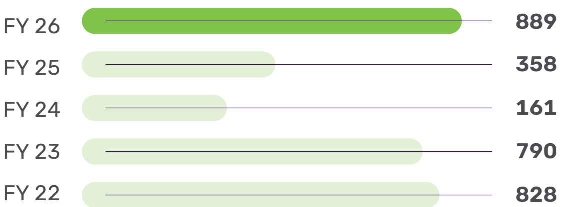
EBITDA (₹ in crore)

EBITDA surged to a five-year high, reflecting significant margin expansion on the back of operating leverage and improved product mix.



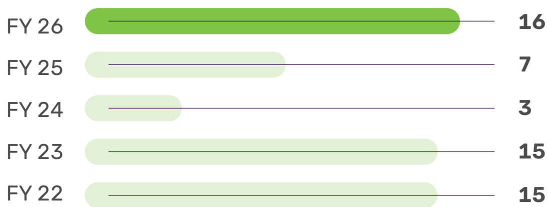
Net Profit (₹ in crore)

Net profit recorded its strongest performance in five years, underpinned by higher revenues, improved margins and disciplined cost management.



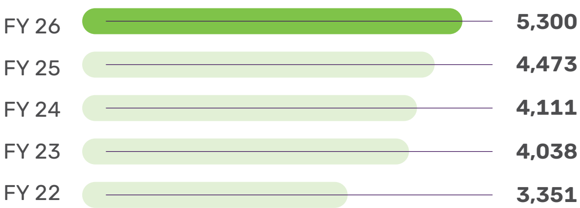
Diluted EPS (₹)

Earnings per share reached a five-year peak, reflecting the full flow-through of improved profitability to shareholders.



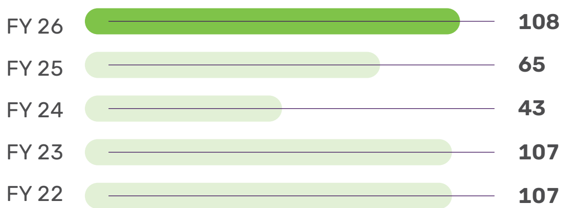
Net Worth (₹ in crore)

Net worth grew steadily for the fifth consecutive year, driven by consistent accretion of internal accruals.



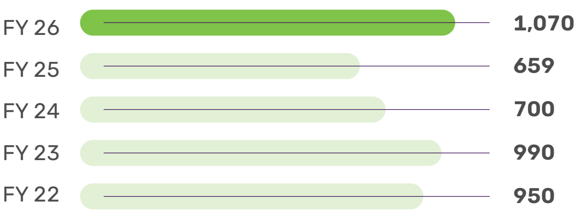
Dividend (₹)

Dividend was fully restored and reached a five-year high, reflecting the Company's strengthened earnings and commitment to rewarding shareholders.



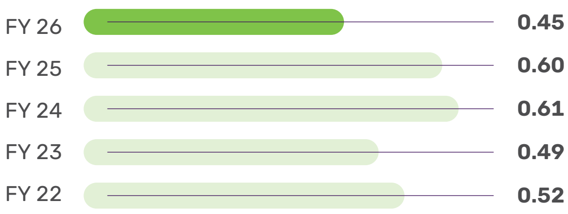
Capital Expenditure (₹ in crore)

Capital expenditure reached its highest level in five years, reflecting increased investment in capacity expansion to support long-term growth.



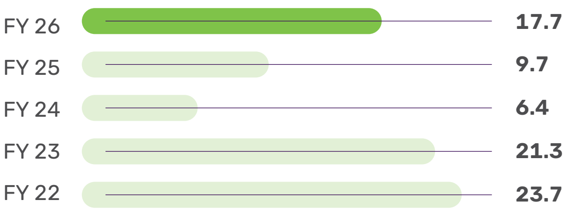
Debt-Equity Ratio (ratio)

The debt-equity ratio improved to its lowest in five years, demonstrating disciplined balance sheet management even as the Company scaled up investments.



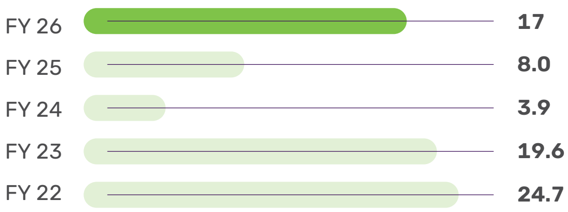
Return on Capital Employed (%)

ROCE strengthened significantly, reflecting improved asset utilisation and the increasing returns from prior-year capital investments.



Return on Equity (%)

Return on equity rebounded sharply, driven by the strong recovery in profitability and continued growth in the equity base.



GOVERNANCE

Values-led Governance for Long-term Growth

Our governance framework is anchored in ethical conduct, transparency and accountability. Our Code of Conduct and supporting policies guide decision-making across the organisation, ensuring responsible business practices and respect for human rights. Our approach goes well beyond statutory obligations and is guided by well defined policies, the Code of Conduct, and disclosure frameworks. Our corporate governance is upheld through robust and sound Board governance processes, internal control systems and stringent audit mechanisms, which are subject to periodic review by the Board and Board Committees. As a responsible corporate citizen, we operate with transparency to meet our societal commitments and deliver lasting impact.

Corporate Office

Registered Office

At Laurus, we are committed to follow and practice our core values to advance **"Chemistry for Better Living"** to become a leading player in offering integrated solutions to global pharmaceutical needs in creating a healthier world. Following core values act like a compass, that keeps the organisation cruising in the right direction:

Knowledge
Seek to learn constantly to stand out from the crowd

Innovation
Strike out on new paths to go farther

Excellence
Scale new peaks in everything we do

Care
Be diligent, safe and sensible

Integrity
Stand up always for what is right

Governance Principles

Ethics and Integrity

The Board upholds the highest standards of ethics, with Directors committed to the Code of Conduct, regulatory compliance and organisational values.

Responsible Conduct

We recognise our responsibility towards society and the environment, and remain committed to accountable and evolving business practices.

Accountability and Transparency

We ensure robust financial and non-financial reporting, supported by strong disclosure practices, stakeholder focus and rigorous internal and external assurance mechanisms.

Stakeholder-Centric Governance

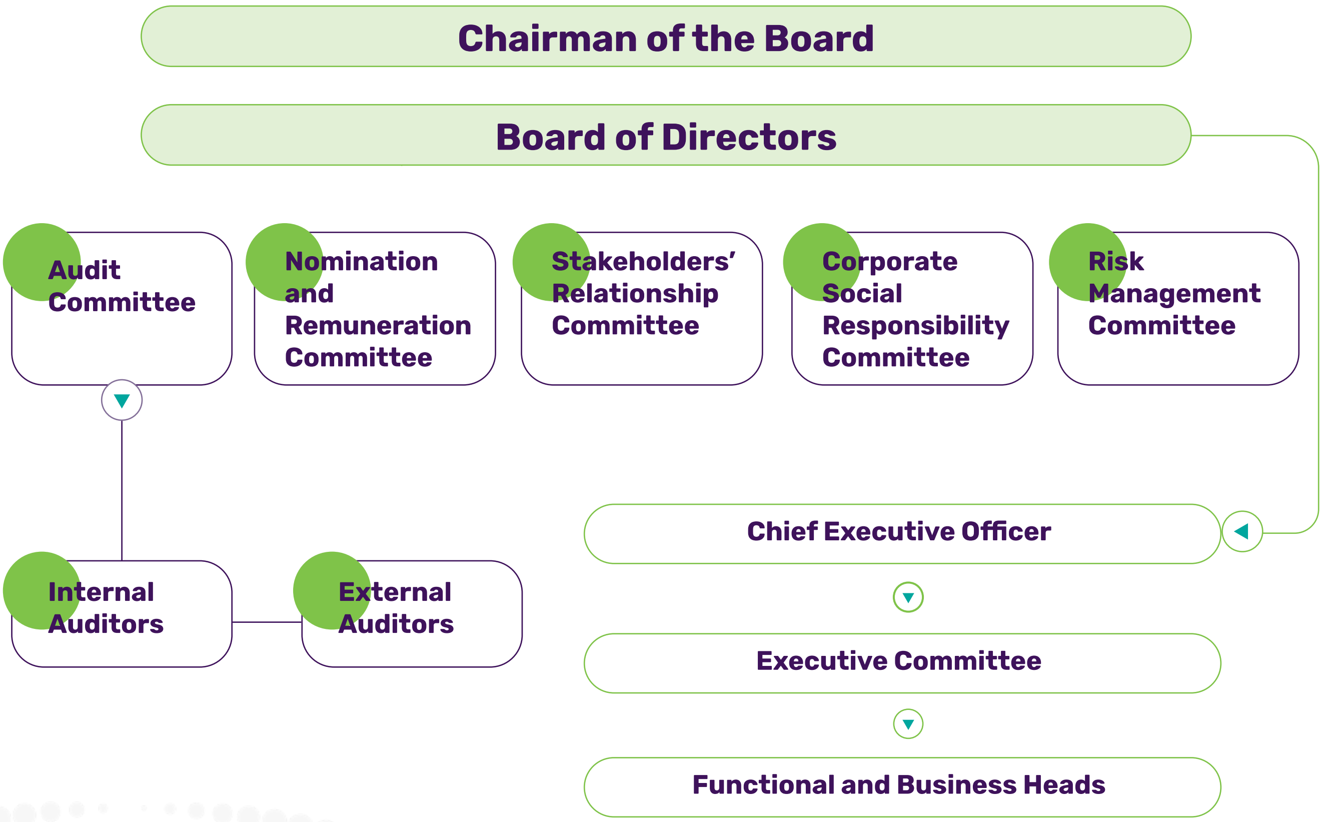
Our governance approach is designed to create long-term value for all stakeholders. By upholding high standards of corporate governance, we aim to build a responsible, responsive and resilient organisation, equipped to navigate evolving opportunities and challenges.

About the Board

Our Board of Directors plays a central role in upholding strong governance, ensuring transparency, accountability and ethical oversight across the organisation. It guides strategic direction while safeguarding stakeholder interests and enabling sustainable growth.

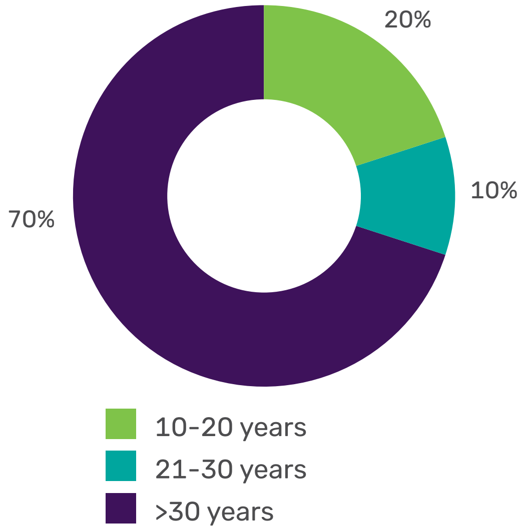
Board Composition and Leadership

Our Board comprises a balanced mix of Executive and Independent Directors, bringing diverse expertise and perspectives. The Chairman of the Board is a Non-Executive Independent Director, who provides objective leadership and strategic guidance. With their collective experience and tenure, the Board continues to steer Laurus towards long-term value creation and responsible growth.



Key Highlights

Board Experience



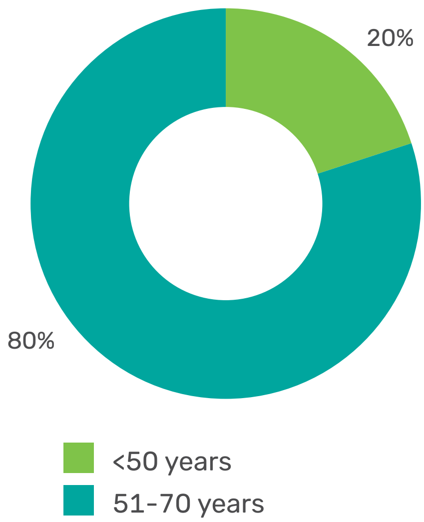
Pharma Industry Experience of Directors in Board

Pharma experience	90%
No pharma experience	10%

Nationality

Indian nationality	70%
Nationality outside India	30%

Board Age Profile



Board Independence

Executive	50%
Independent	50%

Average Tenure

All Board Members	9.2 years
Independent Directors	6.2 years

Gender Diversity

Male	80%
Female	20%

Tenure in Company's Board

≤ 5 years	40%
> 5 years	60%

98.5%
Attendance in Board and Board Committee meetings

98.6%
Attendance in Board meetings

Ensuring Robust Oversight

We maintain a strong governance structure with Independent Directors constituting 50% of the Board, exceeding statutory requirements. This ensures independent oversight, balanced decision-making and enhanced accountability across strategic and operational matters.

Skills and Experience

Name of the Director	●	●	●	●	●	●	●
Dr. Ravindranath Kancherla	✓			✓		✓	
Dr. Satyanarayana Chava	✓	✓	✓	✓	✓	✓	✓
Mr. V V Ravi Kumar	✓	✓	✓	✓		✓	
Dr. C V Lakshmana Rao	✓			✓	✓	✓	
Mr. Krishna Chaitanya Chava	✓			✓		✓	✓
Ms. Soumya Chava	✓			✓		✓	✓
Mrs. Aruna Bhinge	✓	✓	✓	✓		✓	
Dr. Rajesh Koshy Chandy	✓	✓		✓		✓	
Mr. Karnam Sekar		✓		✓		✓	
Mr. Ramesh Subrahmanian	✓	✓		✓		✓	

- Pharma industry experience in sourcing, manufacturing, marketing and business development
- Accounting, financial, budget and costing expertise
- Legal and HR expertise
- Expertise in corporate governance
- Experience in quality
- Formulation of effective strategy
- Experience in supply chain management, generics

Code of Conduct

Our Code of Conduct reinforces our commitment to integrity, honesty and ethical behaviour, while embedding ESG principles across our operations. The Code is applicable to the Directors, senior management, employees, affiliates and value chain partners, and outlines expectations for ethical conduct and decision-making while discharging various business role and responsibilities.

The Code fosters stakeholder trust by promoting integrity and accountability. Periodic monitoring and assessment of operations and business practices are being done to ensure adherence to legal and ethical standards, identify any potential risks, and promote a culture of ethics and integrity. Independent assessment by third parties are also been done periodically of key business functions to assess and identify any gaps and take necessary corrective and preventive measures to address any identified issues.

Respecting Human Rights

We are committed to upholding human rights across our operations through policies that prohibit child, adolescent and forced labour, as well as all forms of discrimination and harassment. We promote equal opportunity and ensure a workplace built on dignity, respect and inclusion, with zero tolerance for discrimination based on race, gender, age, religion, disability or other factors.

Whistleblower Mechanism

We provide a secure and confidential platform for reporting unethical practices, misconduct or legal violations. The mechanism ensures protection of the whistle-blower's identity, and the cases reviewed by the Audit Committee and appropriate actions taken where required.

Grievance Redressal

We maintain a structured grievance redressal framework, offering multiple channels for employees to raise concerns, including management access, HR, suggestion platforms and formal registers. This ensures timely resolution and supports employee well-being.

Data Privacy

We are committed to safeguarding sensitive information, including patient, research and proprietary data. Our data privacy framework ensures responsible handling, processing and protection of personal and business-critical information.

Tax Transparency

The Company has a Policy on tax transparency and governance, which provide guidance on Company's approach and commitments towards tax governance, tax planning and approach, tax compliances, and engagement with tax authorities. The Company believes that the taxes we contribute are a vital part of our overall economic and social impact, supporting the development of the areas where we operate. We believe our tax responsibilities are essential to our commitment to sustainable, responsible, and socially inclusive growth. We understand that tax evasion is unlawful, and we are committed to fully complying with the tax regulations in every country where we do business. Our dedication goes beyond simply adhering to the law; we also aim to respect the intent behind tax policies. We strive to balance our obligations as a responsible taxpayer while promoting competitive business growth. We aim to serve all our stakeholders, including investors, suppliers, and employees.

Reporting & Transparency

We maintain a transparent approach to reporting incidents related to corruption, bribery, harassment, confidentiality breaches, conflicts of interest, money laundering and insider trading. All such matters are addressed promptly, with appropriate disclosure and corrective action.

BOARD OF DIRECTORS

Guiding Growth with Oversight and Experience

Dr. Ravindranath Kancherla

Non-Executive Independent Director (Chairman of the Board)

Appointment

Serving as Independent Director since May 18, 2017; Chairman of the Board.

Skills & Expertise

- Globally renowned Surgical Gastroenterologist
- Pioneer in laparoscopic surgery
- Founder of Global Hospitals Group
- Expertise in complex GI procedures and organ transplants Trained 700+ surgeons in laparoscopic techniques

Qualifications

- MBBS – Madras University
- Master's in Surgery – Madras University
- FRCS – Royal College of Surgeons (Glasgow & Edinburgh)

Other directorships

- Global Hospital (North) Limited
- Hygieia Global Health Services LLP
- Global University Foundation
- Global Hospitals Private Limited
- Ravindranath Medical Foundation
- Global Hospitals Hyderabad Private Limited
- Cognitivebotics Technologies Private Limited
- Global Medlabs Private Limited
- Immunoadoptive Cell Therapy Private Limited
- Arunachalam Automotives Private Limited

Dr. Satyanarayana Chava

Executive Director & Chief Executive Officer

Appointment

Serving as Executive Director and Chief Executive Officer since January 21, 2006.

Skills & Expertise

- Strong scientific and research background
- Drives innovation and long-term strategic growth
- Deep industry expertise in pharmaceuticals
- Leadership focused on strengthening market position

Qualifications

- Bachelor's and Master's degrees in Science – Andhra University
- Ph.D. – Andhra University (1992)
- PGPMAX (Executive MBA) – Indian School of Business, Hyderabad (2012)

Other directorships

- Laurus Bio Private Limited
- ImmunoAdoptive Cell Therapy Private Limited
- KRKA Pharma Private Limited
- Chemiasoft Private Limited
- Laurus Generics Inc. (USA)
- Laurus Holdings Limited (UK)
- Laurus Generics SA (Pty) Ltd (South Africa)

Mr. V V Ravi Kumar

Executive Director & Chief Financial Officer

Appointment

Serving as Executive Director and Chief Financial Officer since November 30, 2006.

Skills & Expertise

- Extensive experience in finance and financial strategy
- Expertise in human resources and supply chain management
- Drives operational efficiency and resource optimisation

Qualifications

- Master of Commerce (M.Com.)
- Cost and Management Accountant (ICMAI)

Other directorships

- Laurus Bio Private Limited
- KRKA Pharma Private Limited
- Laurus Holdings Limited (UK)

Dr. C V Lakshmana Rao

Executive Director

Appointment

Associated with the Company since March 08, 2007.

Skills & Expertise

- Over two decades of experience in quality and regulatory affairs
- Expertise in quality control and quality assurance
- Leads quality strategy and compliance framework

Qualifications

- Master's degree in Science – Andhra University
- Ph.D. – Andhra University

Other directorships

- Sriam Labs Private Limited
- Laurus Generics GMBH (Germany)

Mr. Krishna Chaitanya Chava

Executive Director

Appointment

Associated since 2017; appointed as Executive Director on April 25, 2024.

Skills & Expertise

- Leads CDMO division with focus on innovation
- Experience in strategy, marketing and capability building
- Strong understanding of evolving pharmaceutical markets

Qualifications

- PGP MFAB – Indian School of Business, Hyderabad
- Master's in Mechanical Engineering – North Carolina State University, USA
- Bachelor's in Mechanical Engineering – BITS Pilani, Dubai

Other directorships

- Laurus Synthesis Private Limited (LSPL)
- Sriam Labs Private Limited
- Chemiasoft Private Limited
- Laurus Specialty Chemicals Private Limited

Mrs. Soumya Chava

Executive Director

Appointment

Associated since 2023; appointed as Executive Director on April 25, 2024.

Skills & Expertise

- Leads Affordable Medicine (Generics) division
- Over 13 years of experience in pharmaceuticals
- Expertise across clinical research, business operations and marketing
- Leads commercial operations and CSR initiatives

Qualifications

- Bachelor of Pharmacy – Osmania University
- Master's in Clinical Research & Business Administration – Campbell University, USA
- PG Diploma in Patent Law – NALSAR University, Hyderabad

Other directorships

- Laurus Synthesis Private Limited (LSPL)
- Laurus Specialty Chemicals Private Limited
- Laurus Generics Inc. (USA)
- Laurus Generics SA (Pty) Ltd (South Africa)
- Theia Jewellery Private Limited

Mrs. Aruna Bhinge

Non-Executive Independent Director

Appointment

Serving as Independent Director since July 07, 2016.

Skills & Expertise

- Over 20 years of experience in food security and strategic planning
- Expertise in sustainability practices across APAC
- Led Food Security Agenda at Syngenta India Limited

Qualifications

- Bachelor's in Science – University of Pune
- Master's in Science – University of Bombay
- Master's in Management Studies – University of Mumbai

Other directorships

- Mahindra Agri Solutions Limited
- Punjab Chemicals and Crop Protection Limited
- Mahindra EPC Irrigation Limited
- Laurus Bio Private Limited

Dr. Rajesh Koshy Chandy

Non-Executive Independent Director

Appointment

Serving as Independent Director since July 27, 2016.

Skills & Expertise

- Expertise in marketing and entrepreneurship
- Strong academic and research background
- Insights in consumer behaviour and market dynamics

Qualifications

- Bachelor's in Engineering (Electronics & Communications) – Madurai Kamraj University
- MBA – University of Oklahoma
- Ph.D. in Business Administration – University of Southern California

Other directorships

- Professor of Marketing – London Business School
- Tony and Maureen Wheeler Chair in Entrepreneurship
- Laurus Holdings Limited (UK)

Mr. Karnam Sekar

Non-Executive Independent Director

Appointment

Appointed as Independent Director on April 25, 2024

Skills & Expertise

- Over four decades of experience in banking and finance
- Expertise in corporate finance, treasury and stressed assets
- Former leadership roles at SBI, Dena Bank and Indian Overseas Bank
- Led mergers and turnaround strategies

Qualifications

- B.Sc. (Ag)
- CAIIB
- Diploma in Management – AIMA
- Leadership programmes – IIM Calcutta, ISB Hyderabad, Kellogg School of Management

Other directorships:

- UGRO Capital Limited
- Incred Financial Services Limited
- Incred Holdings Limited
- Laurus Bio Private Limited

Mr. Ramesh Subrahmanian

Non-Executive Independent Director

Appointment

Serving as Non-Executive Independent Director since July 25, 2024.

Skills & Expertise

- Over 33 years of experience in pharmaceuticals, medical devices and specialty chemicals
- Extensive experience with Sanofi and predecessor organisations
- Founder and Director – Alchemy Advisors (Singapore)

Qualifications

- Bachelor's in Commerce – University of Mumbai
- Chartered Accountant – Institute of Chartered Accountants in England & Wales

Other directorships

- Integris Medtech Limited

MANAGEMENT TEAM

Leading with Capabilities and Commitment

Dr. V Uma Maheswer Rao

President – Chemical R&D

Dr. Rao brings over 32 years of experience in process R&D and API manufacturing, contributing significantly to strengthening research capabilities. He also serves as Director at Laurus Bio Private Limited and Sriam Labs Private Limited.

Key qualifications

Ph.D. in Chemistry from Osmania University

Mr. Srinivasa Rao S

President – Manufacturing and Operations

Mr. Rao has 31 years of experience in production planning and manufacturing execution, driving operational efficiency across functions. He is also a Director at Sriam Labs Private Limited.

Key qualifications

Master's degree in Chemistry from Nagarjuna University

Dr. Suresh Poda

President – Advanced Biologics

Dr. Poda brings over 26 years of experience across pharma and biotech, leading R&D in small molecules, antibodies and gene therapies at global organisations.

Key qualifications

Ph.D. in Biochemistry from CFTRI, Mysore

Mr. Thomas Versosky

President – FDF, North America

Mr. Versosky has 21 years of experience in the US generics market, covering commercial operations, portfolio management and business development. He also serves as Director at Laurus Generics Inc.

Key qualifications

B.Sc. in Business from the University of Phoenix

Mr. Martyn Oliver James Peck

Executive Vice President – Business Development

Mr. Peck has 27 years of experience across sourcing, purchasing, sales and market intelligence, supporting global business development initiatives.

Key qualifications

B.Sc. in Biological & Medicinal Chemistry from the University of Essex

Dr. Rajaram Iyer

Executive Vice President – Portfolio Management

Mr. Iyer brings 28 years of experience in strategic planning, portfolio management and new business initiatives, supporting long-term growth. He also serves as Director at Laurus Bio Private Limited.

Key qualifications

Master's degree in Analytical Chemistry; EGMP from IIM Bangalore and MBA (Operations Research)

Mr. Ch. Sita Ramaiah

Executive Vice President – Finance

Mr. Sita Ramaiah has 25 years of experience in treasury, financial reporting, MIS and taxation, overseeing key financial functions. He also holds directorships at Laurus Synthesis Private Limited, Laurus Specialty Chemicals Private Limited and Laurus Generics GMBH.

Key qualifications

Fellow Member of the Institute of Chartered Accountants of India (ICAI)

Mr. S Srinivas Rao

Executive Vice President – Manufacturing

Mr. Rao brings 30 years of experience in production and manufacturing, contributing to operational excellence and efficiency.

Key qualifications

Master's degree in Chemistry from Shridhar University, Rajasthan

Mr. Narasimha Rao Chava

Executive Vice President – Human Resources

Mr. Chava brings 30 years of experience in administration and human resources, leading organisational and people-focused initiatives. He also serves as Director at Laurus Synthesis Private Limited (LSPL).

Key qualifications

Master's degree in Arts from Andhra University

Mr. Arnaud Martin

Executive Vice President & Head – Business Development, CDMO

Mr. Arnaud Martin brings over 30 years of pharmaceutical industry experience, with deep expertise in CDMO business development and partnerships across small molecules, biologics and complex large molecules. He drives strategic collaborations and supports Company's global CDMO expansion.

Key qualifications

Ph.D. in Organic/Bio-Organic Chemistry from Université Pierre & Marie Curie (Paris), in collaboration with CEA Industrie (French Alternative Energies and Atomic Energy Commission).

Mr. Jyothi Basu Abbineni

Executive Vice President – Chemical R&D

Mr. Abbineni brings over 30 years of experience across senior leadership and director roles, with expertise in API manufacturing, regulatory compliance, operational excellence and process innovation.

Key qualifications

M.Sc. in Applied Chemistry from SGSITS, Devi Ahilya University, Indore, along with professional certifications in Good Manufacturing Practices and Quality Management Systems

Mr. Ch. Venkata Ramana Rao

Executive Vice President – Intellectual Property Management

Mr. Rao brings 30 years of experience in process development, IP management and litigation, leading intellectual property functions.

Key qualifications

Master's degree in Chemistry; PG Diploma in Patent Law from IIPS and LLB from Osmania University

Mr. N Babchand

Senior Vice President – Business Development (Generics)

Mr. Babchand has over 24 years of experience in business development, contributing to the growth of the generics segment.

Key qualifications

Bachelor's degree in Business Management from Acharya Nagarjuna University

Mr. Sumeet Sobti

Senior Vice President – Supply Chain Management

Mr. Sobti brings 30 years of experience in supply chain management, leading supply chain operations and efficiency initiatives.

Key qualifications

B. Pharmacy from Jamia Hamdard University, Delhi

Dr. Thilek Kumar Muniyappan

Senior Vice President – Formulations R&D

Dr. Muniyappan brings over 25 years of experience in pharmaceutical research, with expertise in generics and new chemical entity (NCE) formulations.

Key qualifications

M.Pharm and Ph.D. in Pharmaceutics from IIT (BHU), Varanasi

Dr. Parkash Som

Senior Vice President – Regulatory Affairs

Dr. Som has over 29 years of experience in the pharmaceutical industry, with deep expertise in regulatory affairs, CMC filings and pharmacopeial standards.

Key qualifications

Ph.D. in Chemistry from Delhi University

Mr. Girish K

Senior Vice President – Operations

Mr. Girish has over 29 years of experience in the pharmaceutical industry, with expertise in plant design, equipment lifecycle management and end-to-end project execution.

Key qualifications

Chemical Engineer from BITS Pilani

Mr. Giridhar M

Senior Vice President – Quality Assurance

Mr. Giridhar brings over 35 years of experience in analytical development, quality control and quality assurance, overseeing quality systems across API manufacturing facilities.

Key qualifications

Bachelor's in Chemistry, with postgraduate qualifications in Chemical Analysis and Quality Management

Dr. Ravindra Babu B

Senior Vice President – Chemical R&D

Dr. Ravindra Babu is a seasoned scientist in organic and medicinal chemistry, with extensive experience in nucleoside synthesis and process development.

Key qualifications

Ph.D. in Organic Chemistry from the University of Delhi

Management Discussion and Analysis

Economic Overview

Global Economy

The world growth was 3.4% in 2025 at same level as 2024, amidst abating trade tensions with occasional flare-ups and elevated uncertainty. The global economy remained remarkably resilient though policy uncertainty continued to persist. Global inflation reduced from 5.8% in 2024 to 4.1% in 2025.

Region Wise Growth

Region	2025	2026 (P)	2027 (P)
Global economy	3.4	3.1	3.2
Advanced economies	1.9	1.8	1.7
Emerging markets and developing economies	4.4	3.9	4.2

P - Projections

Global growth is facing challenges with the outbreak of war in the Middle East. Slowdown in growth and increase in inflation are expected to be particularly pronounced in emerging market and developing economies. Global headline inflation is projected to rise modestly in 2026 before resuming its decline in 2027. Fluctuating trade policies continue to add uncertainty, though balanced by surging investment in technology, including artificial intelligence (AI), especially in North America and Asia than in other regions. Elevated public debt and eroding institutional credibility further heighten vulnerabilities. At the same time, activity could be lifted if productivity gains from AI materialise more rapidly or trade tensions ease on a sustained basis.

Overall global growth is expected at 3.1% in 2026 and 3.2% in 2027, assuming that the conflict remains limited in duration and scope. A longer or broader conflict, worsening geopolitical fragmentation, a reassessment of expectations surrounding artificial-intelligence-driven productivity, or renewed trade tensions could significantly weaken growth and destabilise financial markets. Risks to growth may arise due to re-evaluation of technology expectations and escalation of geopolitical tensions. Policymakers need to restore fiscal buffers, preserve price and financial stability, reduce uncertainty, and implement structural reforms to sustain growth.

(Source: IMF World Economic Outlook, April 2026)

Indian Economy

According to the second advanced estimates (base year 2022-23), India's Gross Domestic Product growth is estimated at 7.6% in FY 2025-26. The sustained growth momentum is primarily attributable to robust domestic consumption and investment. FY 2025-26 was filled with challenges from foreign trade partners amidst heightened uncertainty in global trade, imposition of high and punitive tariffs by key partners. Due to the war involving the US, Israel and Iran, which began on February 28, India's exports to West Asia fell 57.95% in March 2026. Total exports (merchandise and services) were recorded at USD 863.1 billion in FY 2025-26, up 4.2% YoY. The US, UAE, China, the Netherlands, and the UK remained key export destinations. Exports are expected to get a substantial boost by the Free Trade Agreement with the European Union concluded in Q4 FY 2025-26, post three years of embargo, India and the United States also signed an interim bilateral trade deal signalling economic cooperation. CPI inflation averaged around 2%. Continued focus on domestic manufacturing, rationalisation of GST rates and further simplification of compliance requirements across various industries provided relief to corporate India.

In FY 2025-26, the Reserve Bank of India (RBI) eased its monetary stance reducing the repo rate to 5.50% in October 2025 and further down to 5.25% in December 2025, with a view to support growth amid moderating inflation. As of February 6, 2026, the RBI's Monetary Policy Committee kept the repo rate unchanged at 5.25%, focusing on maintaining stability amid global uncertainties.

GDP growth for FY 2026-27 is projected to decline to 6.9%, with heightened uncertainty and rising economic risks due to war in Middle East. The conflict has led to a sharp rise in crude oil prices, disrupted overall energy supply, and disruption of supply chains putting pressure on input costs and raw material availability. Further clarity will emerge gradually depending on the intensity and duration of the conflict, and the status of energy infrastructure of the Gulf nations.

Source: https://www.pib.gov.in/PressReleasePage.aspx?PRID=2219912&reg=3&lang=1; Ministry of Statistics & Programme Implementation; RBI

Source: https://static.pib.gov.in/WriteReadData/specificdocs/documents/2026/feb/doc2026227806501.pdf

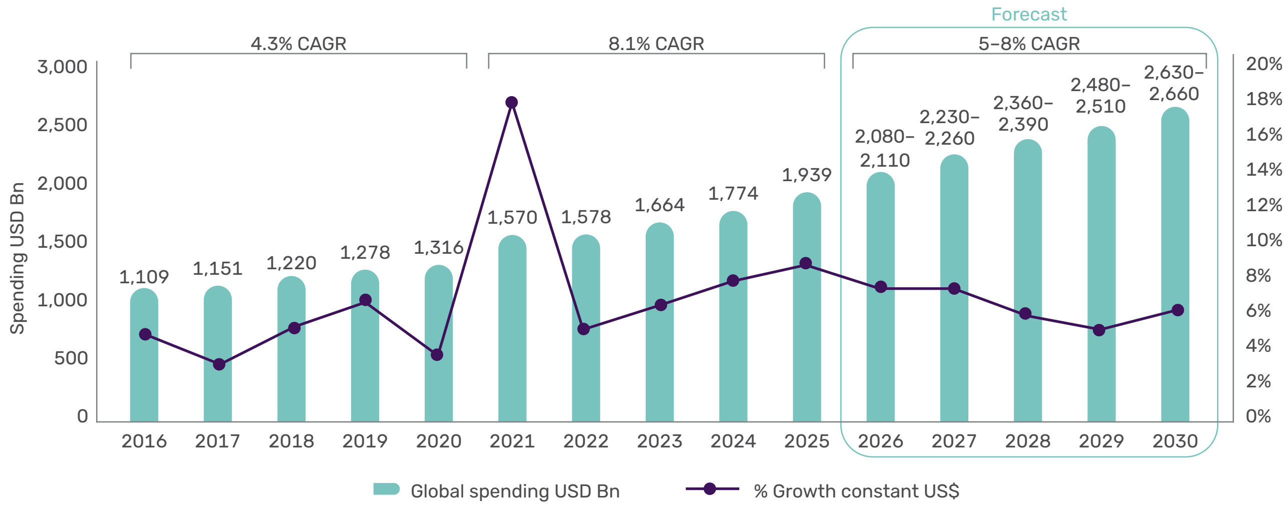
Year	Indian GDP growth (% YoY)
FY 20	4.2
FY 21	(6.6)
FY 22	8.7
FY 23	7.0
FY 24	7.2
FY 25	7.1
FY 26	7.6

Source: Ministry of Statistics & Programme Implementation

Industry Overview

Global Pharmaceutical Industry

The global pharmaceutical industry grew 9.3% in 2025 to an estimated USD 1.94 trillion from USD 1.76 trillion in 2024. This sustained growth and resilience is driven by growing prevalence of chronic diseases, innovation, sustained investment in R&D, advances in medical science, rising healthcare expenditure, growing awareness, broader access to essential medicines, spurt in personalised medicine, and digital health applications in pharmaceuticals.



Source: IQVIA Market Prognosis, Sep 2025; IQVIA Institute, Dec 2025.
Notes: Global medicine spending is based on IQVIA Market Prognosis with the addition of estimates of COVID vaccine and therapeutic spending which are not otherwise included. Those COVID additions are informed by company financials and published prices and vaccination rates.
Report: Global Medicine Use Trends 2026: Therapy Drivers, Spending Levels, and Policy Evolution. IQVIA Institute for Human Data Science, February 2026.

The pharmaceutical market when segmented based on modality remains dominated by small-molecule drugs due to their broad therapeutic use and cost-effectiveness, On the other hand, the biologics segment is witnessing faster expansion, due to their higher efficacy and safety, along with their ability to target complex, previously untreatable conditions.

The Active Pharmaceutical Ingredients (API) involves the trade and production of biologically active components in medicines, which are the primary building blocks for drug manufacturing. Driven by rising pharmaceutical demand, increasing prevalence of chronic diseases and continuous innovation in drug development, the global API industry is witnessing robust growth.

Another major segment of the industry is the Contract Development and Manufacturing Organisation (CDMO) market. As pharmaceutical companies increase focus toward innovation and drug development, with a view to reduce cost and optimise efficiency, manufacturing is increasingly being outsourced to CDMOs which aids in reducing operational costs, gaining access to specialised expertise and accelerate product commercialisation.

The biologics segment though small is witnessing fast-paced growth. Biological entities now dominate new-drug filings, propelled by antibody-drug conjugates, mRNA vaccines, and cell-based therapeutics. Rising burden of cancer, genetic diseases, and autoimmune diseases coupled with the approval of several disease-modifying therapies of these conditions are driving the biologics market growth.

Key Trends

- Growing incidences of chronic diseases: there has been a substantial increase in prevalence of chronic diseases such as cancer, diabetes and cardiovascular disorders. This coupled with ageing population requiring long-term treatment is fuelling the pharmaceutical market growth.
- Rapid innovations and technological advancements: A key driving factor of market growth has been rapid rise in investments in the discovery and development of new drugs and therapies like biologics, gene therapies, precision medicine, use of AI in drug discovery, etc.
- Novel drug treatment: The approval of cutting-edge drugs such as CAR-T cell therapies for certain cancers and GLP-1 obesity drugs exemplifies the

market's growing focus on precision medicine. New drug therapies for chronic illnesses are gaining strong traction.

- Emerging markets: Increasing market penetration in emerging markets coupled with robust growth in developed and pharmaemerging markets presents huge growth opportunities for the global pharmaceutical market.

- E-commerce and online pharmacies: Integration of digital prescription management systems and home delivery services support growth.

- Regulatory support: Strong government support, increased spending on healthcare across countries, and faster approval for critical therapies acts as a significant boost for the market.

- The pharmaceutical market is estimated to grow at 5-8% CAGR up to 2030 to reach USD 2,630-2,660 billion supported by the growing contribution of new products and the impact of patent expiries, including the growing impact of biosimilars.

Source: Global Medicine Use Trends 2026 | IQVIA

Global CDMO Industry

Rising demand for drug development support, increasing complexity of novel therapies, and heightened outsourcing by biopharma innovators are fuelling sustained growth for global CDMO market. With strategic shift towards generic medicines and drug development and manufacturing outsourcing by pharmaceutical and biotechnology companies, CDMO industry is witnessing robust growth. The global CDMO market was valued at USD 255 billion in 2025 and is projected to grow to USD 581 billion by 2034, at 9.9% CAGR. The CDMOs help in benefitting the pharmaceutical and biotechnology companies by optimising operational costs, providing specialised expertise and accelerating product commercialisation.

The CDMO industry is dominated by North America with nearly 38.5% share in 2025, led by a well-established network of service providers, high volume of clinical trials and strong partnerships between pharmaceutical and biotech companies. The second-largest share is held by Europe, which benefits from regulatory alignment with international standards and growing participation in biotech forums that enhance service visibility. The Asia-Pacific region is expected to witness robust future growth fuelled by growing investments in biopharmaceutical research, spike in manufacturing capacity and favourable government support in countries like China, India and Japan.

Key Trends Shaping the Global CDMO Market

- Providing end-to-end solutions from drug discovery to mass scale commercialisation
- Entering new regions and emerging markets
- Encouraging green chemistry and energy-efficient production
- Increasing collaborative models between CDMOs and pharma companies
- Growing market consolidation to expand capabilities and market presence

Source: Fortune Business Insights

Indian Pharmaceuticals Industry

Globally, India ranks third in pharmaceutical production by volume and fourteenth by value, with over 3,000 pharma companies and a strong network of more than 10,500 manufacturing facilities. The lower market share by value is mainly attributable to the dominance of generic medicines, which constitute ~70% of the industry's revenue and are priced lower. The Indian pharmaceutical market provides over 60,000 generic brands across 60 therapeutic categories manufactured in state-of-the-art plants. India has the highest number of US-FDA compliant pharmaceutical plants outside of USA.

The API industry in India ranks third-largest in the world, supplying 57% of APIs on the pre-qualified WHO list, and constitutes ~8% share in the global API industry. USD 31 billion India's pharmaceutical exports rise grew from USD 30.47 billion in FY 2024-25 to USD 31.11 billion in FY 2025-26. The growth is largely driven by increased health insurance coverage, better access to healthcare facilities, growing prevalence of chronic diseases, and rising per capita income. Exports growth is expected to be fuelled by greater generic drug penetration in regulated markets, supported by a focus on niche and complex product segments, patent expiries, licensing agreements from the medicine patent pool, and rising demand from semi-regulated markets.

Indian CDMO Industry

The India CDMO industry was valued at USD 26 billion in 2025 and is expected to grow to USD 57.94 billion by 2031, at 14.4% CAGR, led by cost-efficient production base, technically skilled workforce, and policy support from the government like the Production-Linked Incentive scheme. With a view to diversify supply chains, global sponsors redirect high-value biologics and complex injectable mandates toward India.

The use of AI and digitisation in CDMO are being exploited to shrink development timelines and enhance quality consistency. On the global stage, India has built a strong brand equity as a preferred site for outsourced small- and large-molecule manufacturing. The industry is witnessing multiple multinational investments in new greenfield facilities. Led by strong regulatory compliance mandates by CDSCO and the U.S. FDA, the industry has seen substantial shift towards superior quality systems, and higher compliance expenditures that ultimately strengthen export credibility.

Growth drivers

- Strong domestic pharmaceutical manufacturing infrastructure
- Availability of cheap and skilled workforce
- Government initiatives such as the Production Linked Incentive (PLI) scheme
- Favourable regulatory policies encouraging foreign investments and domestic expansion
- Growing demand for affordable healthcare solutions globally

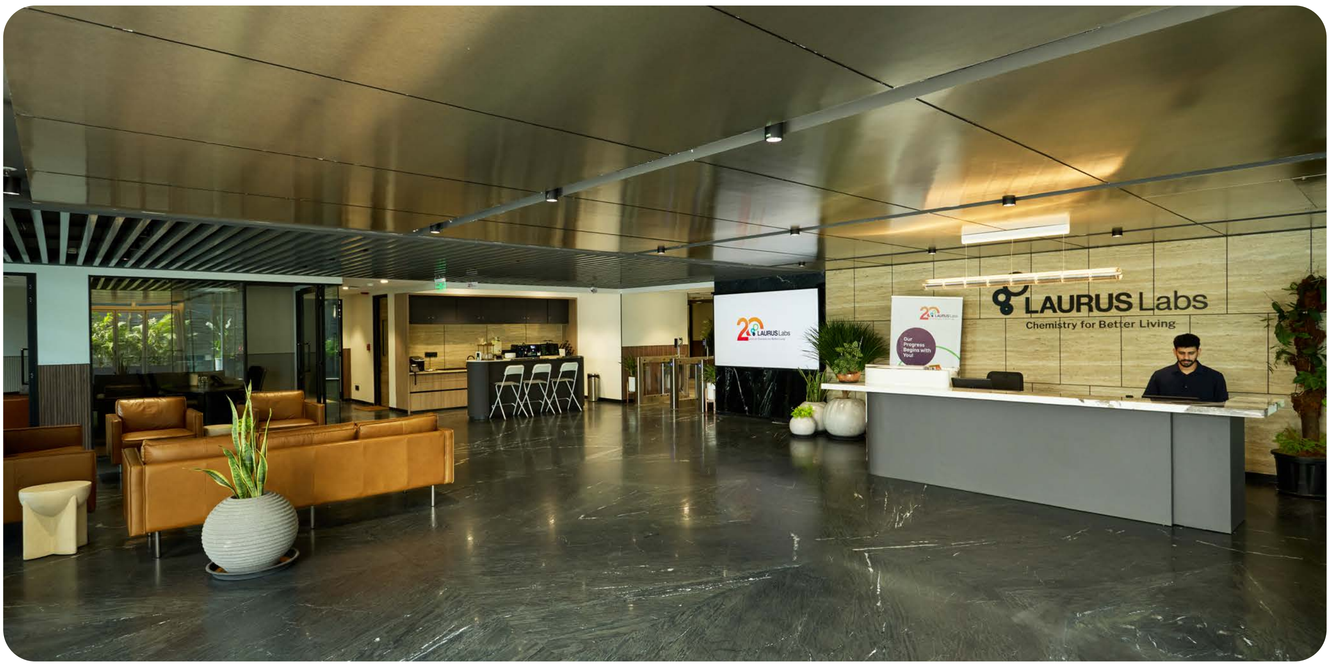
These factors are driving the pharmaceutical market to partner with CDMOs for cost-effective manufacturing without compromising quality standards.

Source: Mordor Intelligence

Company Overview

Laurus Labs Limited (hereafter referred to as 'Laurus Labs', 'we' or 'us'), is a research-driven pharmaceutical and biotechnology company committed to fostering sustainable growth and innovation in the pharmaceutical space globally. We are an integrated pharmaceutical company, offering one-stop solution from clinical stage development to manufacturing scale. We hold leadership position in developing and manufacturing select Active Pharmaceutical Ingredients (APIs) and Finished Dosage Forms (FDF) across anti-retroviral, oncology, cardiovascular, and gastro therapeutics. We also offer end-to-end Contract Development and Manufacturing Organisation services (CDMO/CMO), supporting innovators across human health, animal health, specialty chemicals, and crop science ingredients.

We operate through 15 state-of-the-art facilities which are globally accredited by several internationally recognised regulators like the USFDA, WHO, EMA, etc. Over the years of operations, we have garnered strong brand equity for excellence in drug development and manufacturing



globally. Our current focus is directed towards pioneering enviable technologies, including Continuous flow chemistry, Precision Fermentation, anti-body Drug conjuates and Cell and Gene Therapy etc. Driven by the core values of innovation, knowledge, excellence, care and integrity, we relentlessly strive to provide high-quality solutions through a customer-centric approach.

Business Division:

CDMO

Our CDMO services span the entire value chain from pre-clinical, clinical supplies, commercial supplies to lifecycle management for human health, crop science, animal health, speciality ingredients and biotech firms. State-of-the-art facilities are located in Hyderabad and Visakhapatnam. Key markets include the US, EU and Japan.

Affordable Medicines (Generics)

We are the global leaders in supplying antiretrovirals followed by largest Hi-Potent API capabilities. Our portfolio spans ARV, oncology, steroids, hormones and cardiovascular APIs, catering to the needs of top global generic pharmaceutical companies. Our Generics FDF business focuses on oral solid formulations. We remain focused on innovation and large-scale production.

Bio

We provide full service microbial precision fermentation CDMO services ranging from enzyme engineering and cell culture media to large-scale production. Our solutions serve sectors like regenerative medicine, vaccines, cultured meat and more. We also offer animal origin free bio alternatives for personal care, cosmetic and nutrition industries.

Strengths

- Integrated research-driven manufacturing company
- Large scale manufacturing infrastructure
- Delivers superior One Quality standard product for all markets
- Globally accredited state-of-the-art manufacturing facilities
- Advanced and evolving multiple R&D platform
- Diversified product portfolio
- Strong focus on innovation and automation
- Stable, visionary and Experienced Senior Management executives
- Healthy financial position and committed to deliver long-term sustainability
- Skilled workforce
- Robust resource management capabilities

Opportunities

- Presence in advanced therapies like cell and gene therapies
- Expertise in chemistry and process engineering
- Strong product pipeline
- In-house manufacturing

Threats

- Complicated regulatory framework
- Fluctuations in price
- Clinical program delays
- Pricing pressure especially in ARV
- Geopolitical factors

Financial Performance:

The financial performance of the company on consolidated basis presented below:

(₹ in crore)

Particulars	FY26	FY25	Y-o-Y change (%)
Revenues	**6,813**	**5,554**	**23%**
Gross Margins	60.4%	55.4%	5.0%
EBITDA	**1,826**	**1,115**	**64%**
% to Revenues	26.8%	20.1%	6.7%
Net Profit	**889**	**358**	**148%**
% to Revenues	13.0%	6.4%	6.6%
EPS (₹)	**16.4**	**6.6**	**148%**

Revenue from operations:

This financial year, the Company has earned revenue from operations of ₹ 6,813 crore, witnessed a growth of 23% over previous financial year. Performance driven by strong growth in CDMO division, sustained demand across complex chemistry platforms supported by growth in Affordable Medicine division.

Divisional Revenue Performance:

(₹ in crore)

	FY26	FY25	Y-o-Y
CDMO	**2,080**	**1,534**	**36%**
Small molecules	1,896	1,374	38%
Bio	184	160	15%
Affordable Medicines (Generics)	**4,733**	**4,020**	**18%**
API	2,746	2,438	13%
FDF	1,987	1,582	26%
Total Revenues	**6,813**	**5,554**	**23%**
ARV Revenues*	2,807	2,559	10%

** Includes API and Formulation (FDF) combined revenues*

CDMO Small molecules:

CDMO small molecules business reported revenues of ₹ 1,896 crore, during FY 2025-26; increased by 38% from late stage pipeline, commercial NCE API supplies, ramp-up of the growth projects.

CDMO Bio:

CDMO Bio revenue gown by 15% to ₹ 184 crore during FY 2025-26. Healthy growth through revenue diversification. Continued pipeline progress on larger Global accounts.

Affordable Medicines (Generics):

Affordable Medicines division reported revenues of ₹ 4,733 crore, during FY 2025-26, increased by 18%. This strong performance was driven by volume growth in ARV portfolio and ramp-up of the select molecules in US and EU region.

Material Costs:

(₹ in crore)

Particulars	FY26	FY25
Material consumption	2,794	2,429
Purchase of traded goods	172	105
Changes in inventories of finished goods and work-in-progress	(271)	(56)
Total Material Consumption	**2,695**	**2,478**
Revenue from operations	6,813	5,554
% Consumption to Revenue	**39.6%**	**44.6%**

Material consumption varies from product to product. The Company manufactures several active pharmaceutical ingredients and intermediates within the Affordable Medicines (Generics) and CDMO divisions. Manufacture of any product involves stage-wise controlled processing through its chemistry to the specifications under the standard operating practices complying to cGMP conditions.

Material consumption is decreased by 5% points to 39.6% comparing to previous year due to better product mix.

Employee benefits expense:

Employee benefits expense represent salaries and benefits to employees and also fixed and variable managerial remuneration of Executive Directors as approved by the Members.

Employee benefit expenses for the year is ₹ 895 crore as against ₹ 720 crore. The increase is driven by expanding headcount beyond the 1,000+ employees added in FY 2025-26, alongside sustained talent investments in R&D and manufacturing functions. These efforts specifically support the scaling of the company's operations.

Other expenses:

Major items of other expenses are power and fuel, effluent treatment, repairs, stores & spares, R&D expenses, carriage outward, travelling & conveyance, sales commission and CSR expenses.

Other expenses for the year was ₹ 1,444 crore as against ₹ 1,301 crore for the previous year. As a percentage of revenue, these expenses stood at 21% versus 23% in FY25. Key drivers included continued spending on new initiatives like Cell and Gene Therapy (CGT), Animal Health, and the ramp-up of advanced manufacturing capabilities.

Balance Sheet:

(₹ in crore)

Particulars	FY26	FY25	Y-o-Y
Net Fixed assets (incl. CWIP)	4,879	4,316	+563
Goodwill and Intangibles	265	266	(1)
Net Working Capital (A+B-C)	**3,245**	**2,985**	**+260**
A. Inventories	2,342	1,937	
B. Receivables	2,155	2,007	
C. Payables	1,252	959	
Other assets & liabilities	(805)	(501)	(304)
Cash and Cash Equivalents	113	100	+13
Equity	5,300	4,473	+827
Debt (current + non-current)	2,397	2,693	(296)
Total Net Assets	**7,697**	**7,166**	**+531**

Net Fixed Assets: Increased by ₹ 563 crore to ₹ 4,879 crore in FY 2025-26, driven by Investments in ADC/Gene Therapy Process Development lab & cGMP manufacturing facility in Hyderabad site and Drug Product line expansion, Commercial peptide capacity, Intermediate/API mfg. blocks (Human & Animal health) at Vizag site.

Net Working Capital: Net working capital stood at ₹ 3,245 crore as against ₹ 2,985 crore for the previous year. Increase mainly due to an increase in inventories and accounts receivables.

Cash & Cash Equivalents: Cash & Cash Equivalents ₹ 113 crore, reflecting healthy liquidity position.

Equity: Rose to ₹ 5,300 crore, reflecting the company's strong financial health and retained earnings.

Debt: Decreased to ₹ 2,397 crore, mainly due to improved operational efficiency and cashflows. Long-term debt remained stable.

Increase in Other assets & liabilities: The increase in other assets and liabilities was primarily driven by a rise in customer advances.

Key Ratios:

Ratio	FY 26	FY 25	Change
Debtors Turnover	3.2	2.8	14%
Inventory Turnover	2.9	2.9	0%
Interest Coverage Ratio	11.1	5.3	109%*
Current Ratio	1.33	1.22	9%
Debt-Equity Ratio	0.45	0.60	-25%**
EBITDA Margin (%)	26.8%	20.1%	33%*
Net Profit Margin (%)	13.0%	6.4%	103%*
Return on Networth (%)	16.8%	8.0%	110%*
Net Debt-EBITDA	1.3x	2.3x	-43%*

** The variance is on account of increase in profits for the year ended March 31, 2026.*

*** The variance is on account of decrease in debt and increase in profits for the year ended March 31, 2026.*

***Debtors Turnover:** Revenue from operations/Trade Receivables*

***Inventory Turnover:** Revenue from operations/Inventory*

***Interest Coverage:** EBIDTA/Total interest excluding bank charges*

***Current Ratio:** Current assets/Current liabilities*

***EBITDA Margin % :** EBIDTA/Revenue from operations*

***Net Profit Margin %:** Net profit/Revenue from operations*

***Return on Networth %:** PAT/ Equity+Reserves*

Strategic Outlook

The industry has shown a positive trend. The momentum is building as we continue to execute on our strategy with clear focus. We are currently managing several capex growth projects across multiple high growth modalities, mid-to-large scale manufacturing infrastructure, which are expected to be executed in the next two years. These are expected to significantly enhance our market opportunities, strengthen delivery capabilities and global position.

We are creating a large manufacturing greenfield project, Unit 7, where production for commercial validation is expected to commence by March 2027 and four additional manufacturing units during FY 2027-28 with a combined reactor volume of over 2,000 cubic metres. In addition, commercial scale peptide manufacturing block is expected to be ready for commercial scale validation during Q2 FY 2026-27. In animal health, some capacities at Unit 10 are expected to be added in addition to LSPL Unit 2. Also, a fermentation greenfield site for our Laurus Bio Phase 1 is expected to start by end of 2026. We are also spending on formulation facility under our KRKA joint venture in Hyderabad, and we expect Phase 1 to be completed by mid-2027.

To conclude in FY 2026-27, we will continue to focus on deepening CDMO/CMO strategic partnership on integrated capabilities, strengthening technology platforms, advancing late stage/commercial pipeline as well as focused investments into capacity creation laying strong foundation for future growth and continuous transformation of our business. We also expect healthy operating profit margins following better operating leverage and product mix.

R&D

Our research-first philosophy has led us to emerge as a preferred partner for most of our clientele. We possess state-of-the-art R&D infrastructure, aptly supported by a skilled team of 3,134 scientists and research professionals. We continue to embrace a research-driven approach to product development and continue to invest in and cultivate robust technical capabilities. We have technologically advanced 56,000 sq.m 6 R&D centres with 1,540 R&D scientists.

Sustainable pharmaceutical development is at the heart of all our R&D platforms like Continuous flow technology, Bio-catalysis and fermentation and Process technology. Through our digital transformation we have significantly improved efficiency and precision by integrating advanced inventory management and ALCOA+ data integrity.

352
patents filed

130
dossiers submitted

All our R&D endeavours are directed towards creating a superior one-stop CMO/CDMO platform through strong focus on innovation, sustainability, and operational excellence.

Human Resource

We, at Laurus Group, consider human capital to be a critical pillar of growth. We honour the hard-work and unwavering commitment of our people and remain committed to nurturing their growth and well-being. We have a strong and diverse global workforce, with 8,000+ direct employees and 6,800+ indirect employees across our business operations.

We provide various targeted training and development programs to our workforce to keep them motivated. Amidst a dynamic industry landscape, our teams remain well-equipped with appropriate and adequate skill sets spanning on-the-job learning and professional upskilling to specialised programmes focused on adapting to scientific progresses.

We strive to provide work-life balance to all our employees through various initiatives, including annual family day celebrations, children's development programmes, and comprehensive safety training. We offer an open, safe, diverse, inclusive, conducive and motivated work environment. We conduct town hall meetings, employee surveys, and face-to-face interactions to ensure we remain in touch with our workforce. This aids in better understanding their needs and take feedback. Our aim is to establish a strong bond beyond professional development.

Our hard work has been duly recognised by the GPW Institute who bestowed us with a 'Great Place to Work' title for six consecutive years. This aids in encouraging us further to foster a positive work culture. We have also received several safety awards from governmental and non-governmental bodies, to further cement our focus on employee safety and well-being. During the year under review, industrial relations remained harmonious. We, at Laurus Group, continue to remain steadfast in our commitment to care for all Laureates as we collectively move forward.

Risk Management

The comprehensiveness Risk Management framework ensures safeguarding against various foreseeable threats through strategising measured responses post detailed risk analysis. It is a crucial aspect of decision-making process. We strive to recognise, evaluate, and mitigate potential risks across our business segments resulting in value creation for all stakeholders. The framework comprises a variety of mitigation strategies to deal with risks posing a threat to business continuity amidst an evolving external environment.

For a detailed overview of our risk management approach and key risks, please refer to the initial section of the Integrated Annual Report.

Internal Control Systems

We have devised a comprehensive internal control framework ensuring robust financial reporting, protection of assets and optimisation of operational efficiency. All aspects of business operations are covered under the exhaustive policies and procedures in the framework.

The internal control system ensures strict adherence to various regulatory requirements and internal policies, in alignment with globally recognised standards and practices. It includes rigorous processes for financial reporting, risk management and compliance monitoring. With a view to keep a check on the efficacy of controls and recognise development potential, internal audits are conducted regularly. Independent third-party reviews are also conducted which enables to ensure objectivity and enhance the credibility of the findings.

The internal control framework also aids in the segregation of duties, resulting in assigning responsibilities and minimising probability of errors and fraud. It remains a constant endeavour to streamline operations and reduce manual intervention with the incorporation of latest automated systems and controls in the internal control system. This enhances both accuracy and productivity. To keep the employees updated about compliance and control practices, regular training and awareness programmes are conducted. The Audit Committee periodically reviews and monitors the effectiveness of the controls of the internal control framework. Prompt redressal of any identified issues and ensuring timely corrective measures are the responsibilities of the committee.

Cautionary Statement

This Report contains forward-looking statements, which may be identified by the use of words like ‘plans,’ ‘expects,’ ‘will,’ ‘intends,’ ‘projects,’ ‘estimates,’ or other words of similar meaning. All statements that address expectations, assumptions, or projections about the future, including statements about Laurus Labs Limited’s strategy for growth, market position, expenditures and financial results, are also forward-looking statements. Laurus Labs Limited cannot guarantee that these assumptions and expectations are accurate or will be realised.

Report of the Board of Directors

To
The Members of
Laurus Labs Limited

Your Directors have pleasure in presenting the 21st Annual Report of the Company together with the Audited Financial Statements for the Financial Year ended March 31, 2026.

Financial highlights

(₹ in crores)

Particulars	Consolidated		Standalone	
	2025-26	**2024-25**	**2025-26**	**2024-25**
Revenue from operations	6,813	5,554	6,089	5,217
Other income	48	60	31	65
Total income	**6,861**	**5,614**	**6,120**	**5,282**
Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)	1,826	1,115	1,469	1,009
Depreciation/Amortization	480	430	379	359
Finance costs (net)	164	201	96	146
Profit before tax (PBT)	**1,182**	**484**	**994**	**504**
Tax expense	292	130	254	124
Profit after tax and before share of profit/ (loss) from associates and joint venture	**890**	**354**	**740**	**380**
Share of profit/ (loss) from associates and joint venture, net of tax	0	4	-	-
Profit after share of profit/(loss) from associates and joint venture	890	358	-	-
Profit attributable to:			-	-
Equity holders of the parent company	889	358	-	-
Non-controlling interests	1	0	-	-
Closing balance of retained earnings	**4,429**	**3,626**	**4,359**	**3,705**

Company's Affairs

Operations

During the year under review, on consolidated basis the Company has achieved a turnover of ₹ 6,813 Crores, representing growth of 23% and EBITDA of ₹ 1,826 Crores representing 64% growth. The net profit for the year was ₹ 889 crores with a growth of 148%. Gross margins improved by over 5% pts to 60.4% due to favorable CDMO mix. On standalone basis, the Company has achieved a turnover of ₹ 6,089 Crores, representing growth of 17% and EBITDA of ₹ 1,469 Crores representing 46% growth. The net profit of ₹ 740 crores with a growth of over 95%.

The results for the year under review demonstrate the strength of the Company's business and gave confidence in Company's outlook. The Balance sheet remain well positioned to support key CAPEX program ahead with continued focus on operational excellence.

FY 26 performance was significantly accelerated, delivering strong revenue growth and expanded profitability, backed by successful commercial supplies for NCE programs, new launches ramp-up and sustained leadership in Anti-retroviral segment.

The summary of key highlights for the year under review are:

- CDMO business (small molecule) reported revenues of ₹ 1,896 Crores, during FY26; increased by 38% from late-stage pipeline, commercial NCE API supplies, ramp-up of the growth projects. Sustained clinical and commercial contracting across technologies and sites driving good growth outlook. Advancing on commercial peptides manufacturing capability. Pipeline momentum remained healthy across Human health, Animal health and Crop science.
- CDMO Bio business reported revenues of ₹ 184 Crores, during FY26; increased by 15%. Reported healthy growth through revenue diversification. Continued pipeline progress on larger Global accounts across AOF and CDMO business
- Affordable Medicines (Generics) division reported revenues of ₹4,733 Crores, during FY26, increased by 18%. Strong performance driven by volume growth in ARV portfolio and ramp up of the select molecules in US and EU region. Continued investment in Capacities, integrated CMO, and expanding footprint across Developed market and Emerging market to support FY27. KRKA JV: FDF facility construction work going as per plan; Phase-1 manufacturing blocks to be ready by mid-2027.

- The Government of Andhra Pradesh has allotted 531.77 acres of land in Anakapalli District in Andhra Pradesh to the Company for establishment of Laurus Pharma Zone (LPZ) for setting up of manufacturing units for Pharma products. The Company has projected ₹ 5,630 Crores of investment and direct/ indirect employment to 6,350 people in three phases over a period of eight years. The proposed investments to support future business expansion, augmenting our offerings across manufacturing scale and new technologies.
- Strengthening large-scale manufacturing network & capabilities to support customers.
- Enabling technology platforms.
- Exemplary quality track record - commitment to "One Quality standard for all Markets".
- ARV de-risking continues: Transformation continues with consistent rise in CDMO revenue share.
- FY26 CAPEX at 16% of sales with continued advancement in on-going investment program to enable future growth across technologies. Capex Intensity to increase over FY27-28 to support growth projects across Small molecule (Human & Animal health), Fermentation, Peptides, and Gene therapy/ ADC.
- Declared 2nd interim dividend of ₹ 1.20 per share for FY26, 1st interim dividend was ₹ 0.80 per share.
- 132 quality audits in FY26 have been completed by various customers and regulatory agencies without any critical findings
- The Company is advancing ESG agenda and enhancing competitive edge:
  - Listed consecutively in S&P Global Sustainability yearbook for 2026 and 2025.
  - Achieved S&P Global Corporate Sustainability Assessment (CSA) score of 81 out of 100 in the category of pharmaceutical companies (previous year was 71).
  - Consecutive "BBB" ratings in FY22-26 from MSCI ESG ratings.
  - Investment in green energy to access renewable energy (Solar + wind), to be available from Q4FY27. This will enable to source around 50% of energy through renewable source.
  - Committed to the United Nations Global Compact (UNGC) in support of its ten sustainability principles.
  - Commenced process of establishing GHG targets aligned with SBTi standards.
  - Focus on decarbonizing products. Advanced foam tender installed across manufacturing sites.
  - Increased use of green technologies and intelligent equipment.
- The Company was certified as Great Place to Work in sixth consecutive year.
- ImmunoACT, Mumbai, the associate of the Company treated around 600 patients suffering with Lymphoma and Lukemia with NexCAR-19. ImmunoACT is first company to launch commercial CAR_T therapy and expanding its facilities to create capacity for over 2000 treatments annually. ImmunoACT also got approval to carry phase 1 clinical trial for pediatric usage of NexCAR-19 and also carry phase 1 clinical trial for an additional program to treat multiple myeloma (BCMA).

Outlook

Business prospects will remain positive based on increased CDMO Opportunities for Global customers, CMO opportunities for generic companies, expanded business Opportunities for Generics. The transformation of Company's portfolio is well underway, and momentum is building. The Company is making significant investments in novel technologies, scale and strengthening integrated capabilities offerings towards laying foundation for future growth. In the face of macro-economic volatility, the Company's business model has proven resilient and remain well positioned to execute on growth strategy with continued progress on EHS/ ESG initiatives.

Currently, we are managing several capex growth projects, which will be executed in the next 2 years. We will continue to invest in portfolio, focusing on product complexity, scale and sustainable technology platforms. We remain committed to advancing quality systems, meeting highest compliance standards from clients and global regulators as well.

More details have been given in the Management Discussion and Analysis Report which forms part of the Integrated Report 2026.

Composite Scheme of Amalgamation

During the year under review, the Board of Directors of the Company, at their meeting held on August 21, 2025, has approved the Composite Scheme of Arrangement ("the Scheme") 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 Companies Act, 2013 ("the Act").

The Scheme inter alia provides for:

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 Unit-1) with the Company.

The Scheme is proposed for the ease of doing businesses by the group companies and consolidation of the businesses held by the subsidiaries. The demerger will enable consolidation of like businesses held by the subsidiaries under the Resulting Company for greater integration, financial strength and flexibility which will facilitate ease of doing business and operations, whereas the amalgamation will assist in achieving consolidation, greater integration, financial strength and flexibility which will maximize overall shareholders' value, facilitate ease of doing business and simplify the overall group structure.

The aforesaid companies have filed the requisite application along with the Scheme with the Hon'ble National Company Law Tribunal ("NCLT"), Amaravati Bench, Andhra Pradesh. In terms of the Hon'ble NCLT order dated February 24, 2026, meetings of the unsecured creditors of LSPL and Sriam were held on April 6, 2026 and the unsecured creditors of the respective companies unanimously approved the resolution in favour of the Composite Scheme of Arrangement. Further, the Hon'ble NCLT has dispensed with the requirement of meetings of the equity shareholders and secured creditors of all the applicant companies, as well as the meeting of the unsecured creditors of the Company.

The implementation of the Scheme is now subject to the final approval and sanction from the competent authorities.

Dividend

The Board had declared the 1st interim dividend @ 40% (i.e., Re.0.80/- per share of the face value of ₹ 2/- each) on October 23, 2025 and paid to the shareholders in November, 2025 and the 2nd Interim dividend @ 60% (i.e., ₹ 1.20 per share of the face value of ₹ 2/- each) is declared on April 30, 2026 and the said dividend will be paid on May 20, 2026 to the shareholders, aggregating to 100% dividend i.e., ₹ 2 per share of the face value of ₹ 2/- each relating to the FY 2025-26. The dividend payout ratio is 14.6% for the year which is within the stipulated maximum of 20% under the Dividend Distribution Policy.

Dividend Distribution Policy

In terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Dividend Distribution Policy, is available on the Company's website at https://www.lauruslabs.com/Investors/PDF/Policies/Dividend_Policy.pdf.

Transfer to Reserves

The Company did not transfer any portion of profits to reserves.

Share Capital

During the year under review, the Company has allotted 6,04,091 (Six lakh four thousand and ninety-one only) equity shares of ₹ 2/- to various eligible employees of the Company under ESOP Scheme 2016, ESOP Scheme 2018 and under ESOP Scheme 2021 upon exercise of their vesting rights in June, 2025 and December, 2025.

As a result, the paid-up share capital as on March 31, 2026 stood at ₹ 107,97,13,164/- divided into 53,98,56,582 equity shares of ₹ 2/- each.

Change in the nature of the business, if any

There is no change in the nature of the business of the Company or any of its subsidiaries or associates, during the year under review.

Material Changes and commitments, affecting the financial position of the Company

There are no material changes and commitments affecting the financial position of the Company that have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Report of the Board of Directors.

Public deposits

The Company has not accepted any deposits from public and therefore does not fall under the category of NBFC to comply with the requirements prescribed by the Reserve Bank of India from time to time as applicable to it.

Subsidiaries, Associates and Joint Ventures

At the end of the year, the status of the subsidiaries/ associates/ joint venture are as follows:

Name of the Subsidiary, Associates and Joint Ventures	% shareholding	Status[1]
Laurus Synthesis Private Limited	100	WOS
Sriam Labs Private Limited	100	WOS
Laurus Specialty Chemicals Private Limited	100	WOS
Laurus Holdings Limited, United Kingdom	100	WOS
Laurus Generics (SA) Pty Ltd.	100	WOS
Laurus Generics GmbH, Germany[2]	100	WOS
Laurus Generics Inc., USA[3]	100	Subsidiary
Laurus Bio Private Limited[5]	78.34	Subsidiary
Immunoadoptive Cell Therapy Private Limited	34.89	Associate
KRKA Pharma Private Limited[4]	49	Joint Venture
Ethan Energy India Private Limited	26	Associate
Kurnool Renewables Private Limited	26	Associate

[1]WOS means Wholly-owned Subsidiary.
[2]Laurus Generics GmbH, Germany is Wholly-owned Subsidiary of Laurus Holdings Ltd., UK and step-down Wholly-owned Subsidiary of the Company.
[3]The Company is holding 49.24% of Laurus Generics Inc., USA and remaining 50.76% is held by Laurus Holdings Ltd., UK.
[4]KRKA Pharma Private Limited is joint venture company, wherein the Company is holding 49% and remaining 51% is held by joint venture partner, KRKA d.d., Novo mesto, a company registered in Slovenia.
[5]On fully diluted basis - 76.32%

During the year under review, Kurnool Renewables Private Limited became an associate company of your Company. There are no companies which became subsidiary companies of the Company during the year nor ceased to be subsidiaries or associate companies of the Company.

Consolidated financial Statements

In terms of the provisions of Section 129(3) of the Act, the consolidated financial statement of the Company and all its Subsidiaries and Associates prepared in accordance with the applicable accounting standards forms part of this Annual Report. Further, a statement containing salient features of the financial statements of our subsidiaries and associates in the prescribed form in AOC-1 is attached as **Annexure-1** to the Report of the Board of Directors.

Further, in terms of the provisions of Section 136 of the Act, the Company has placed separately the audited financial statements of its subsidiaries on its website www.lauruslabs.com and copies of audited financial statements of the subsidiaries will be provided to the Members at their request.

Material Subsidiaries

In terms of Regulation 16(1)(c) of the SEBI Listing Regulations, the Company does not have a material subsidiary,

Particulars of loans, guarantees and investments

The Company makes investments or extends loans/guarantees to its subsidiaries for their business purposes. Details of loans, guarantees and investments covered under Section 186 of the Act, is provided in notes 5 and 33 to the standalone financial statements which forms part of this Integrated Report 2026. The same is within the limits prescribed under Section 186 of the Act.

Board of Directors and Key Management Personnel

During the year under review, the members of the Company at the Annual General Meeting ("AGM") held on June 26, 2025 has approved the re-appointment of Dr. Satyanarayana Chava, as the Executive Director and Chief Executive Officer of the Company, for a period of 5 (five) years with from April 1, 2025 to March 31, 2030, whose office will be liable to determination by retirement by rotation. The members of the Company have also approved the re-appointment of Mr. V V Ravi Kumar, as the Executive Director and Chief Financial Officer of the Company, for a period of 2 (two) years with from April 1, 2025 and to March 31, 2027, whose office will be liable to determination by retirement by rotation.

Further, during the year, the members of the Company have approved the re-appointment of Dr. C V Lakshmana Rao, a director liable to retires by rotation.

In terms of Section 152 of the Act, Mr. Krishna Chaitanya Chava and Mrs. Soumya Chava will retire at the ensuing AGM and, being eligible, seek re-appointment. The Board recommends their re-appointment, designated as the Executive Directors and their brief profile has been given in the Notice of the 21st AGM.

During the year under review, there was no change in the Key Managerial Personnel ("KMP") of the Company. As on the date of this report, the Company has the following Key Managerial Personnel as per Section 203 of the Act:

Sl	Name of the KMP	Designation
1	Dr. Satyanarayana Chava	Executive Director and Chief Executive Officer
2	Mr. V V Ravi Kumar	Executive Director and Chief Financial Officer
3	Dr. Lakshmana Rao C V	Executive Director
4	Mr. Krishna Chaitanya Chava	Executive Director
5	Mrs. Soumya Chava	Executive Director
6	Mr. G Venkateswar Reddy	Company Secretary

Declaration by Independent Directors

In terms of Section 149 of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations, Independent Directors have confirmed to the Company that they meet the criteria of independence. Further, each Independent Director has affirmed compliance to the Code of Conduct for Independent Directors as prescribed in Schedule IV of the Act. The Board has taken on record such declarations after due assessment of their veracity.

Board evaluation

Pursuant to the provisions of the Act, and the SEBI Listing Regulations, the Board has carried out performance evaluation of its own performance, the Directors individually, as well as the evaluation of the working of the Committees. The outcome of the performance evaluation was discussed and found to be satisfactory. The manner of the evaluation of the Board and other Committees has been determined by the Nomination and Remuneration Committee in terms of the SEBI circular dated January 5, 2017.

More details with respect to the Board evaluation is given in the Report on Corporate Governance which forms part of this Integrated Report 2026.

Board and Board Committees meetings

The Board and Committee meetings are pre-scheduled and a tentative calendar of the meetings is finalized in consultation with all the Directors to facilitate them to plan their schedule. However, in case of urgent business needs, approval is taken by passing resolutions through circulation. During the year under review, 7 (seven) Board Meetings were held. The details of the meetings are provided in the Report on Corporate Governance, forms part of this Integrated Report 2026.

Committees of the Board

As on March 31, 2026, the Board has the following Committees:

i) Audit Committee;

ii) Stakeholders' Relationship Committee;

iii) Nomination and Remuneration Committee;

iv) Corporate Social Responsibility Committee;

v) Risk Management Committee.

All the recommendations made by the Board Committees, were accepted by the Board. The details of the above Committees are given in the Report on Corporate Governance which forms part of this Integrated Report 2026.

Separate meeting of Independent Directors

In terms of requirements under Schedule IV of the Act and Regulation 25(3) of the SEBI Listing Regulations, a separate meeting of the Independent Directors was held during FY 26. More details are mentioned in the Report on Corporate Governance which forms part of this Integrated Report 2026.

Policy on Directors' appointment and remuneration

The Company's policy on the Directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters are adopted as per the provisions of the Act and the SEBI Listing Regulations. The remuneration paid to the Directors is as per the norms laid out in the Nomination and Remuneration Policy of the Company.

The Nomination and Remuneration Policy is adopted by the Board and the salient features of the policy are as follows:

- Non-Executive and Independent Directors ("NEDs") will be paid remuneration by way of sitting fees and commission. The remuneration/ commission/ compensation to the NEDs will be determined by the Nomination and Remuneration Committee and recommended to the Board for its approval.
- As approved by the shareholders at the shareholders meeting held on July 20, 2016, remuneration in the form of commission will be paid to Non-Executive and Independent Directors not exceeding 1% per annum of the profits of the Company computed in accordance with Section 198 of the Act.
- The payment of the Commission to the NEDs is as per approval given by the Board within the limit approved by the shareholders. The sitting fee payable to the NEDs for attending the Board and Committee meetings will be fixed, subject to the statutory ceiling. The fee will be reviewed periodically and aligned to comparable best in class companies.
- NEDs will not be eligible to receive stock options under the existing employee stock option scheme(s) ("ESOP") of the Company.
- The compensation paid to the Executive Directors will be within the scale approved by the shareholders. The elements of the total compensation, approved by the

Board and Nomination & Remuneration Committee will be within the overall limits specified under the Act.

- The Company's total compensation for Executive Directors and Key Managerial Personnel as defined under the Act / other employees will consist of:
  - fixed compensation
  - variable compensation
  - benefits
  - work related facilities and perquisites
- Changes made to the policy: Nil

The Nomination and Remuneration Policy is placed on the Company's website and available at the link: https://www.lauruslabs.com/Investors/PDF/Policies/Remuneration_Policy.pdf

Risk Management

The Company had formulated a Risk Management Policy for dealing with various risks that it faces in the day-to-day operations of the Company. Risk Management Policy of the Company outlines different kinds of risks and risk mitigating measures to be adopted by the Company. The Company has adequate internal financial control systems and procedures to mitigate the risk. The Company has constituted a Risk Management Committee which reviews various risk mitigating practices that the Company is required to implement. The risk management procedure is reviewed by the Risk Management Committee and Board of Directors on a periodic basis.

Adequacy of Internal Financial Controls

The Company has in place an adequate system of internal controls, policies and procedures commensurate with its nature of business and size of operations for ensuring orderly and efficient conduct of the business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures. The internal financial controls with respect to the financial statements are adequate and operating effectively.

Effectiveness of internal financial controls is ensured through management reviews, control self-assessment and independent testing by the Internal Auditors. The Audit Committee reviewed the internal financial controls that ensure that the Company's accounts were properly maintained and that the transactions were recorded in the books of accounts in accordance with the applicable accounting standards, laws and statutes. The Statutory and Internal auditors have confirmed that there was no internal control weakness during FY 2025-26.

Directors' Responsibility Statement

In terms of Section 134(3)(c) of the Act, the Board of Directors of the Company states that:

a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period;

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

d. the directors had prepared the annual accounts on a going concern basis;

e. the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operative effectively; and

f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operative effectively.

Related Party Transactions

All contracts, arrangements and transactions entered by the Company with related parties during FY 2025-26 were in the ordinary course of business and on an arm's length basis. Details of the related party transactions as per Ind AS24 have been provided in note no. 33 of the standalone financial statements and in note no. 32 of the consolidated financial statements.

During the year, the Company did not enter into any transaction, contract or arrangement with related parties, that could be considered material in accordance with the provisions of the Act or the SEBI Listing Regulations and the Company's Policy on Related Party Transactions ("RPT Policy"). Accordingly, the disclosure of related party transactions in Form AOC-2 is not applicable.

The Policy on Related Party Transactions was amended during the year to align the same with the statutory requirements. The updated RPT policy of the Company is available on the Company's website at https://www.lauruslabs.com/Investors/PDF/Policies/Revised_RPT_Policy.pdf.

Vigil Mechanism

The Company has a Whistle Blower Policy, which lays down the process to raise genuine concerns and seek resolution towards the same without fear of retaliation. More details on the functioning of the Whistle Blower Policy and weblink of the Policy has been provided in the Report on Corporate Governance, which forms part of this Integrated Report 2026.

Auditors

Statutory Auditors and their Reports

M/s Deloitte Haskins & Sells LLP, Firm Registration No.117366W/W-100018 have been appointed as Statutory Auditors of the Company for the second term of five years from the conclusion of 17th AGM till the conclusion of 22nd AGM to be held in the year 2027 of the Company at a remuneration as may be approved by the Board.

The Statutory Auditors' Report for the standalone and consolidated financial statements does not contain any qualification, reservation, adverse remarks or observation and has been presented separately in the respective financial section, which forms part of this Integrated Report 2026.

M/s Deloitte Haskins & Sells LLP (ICAI Firm Registration No. 117366W/W-100018) will continue as the Statutory Auditors of the Company until the conclusion of the 22nd AGM to be held in the year 2027, and they will complete their second term. Based on the recommendation of the Audit Committee, the Board at its meeting held on March 12, 2026 recommended the appointment of M/s S.R. Batliboi & Associates LLP, Chartered Accountants (ICAI Firm Registration No. 101049W/E300004) as the Statutory Auditors of the Company to hold the office for a term of 5 (five) consecutive years from the conclusion of the 22nd AGM to be held in the year 2027 till the conclusion of the 27th AGM to be held in the year 2032, subject to approval of the members of the Company. The resolution relating to the appointment of M/s S.R. Batliboi & Associates LLP, as the Statutory Auditors of the Company will be proposed to the shareholders of the Company for their approval at the 22nd AGM of the Company to be held in the year 2027.

Cost records and Auditors

In terms of the provisions of Section 148(1) of the Act read with rules made thereunder, the Company maintains the cost records in respect of its 'pharmaceuticals' business.

On the recommendation of the Audit Committee, the Board has appointed M/s. Sagar & Associates, Cost Accountants (Firm Registration No. 000118) as Cost Auditor of the Company for FY 2026-27 at a remuneration of ₹ 5,50,000/- (Rupees five lakhs fifty thousand only) plus reimbursement of out-of-pocket expenses at actuals and applicable taxes. M/s. Sagar & Associates have confirmed that they are free from disqualification specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) of the Act and that the appointment meets the requirements of the Act. They have further confirmed their independent status and an arm's length relationship with the Company.

The provisions of the Act also require that the remuneration of the Cost Auditors be ratified by the members and therefore, the same is recommended for approval of the members at the forthcoming 21st AGM.

As a matter of record, relevant Cost Audit Reports for FY 2024-25 was filed with the Central Government on August 22, 2025, within the stipulated timeline. The Cost Audit Report for FY 2025-26 will also be filed within the prescribed timeline.

Secretarial Auditors & their Report

In terms of the provisions of Regulation 24A of the SEBI Listing Regulations and Section 204 of the Act read with the rules made thereunder, the members of the Company at the 20th AGM held on June 26, 2025, has approved the appointment of M/s RPR & Associates, Practicing Company Secretaries, Hyderabad (a peer reviewed firm, represented by Mr. Y Ravi Prasada Reddy, Proprietor of the firm having CP. No. 5360) as the Secretarial Auditors of the Company for a period of 5 (five) consecutive financial years i.e. from 2025-26 to 2029-30.

The Secretarial Audit Report issued by M/s RPR & Associates for the period under review in Form MR-3 is in **Annexure -2** to this Report. The Annual Secretarial Compliance Report has also been issued by M/s RPR & Associates. There are no qualifications, reservations or adverse remarks in the Secretarial Audit Report and Annual Secretarial Compliance Report.

Significant and material orders passed by the Courts/Regulators

There are no significant and material orders passed by the Courts or Regulators against the Company.

Rating

CARE has reaffirmed/revised with its rating of "AA Negative" to "AA Stable" on the long-term bank facilities of the Company and Reaffirmed A1+ on the short-term bank facilities of the Company.

Insurance

All properties and insurable interests of the Company including buildings, plant and machinery and stocks have been fully insured.

Corporate Social Responsibility initiatives

In terms of Section 135 of the Act, the Company has a Board-level Committee. namely, Corporate Social Responsibility (CSR) Committee. More details on composition and terms of reference of CSR Committee is given in the Report on Corporate Governance which forms part of this Integrated Report 2026. Based on the recommendation of the CSR Committee, the Board has adopted a CSR policy that provides guiding principles for selection, implementation and monitoring of CSR activities and formulation of the annual action plan.

During the year, the CSR Committee monitored the CSR activities undertaken by the Company including the expenditure incurred thereon. An impact assessment of the eligible projects completed before March 31, 2025 has been carried by an independent agency and the report of such impact assessment was noted by the CSR Committee and the Board. Details of the CSR Policy and initiatives taken by the Company during the year are available on the Company's website at www.lauruslabs.com. The report on CSR activities is attached as **Annexure-3** to this Report of the Board of Directors.

Employee's particulars

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is attached in **Annexure-4** to this Report of the Board of Directors.

In terms of Section 197(12) of the Act, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of limits set out in the said rules, is provided in a separate exhibit forming part of this report and is available on the website of the Company, at www.lauruslabs.com. The Integrated Report 2026 is being sent to the shareholders excluding the aforesaid exhibit. Shareholders interested in obtaining this information may access the same from the Company website. In accordance with Section 136 of the Act, this exhibit is available for inspection by shareholders through electronic mode.

Human resources

The Company believes that competent and committed human resources are important to achieve success in the organization. In line with this philosophy, utmost care is being exercised to attract quality resources and suitable training is imparted on various skill-sets and behavior. Various initiatives were undertaken to enhance the competitive spirit and encourage bonding teamwork among the employees to achieve the targeted growth in the performance of the Company.

Conservation of energy, technology absorption, foreign exchange earnings and outgo

The information required under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is appended hereto as **Annexure-5** and forms part of this Integrated Report 2026.

Employee Stock Options

The Company has three employee stock option schemes namely, 'Employees Stock Option Scheme-2016', 'Employees Stock Option Scheme-2018' and 'Employees Stock Option Scheme-2021'. There are no other changes in the said schemes during the year. During the year, the Company has allotted 6,04,091 (Six lakh four thousand and ninety-one only) equity shares of ₹ 2/- to various eligible employees of the Company under ESOP Scheme 2016, ESOP Scheme 2018 and ESOP Scheme 2021 upon exercise of their vesting rights in June 2025 and December 2025.

The Schemes are in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The details of Company's stock option Schemes as required under Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, are available on the Company's website at www.lauruslabs.com

The details of stock options are as mentioned in **Annexure-6** and forms part of this Integrated Report 2026. Further, details of the stock options is given in the note 29 to standalone financial statements also forms part of this Integrated Report 2026.

The Company's Secretarial Auditors, M/s RPR & Associates, Practicing Company Secretaries, have certified that the Employee Stock Option Schemes of your Company have been implemented in accordance with the Regulations and the resolutions passed by the Members in this regard.

Policy on Prevention of Sexual Harassment

The Company has formulated and implemented a policy for Prevention of Sexual Harassment of Women at workplace. During the year under review, the Company has not received any complaints under the policy, no complaints were pending either at the beginning or at the end of the year.

The Company has appropriate systems, processes and policies to ensure professional ethics and harmonious working environment. We follow zero tolerance towards corruption and unethical conduct. These are ensured through Whistle Blower Policy, Anti-Bribery and Anti-Corruption Policy, Gift Policy, Sexual Harassment Policy and Redressal Guidelines.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the

Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Secretarial Standards

The applicable Secretarial Standards, i.e., SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively, have been followed by the Company.

Disclosure related to insolvency and bankruptcy

No application has been filed under the Insolvency and Bankruptcy Code. Therefore, the requirement to disclose any applications filed or proceedings pending under the Insolvency and Bankruptcy Code, 2016 during the year, along with their status at the close of the financial year, is not applicable.

Disclosure related to one-time settlement

There was no instance of one-time settlement with any Bank or Financial Institution.

Disclosure related to deviation or variation in the use of proceeds

Pursuant to Regulation 32(1)(b) of the SEBI Listing Regulations, since the Company has not made public issue, rights issue or preferential issue during the year under review, the disclosure related to deviation or variation in the use of proceeds is not applicable.

Annual Return

In terms of the provisions of Section 134(3)(a) of the Act, the Annual Return of the Company, is available on the website of the Company at www.lauruslabs.com.

Integrated Report

The Company is voluntarily publishing the Integrated Annual Report for FY 2025-26, which includes both financial and non-financial information. The reporting weaves together our purpose, values, strategy, stakeholder's value creation, ESG, governance, performance and future outlook, all of which influence the material aspects of our business.

Corporate Governance

A separate section on Corporate Governance practices followed by the Company, as stipulated under Schedule V(C) of the SEBI Listing Regulations is enclosed and forming part of this Integrated Report 2026.

The certificate of the Practising Company Secretary Mr. Y Ravi Prasada Reddy with regard to compliance of conditions of corporate governance as stipulated under Schedule V(E) of the SEBI Listing Regulations is annexed to the Report on Corporate Governance.

Management Discussion & Analysis

Various business aspects including market conditions, business opportunities, challenges etc. have been discussed at length in the Management's Discussion and Analysis (MD&A), which forms part of this Integrated Report, 2026.

Business Responsibility and Sustainability Report (BRSR)

The SEBI Listing Regulations mandate the inclusion of the BRSR as part of the Annual Report for top 1000 listed entities based on market capitalization. In accordance with the SEBI Listing Regulations, the Business Responsibility and Sustainability Report for the financial year 2025-26 forms part of this Integrated Report, 2026.

Environmental, Social and Governance (ESG)

The Company prioritizes environmental stewardship as a key driver of its business strategy, with a strong focus on efficient capital allocation and advancing Environmental, Social, and Governance (ESG) practices. The Company's ESG strategy prioritizes positive social impact for patients, employees, communities, environmental sustainability, while ensuring responsible business practices to build trust with our stakeholders and drive long term sustainable growth. The Company actively works towards reducing carbon emissions and addressing climate issues, emphasizing the creation of sustainable value and the conservation of natural resources to contribute to a cleaner world.

Our commitment to ESG is evident in our consecutive "BBB" rating by MSCI ESG Ratings, improved Dow Jones Sustainability Index (DJSI) score to 81 out of 100 in pharmaceutical category and recognition such as the EcoVadis 'Silver' award for key facilities.

The Company continues to drive ongoing ESG initiatives, including system certifications, the release of an integrated report aligned with the Business Responsibility and Sustainability Reporting (BRSR) framework, investment in renewable energy through acquiring a stake in Ethan Energy and Kurnool Renewables, conducting climate risk assessments, and receiving several awards for our environmental, health, and safety practices.

Awards and achievements

- The company ranked among the world's most sustainable businesses in the S&P Global Sustainability Yearbook 2026. It achieved an elite ESG score of 81 out of 100, placing it in the top tier of the global pharmaceutical industry.

  Unit-5 has been awarded the Gold for Best Safety Performer 2025 in the Pharmaceutical, Drugs and

Healthcare category at the CII Andhra Pradesh Industrial Safety Excellence Awards 2025.

- Unit-3 has been awarded with the silver award within the Pharma Industry in recognition of outstanding achievements in Energy Conservation and Energy Efficiency for the year 2025 by the Andhra Pradesh State Energy Conservation Mission.

- Laurus Labs has been awarded with the Fire Safety Excellence Award 2026 by the State Disaster Response and Fire Services, Government of Andhra Pradesh.

- Unit-3 has been awarded with the Platinum Award for promoting environmental sustainability at the GreenEnviro Safety Awards & Summit 2026.

- Laurus Labs is certified as a Great Place to Work for the 6th consecutive year by Great Place to Work®, India.

Acknowledgements

Your Directors place on record their sincere appreciation to customers, business associates, bankers, vendors, government agencies and shareholders for their continued support.

Your Directors are also happy to place on record their sincere appreciation to the co-operation, commitment and contribution extended by all the employees of the Laurus family and look forward to enjoying their continued support and cooperation.

For and on behalf of the Board of Directors

Dr. Satyanarayana Chava
Executive Director and
Chief Executive Officer
DIN: 00211921

V V Ravi Kumar
Executive Director and
Chief Financial Officer
DIN: 01424180

Place: Hyderabad
Date: April 30, 2026

Annexure – 1

to the Report of the Board of Directors

Form AOC -1

(Statement pursuant to first proviso to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014)

Part - A: Subsidiaries

(₹ in crores)

Sl	1	2	3	4	5	6	7	8
Name of the subsidiary company	Laurus Synthesis Private Limited	Sriam Labs Private Limited	Laurus Specialty Chemicals Private Limited	Laurus Holdings Limited	Laurus Generics (SA) Pty Ltd.	Laurus Generics GmbH[1]	Laurus Generics Inc.[2]	Laurus Bio Private Limited
Country of Incorporation	India	India	India	UK	South Africa	Germany	USA	India
Date since when subsidiary was acquired/ incorporated	May 18, 2020	November 2, 2016	December 1, 2022	July 10, 2017	June 15, 2020	April 5, 2018	July 8, 2017	January 20, 2021
Reporting currency	INR	INR	INR	GB Pound	ZAR	EURO	USD	INR
Exchange rate as on March 31, 2026	Not applicable	Not applicable	Not applicable	INR/GBP	ZAR/INR	EURO/ GBP	USD/GBP	Not applicable
- Profit & Loss Account				118.4410	5.1060	0.8650	0.7461	
- Balance Sheet				124.0670	5.5034	0.8705	0.7566	
Reporting period for the subsidiary	April 1, 2025 to March 31, 2026							
% of shareholding	100	100	100	100	100	100[1]	100[2]	78.34
Share capital	0.11	14.20	0.10	0.09	0.00	0.01	0.20	1.01
Reserves & surplus	195.93	50.34	(0.01)	0.05	0.25	(0.11)	0.07	261.72
Total assets	1,233.57	80.62	0.09	0.04	0.33	0.02	2.24	561.67
Total liabilities (excluding share capital and reserve & surplus)	1,037.53	16.08	-	0.00	0.08	0.13	1.97	298.94
Investments	-	-	-	0.08	-	-	-	-
Turnover	491.29	77.88	-	0.05	0.08		5.84	200.28
Profit/ (loss) before taxation	111.22	6.96	(0.00)	0.00	(0.18)	0.05	0.61	9.30
Provision for taxation	34.69	1.79	-	0.00	(0.02)	-	0.01	2.58
Profit/ (loss) after taxation	76.54	5.16	(0.00)	0.00	(0.16)	0.05	0.60	6.72
Proposed dividend	-	-	-	-	-	-	-	-

Note:

[1] *Laurus Generics GmbH, Germany is Wholly-owned subsidiary of Laurus Holdings Ltd., UK and step-down Wholly-owned subsidiary of the Company. Laurus Holdings Ltd is holding 100% shares of Laurus Generics GmbH.*

[2] *The Company is holding 49.24% of Laurus Generics Inc., USA and remaining 50.76% is held by Laurus Holdings Ltd., UK. The Company is holding 100% shares of Laurus Holdings Ltd.*

Name of subsidiaries which are yet to commence operations: Laurus Specialty Chemicals Private Limited.

Name of subsidiaries which have been liquidated or sold during the year : Nil

Part - B: Associates and Joint Ventures ("JV")

(₹ in crores)

Sl	1	2	3	4
Name of the Associate/ JV company	Immunoadoptive Cell Therapy Private Limited	KRKA Pharma Private Limited[1]	Ethan Energy India Private Limited	Kurnool Renewables Private Limited
Latest audited Balance Sheet date		March 31, 2026		
Date on which the Associate or JV was associated or acquired	December 9, 2021	April 12, 2024	December 26, 2022	May 12, 2025
No. of shares held by the Company on the year end	996 Equity shares of ₹ 10/- each, fully paid up 6,011 CCPS of ₹10/- each, fully paid up	15,43,50,000 Equity shares of ₹ 10/- each, fully paid up	7,40,000 Equity shares of ₹ 10/- each, fully paid up	90,71,950 Equity shares of ₹ 10/- each, fully paid up
Amount of investment in Associate/ JV	126.02	154.35	3.90	9.07
Extent of holding (%)	34.89	49	26	26
Description of how there is significant influence	Shareholding	Shareholding	Shareholding	Shareholding
Reason why the associate is not consolidated	-	-	-	-
Net worth attributable to shareholding as per latest audited Balance Sheet	42.42	154.84	(2.21)	-
Profit or Loss for the year considered in consolidation	(0.64)	1.21	(0.28)	-
Profit or Loss for the year not considered in consolidation	(1.20)	1.25	(0.80)	-

Note:
[1]KRKA Pharma Private Limited is joint venture company, wherein the Company is holding 49% and remaining 51% is held by joint venture partner, KRKA d.d., Novo mesto, a company registered in Slovenia.

Name of associates or joint ventures which are yet to commence operations: Kurnool Renewables Private Limited.

Name of associates or joint ventures which have been liquidated or sold during the year : Nil.

For and on behalf of the Board of Directors

Dr. Satyanarayana Chava
Executive Director and
Chief Executive Officer
DIN: 00211921

V V Ravi Kumar
Executive Director and
Chief Financial Officer
DIN: 01424180

Place: Hyderabad
Date: April 30, 2026

Annexure – 2

to the Report of the Board of Directors

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March, 2026

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

To
The Members,
M/s. LAURUS LABS LIMITED
Laurus Enclave, Plot Office 01, E. Bonangi Village,
Parawada Mandal, Anakapalli District,
Andhra Pradesh – 531021.

We have conducted the Secretarial Audit on the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Laurus Labs Limited (hereinafter referred as the "*Company*"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

The Company is carrying on the business of offering broad and integrated portfolio of Active Pharmaceutical Ingredients (API) including intermediates, Finished Dosage Forms (FDFs), Contract Research Services, Biologics and Cell and Gene Therapy to cater to the needs of the global pharmaceutical industry.

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

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

B. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

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

D. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

E. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments from time to time;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the financial year);

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2018 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2018 (Not applicable to the Company during the financial year);

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the financial year).

F. The Memorandum and Articles of Association.

G. The Company has identified and confirmed the following laws as specifically applicable to the Company.

(a) Drugs (Control) Act, 1950

(b) Drugs and Cosmetics Act, 1940 and the Drugs and Cosmetics Rules, 1945

(c) Narcotic Drugs and Psychotropic Substances Act, 1985

(d) The Food Safety and Standards Act, 2006

(e) The Indian Boilers Act, 1923

We have also examined compliance with the applicable clauses/regulations of the following:

(i) Auditing and Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into with BSE Limited and National Stock Exchange of India Limited;

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

We further report that, having regard to the compliance system prevailing in the Company and on examination of relevant documents and records in pursuance thereof, on test check basis, the Company has complied with all the applicable laws.

We further report that:

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

Adequate notice is given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent in advance as required, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the financial year the Company had following events which had bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Standards etc.,

1. During the year under review, the Company has allotted 6,04,091 (Six lakh four thousand and ninety-one only) equity shares of ₹2/- to various eligible employees of the Company under ESOP Scheme 2016, ESOP Scheme 2018 and under ESOP Scheme 2021 upon exercise of their vesting rights in May 2025, June, 2025 and December, 2025.

2. The Company has invested ₹49,00,00,000/- in December, 2025 in KRKA Pharma Private Limited, a joint venture Company. The existing shareholding ratio of 51:49 between KRKA d.d., Novo mesto, Slovenia and Laurus Labs Limited, respectively, remains the same after the above investment.

3. The Company has invested

   (i) ₹ 39,99,93,608.28/- in June, 2025 and acquired 15,414 Series A2 Compulsorily Convertible Preference Shares, at face value of ₹ 100/- and premium of ₹ 25,850.02/- each and

   (ii) ₹ 34,99,87,919.74/- in December 2025 and acquired 13,487 Series A3 Compulsorily Convertible Preference Shares at face value of ₹ 100/- and premium of ₹ 25,850.02/- each of Laurus Bio Private Limited and upon these additional investments, the shareholding of the Company in Laurus Bio is 75.61% on fully diluted basis.

4. The Company has invested ₹ 9,07,19,500/- in Kurnool Renewables Private Limited (presently an associate of the Company) and acquired 90,71,950 equity shares of Kurnool Renewables Pvt Ltd at face value of ₹ 10/- each

5. The Company has invested USD 2,000,000/- (Two Million Dollars Only) in Aarvik Therapeutics Inc. and acquired 4,62,962 Series Seed-2B Preferred Stock of Aarvik Therapeutics Inc. at USD 0.001 par value at a price of USD 4.32 per share.

6. The Board of Directors of the Company at its meeting held on 21st August, 2025, subject to requisite approvals/consents, approved the Composite Scheme of Arrangement ("Scheme") under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Act"). The details of Composite Scheme of Arrangement, in brief, are as follows:

(i) The demerger of Laurus Synthesis Private Limited ("LSPL" or "Transferor Company" or "Demerged Company"), a wholly owned subsidiary of Laurus Labs Limited, whereby the Identified Business Undertaking i.e., Unit-1 of LSPL shall be demerged and be merged with Sriam Labs Private Limited ("Sriam" or "Resulting Company"), a wholly owned subsidiary of Laurus Labs Limited; and

(ii) Amalgamation of the Remaining Business Undertaking of LSPL (i.e., entire LSPL excluding Unit-1) 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 Appointed Date of the Scheme would be April 1, 2026 or such other date as may be directed or approved by the National Company Law Tribunal ("NCLT") or any other appropriate authority.

For **RPR & ASSOCIATES**
Company Secretaries

Sd/-
Y Ravi Prasada Reddy
Proprietor
FCS No. 5783, C P No. 5360
Peer Review Certificate No. 1425/2021
UDIN: F005783H000244703

Place: Hyderabad
Date: April 30, 2026

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

ANNEXURE

To
The Members,
M/s. LAURUS LABS LIMITED
Laurus Enclave, Plot Office 01, E. Bonangi Village,
Parawada Mandal, Anakapalli District, Andhra Pradesh – 531021.

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

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

For **RPR & ASSOCIATES**
Company Secretaries

Sd/-
Y Ravi Prasada Reddy
Proprietor
FCS No. 5783, C P No. 5360
Peer Review Certificate No. 1425/2021
UDIN: F005783H000244703

Place: Hyderabad
Date: April 30, 2026

Annexure – 3

to the Report of the Board of Directors

Annual Report on CSR activities for the financial year 2025-26

1. Brief outline on CSR Policy of the Company:

At Laurus Labs, our unwavering commitment to community well-being centres around health, education, rural development and environmental sustainability. We believe that fostering sustainability in these key areas is integral to the long-term enhancement of our communities and plays a vital role in overall economic growth. The scope of the CSR Policy includes the activities specified in Schedule VII of the Companies Act, 2013 ("the Act").

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. V V Ravi Kumar	Chairman of the Committee, Executive Director and Chief Financial Officer	2	2
2	Mrs. Aruna Bhinge	Member, Independent Director	2	2
3	Dr. C V Lakshmana Rao	Member, Executive Director	2	2
4	Mrs. Soumya Chava	Member, Executive Director	2	2

3. Web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

The Composition of CSR committee, CSR Policy and CSR projects are available on the website of the Company at https://www.lauruslabs.com/investors.html.

4. Details of impact assessment of CSR Projects carried out in pursuance of Sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014:

Laurus Labs focus area for its CSR activities are across healthcare, education, environmental sustainability and rural development and the impact assessment confirms effective, targeted community upliftment through infrastructure rejuvenation, healthcare, etc. The CSR Impact Assessment Report is disclosed on the website of the Company at https://www.lauruslabs.com/investors.html.

			₹ in Crore
5.	(a)	Average net profit of the Company as per Section 135(5) of the Act	619
	(b)	Two percent of average net profit of the company as per section 135(5) of the Act	12.38
	(c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
	(d)	Amount required to be set off for the financial year, if any	Nil
	(e)	Total CSR obligation for the financial year (5b+5c-5d)	12.38

			₹ in Crore
6.	(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	12.45
	(b)	Amount spent in Administrative Overheads	Nil
	(c)	Amount spent on Impact Assessment, if applicable	0.04
	(d)	Total amount spent for the Financial Year (6a+6b+6c)	12.49
	(e)	CSR Amount spent or unspent for the financial year:	

Total amount spent for the financial year (₹ in Crore)	Amount unspent				
	Total Amount transferred to Unspent CSR Account as per Section 135(6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
12.49	Not applicable				

(f) Excess amount for set off, if any:

		(₹ in crore)
(i)	Two percent of average net profit of the company as per Section 135(5) of the Act	12.38
(ii)	Total amount spent for the Financial Year	12.49
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.11
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

7. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

Sl. No.	Preceding financial year	Amount transferred to Unspent CSR Account under Section 135 (6) of the Act (in ₹)	Amount spent in the reporting financial year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6) of the Act, if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the fund	Amount (in ₹)	Date of transfer	
1	FY 1	-	-	-	-	-	-
2	FY 2	-	-	-	-	-	-
3	FY 3	-	-	-	-	-	-
	Total	-	-	-	-	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes

If yes, enter the number of Capital assets created/ acquired – 1 (one)

Details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the financial year:

Sl. No.	Particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of Creation	Amount spent	Details of entity/ authority/ beneficiary of the registered owner		
					CSR Registration No. if applicable	Name	Registered Address
1	Laurus Skill Development Centre Survey No. 49-2, Dopperla Village, Atchutapuram Mandal, Anakapalli District, Andhra Pradesh	531021	June 29, 2024	₹ 4 Crores	CSR00002450	Laurus Charitable Trust	2nd Floor, Serene Chambers, Road No. 7, Banjara Hills, Hyderabad - 500034

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

For and on behalf of the Board of Directors

Dr. Satyanarayana Chava
Executive Director and Chief Executive Officer
DIN: 00211921

V V Ravi Kumar
Executive Director and Chief Financial Officer, and Chairman of the CSR Committee
DIN: 01424180

Place: Hyderabad
Date: April 30, 2026

Annexure – 4

to the Report of Board of Directors

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year and the percentage increase/(decrease) in remuneration of each Director and Key Managerial Personnel (KMP) during the financial year:

Sl. No.	Name of the Director and KMP	Designation	Ratio of remuneration of each Director to median remuneration of employee	Percentage increase/ (decrease) in remuneration
1	Dr. Ravindranath Kancherla[1]	Independent Director	4	0
2	Dr. Satyanarayana Chava[2]	Executive Director and Chief Executive Officer	491	89
3	Mr. V V Ravi Kumar[2]	Executive Director and Chief Financial Officer	131	46
4	Mr. C V Lakshmana Rao[2]	Executive Director	90	55
5	Mr. Krishna Chaitanya Chava[2]	Executive Director	43	19
6	Mrs. Soumya Chava[2]	Executive Director	27	21
7	Mrs. Aruna Bhinge[1]	Independent Director	4	0
8	Dr. Rajesh Koshy Chandy[1,3]	Independent Director	7	6
9	Mr. Sekar Karnam[1,4]	Independent Director	4	7
10	Mr. Ramesh Subrahmanian[1,4]	Independent Director	4	46
11	Mr. G Venkateswar Reddy	Vice-President and Company Secretary	Not applicable	16

Note:

The details given above is on the basis of remuneration paid during the financial year 2025-26.

[1]Remuneration to Independent Directors is by way of payment of commission, as approved by the shareholders. Additionally, Independent Directors were paid sitting fees @ ₹ 50,000/- for attending each Board and Committee meetings, in terms of the provisions of the Companies Act, 2013.

[2]Includes salary, bonus and perquisites paid by the Company. Executive Directors do not receive any remuneration from any subsidiary company. Remuneration to Executive Directors is in terms of approval given by the shareholders. Change in remuneration was mainly due to increased amount of bonus paid due to improved performance of the Company.

[3]Increase in remuneration in FY 2025-26 was due to foreign exchange, as the Independent Director is resident outside India.

[4]Appointed for part of the year in FY 2024-25, therefore remuneration paid in FY 2025-26 was not comparable with FY 2024-25.

(ii) The remuneration of employees at median during the financial year 2025-26 was increased by 5%.

(iii) The number of permanent employees on the rolls of Company as on March 31, 2026 was 7,059.

(iv) Average percentage increase in the remuneration of employees other than the managerial personnel (Executive Directors) for the financial year 2025-26 was 11% as compared to 2024-25. The increase in remuneration of managerial personnel was mainly due to payment of variable bonus which was higher due to significant improvement in the performance of the Company. The remuneration to Executive Directors is in line with the industry practice and in terms of approval given by the shareholders of the Company.

(v) The remuneration paid during the financial year 2025-26 was as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Sd/-
Dr. Satyanarayana Chava
Executive Director and
Chief Executive Officer
DIN: 00211921

Sd/-
V V Ravi Kumar
Executive Director and
Chief Financial Officer
DIN: 01424180

Place: Hyderabad
Date: April 30, 2026

Annexure – 5

to the Report of the Board of Directors

Conservation of energy, technology absorption, foreign exchange earnings and outgo

The information required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, for the year ended March 31, 2026 is as hereunder and forms part of the Board's Report.

A. Conservation of energy

(i) The steps taken or impact on conservation of energy

- Installed on/off control valves for temperature control in specified AHU's to achieve energy optimization leading to power conservation of 2,40,000 Kwh.
- Increasing share of EV vehicles to reduce reliance on fossil fuels and emission reduction.
- Efficient Cooling Tower Management- Incorporating Variable Frequency Drives (VFDs) and temperature controls in cooling tower fans has led to substantial energy.
- Implementation of aerodynamic fans for cooling towers in place of regular induction fans resulting in energy conservation.
- Energy Efficient Lighting- Across all our facilities, have transitioned to energy-efficient LED lighting, not only lowering energy consumption but also contributing to a more sustainable lighting solution resulting in power savings of 16,80,157 Kwh.
- The screw chiller has been replaced with a centrifugal chiller, which is highly energy efficient and contributes to energy conservation.
- Installed VFD's, thermostats, Centrifugal chiller, EC Blower etc. in our operations to conserve energy resulting in savings of 92,11,197 Kwh.
- Installed new IE3 pumps, which are high-efficiency pumps compared to IE1 and IE2. Additionally, planning to install IE4 and IE5 pumps in the coming years to conserve more energy throughout our operations.
- Two brine chilling plants have been stopped by optimizing the process and parameters and installing the pressure control pumps, VFD's for Cooling Tower fans, timer for lights etc.
- In Unit 4, installed a connecting pipeline from Utility-1 to Utility-2 by operating a single chiller for three manufacturing blocks achieving a reduction of 9,72,000 Kwh of power.

(ii) The steps taken by the Company for utilizing alternate sources of energy

- In the year, a total of 37,053 tons of steam was procured from a neighbouring industry, which is a by-product of the waste heat recovery boiler. This initiative contributed to a decrease in coal consumption and resulted in an approximate reduction of 88,753 TCO2e emissions.
- Securing a 26% stake in Kurnool Renewables Pvt. Ltd. enhancements our renewable energy share by contributing to 35-40% of total energy consumption in next 5 years.
- The transition of boiler fuel from coal to biomass-based fuel has been successfully completed in unit 8, with plans to implement this change in viable areas throughout our operations.
- Currently, we have Captive solar capacities of 2.97 Mwh contributing to our renewable energy consumption.

(iii) The capital investment on energy conservation equipment

- ₹ 9.69 Crore towards HVAC systems and EV vehicles.

B. Technology absorption

(i) The efforts made towards technology absorption

- Implementation of aerodynamic fans for cooling towers in place of regular induction fans resulting in energy conservation.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution

- In the year, a total of 37,053 tons of steam was procured from a neighbouring industry, which is a by-product of the waste heat recovery boiler. This initiative contributed to a decrease in coal consumption and resulted in an approximate reduction of 88,753 TCO2e emissions.

- Increasing green energy share by entering into Power Purchasing Agreement with third parties, renewable energy consumption of 117375 GJ.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

a. The details of technology imported: Nil

b. The year of import: Nil

c. Whether the technology has been absorbed: Not applicable

d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not applicable

(iv) The expenditure incurred on research and development: Total expenditure incurred on research and development during the financial year 2025-26 was ₹ 260 Crore, out of which Opex was ₹ 249 Crore and Capex was ₹ 11 Crore.

C. Foreign exchange earnings and outgo

Foreign exchange earned in terms of actual inflows and foreign exchange outgo in terms of actual outflows during the financial year 2025-26:

(₹ in crores)

Foreign Exchange earned in terms of actual inflows	4,347
Foreign Exchange outgo in terms of actual outflows	1,933

For and on behalf of the Board of Directors

Sd/-
Dr. Satyanarayana Chava
Executive Director and Chief Executive Officer
DIN: 00211921

Sd/-
V V Ravi Kumar
Executive Director and Chief Financial Officer
DIN: 01424180

Place: Hyderabad
Date: April 30, 2026

Annexure – 6

to the Report of the Board of Directors

Details of Employees Stock Option Schemes

Pursuant to Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014

1. The details of Stock Options as on March 31, 2026 under the Employees Stock Option Scheme-2016 of the Company are as under:

Sl. No.	Particulars	Grant-1	Grant-2	Grant-3	Grant-4	Grant-5	Total
a	Options granted						
	Options granted initially	1,78,438	5,37,150	2,70,750	3,50,500	55,500	13,92,338
	Additional options granted pursuant to bonus issue	5,15,814	–	–	–	–	5,15,814
	Total options granted	6,94,252	5,37,150	2,70,750	3,50,500	55,500	19,08,152
	Total options in force - after split	6,94,252	25,14,750	2,70,750	3,50,500	55,500	38,85,752
b	Options vested	6,06,500	23,55,100	1,09,062	80,474	–	31,51,136
c	Options exercised	6,06,500	23,55,100	1,09,062	80,474	–	31,51,136
d	The total no. of shares arising as a result of exercise of options	6,06,500	23,55,100	1,09,062	80,474	–	31,51,136
e	Options lapsed - after split	87,752	1,59,650	49,745	32,946	–	3,30,093
f	The exercise price (₹)	137.50	292.00	350.00	301.50	754.50	–
g	The exercise price (₹) - after split	–	58.40	–	–	–	–
h	Variations of terms of options	No	No	No	No	No	No
i	Money realized by exercise of options	8,33,93,750	13,75,37,840	3,81,71,700	2,42,62,911	–	28,33,66,201
j	Total number of options in force	–	–	1,11,943	2,37,080	55,500	4,04,523

Employee-wise details of options granted during the year 2025-26 to –

(i)	Key Managerial Personnel	:	Nil
(ii)	Any other employee who receives a grant of options in any one year of options amounting to five percent or more of options granted during that year	:	Nil
(iii)	Identified employees who were granted options, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	:	Nil

2. The details of Stock Options as on March 31, 2026 under the Employees Stock Option Scheme-2018 of the Company are as under:

Sl. No.	Particulars	Grant-1	Grant-2	Grant-3	Grant-4	Grant-5	Total
a	Options granted						
	Options granted initially	1,49,750	7,07,000	5,000	2,07,250	1,74.625	12,43,625
	Additional options granted pursuant to split	5,99,000	–	–	–	–	5,99,000
	Total options in force - after Split	7,48,750	7,07,000	5,000	2,07,250	1,74,625	18,42,625
b	Options vested	5,84,620	5,39,831	2,500	–	–	11,26,951
c	Options exercised	5,84,620	5,39,831	2,500	–	–	11,26,951
d	The total no. of shares arising as a result of exercise of options	5,84,620	5,39,831	2,500	–	–	11,26,951
e	Options lapsed	1,64,130	1,67,169	–	11,750	625	3,43,674
f	The exercise price (₹)	255.50	356.00	350.00	463.50	754.50	–
	The exercise price (₹) - after split	51.10	356.00	350.00	463.50	754.50	–
g	Variations of terms of options	No	No	No	No	No	No
h	Money realized by exercise of options	2,98,74,082	19,21,79,836	8,75,000	–	–	22,29,28,918
I	Total number of options in force	–	–	2,500	1,95,500	1,74,000	3,72,000

Employee-wise details of options granted during the year 2025-26 to –

(i)	Key Managerial Personnel	:	Nil
(ii)	Any other employee who receives a grant of options in any one year of options amounting to five percent or more of options granted during that year	:	Nil
(iii)	Identified employees who were granted options, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	:	Nil

3. The details of Stock Options as on March 31, 2026 under the Employees Stock Option Scheme-2021 of the Company are as under:

Sl. No.	Particulars	Grant-1	Grant-2	Grant-3	Total
a	Options granted	7,87,500	58,250	1,93,000	10,38,750
b	Options vested	1,90,000	–	–	1,90,000
c	Options exercised	1,90,000	–	–	1,90,000
d	The total no. of shares arising as a result of exercise of options	1,90,000	–	–	1,90,000
e	Options lapsed	38,750	1,250	–	40,000
f	The exercise price (₹)	301.50	463.50	754.50	–
g	Variations of terms of options	No	No	No	No
h	Money realized by exercise of options	5,72,85,000	–	–	5,72,85,000
i	Total number of options in force	5,58,750	57,000	1,93,000	8,08,750

Employee-wise details of options granted during the year 2025-26 to –

(i)	Key Managerial Personnel	:	Nil
(ii)	Any other employee who receives a grant of options in any one year of options amounting to five percent or more of options granted during that year	:	Nil
(iii)	Identified employees who were granted options, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	:	Nil

ESOP Certificate

To
The Board of Directors
M/s. Laurus Labs Limited
Laurus Enclave, Plot Office 01, E. Bonangi Village,
Parawada Mandal, Anakapalli District, Andhra Pradesh – 531021.

Secretarial Auditors Certificate on implementation of "Employee Stock Option Scheme 2016", "Employee Stock Option Scheme 2018" and "Employee Stock Option Scheme 2021" of "Laurus Labs Limited"

1. This certificate is issued in accordance with the terms of our engagement letter dated 22nd April, 2026.

2. We, RPR & Associates, Company Secretaries, the Secretarial Auditors of M/s. Laurus Labs Limited (the Company) having its registered office at Laurus Enclave, Plot Office 01, E. Bonangi Village, Parawada Mandal, Anakapalli District, Andhra Pradesh – 531021, have examined the implementation of Employee Stock Option Scheme 2016, Employee Stock Option Scheme 2018 and Employee Stock Option Scheme 2021 of the Company for the year ended March 31, 2026 as stipulated under Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (''SEBI Regulations"), as amended from time to time.

Management's Responsibility

3. The implementation of the said Schemes, in accordance with the SEBI Regulations, as amended from time to time, and also in accordance with the resolutions passed by the Members of the Company is the responsibility of the Management of the Company. The Management of the Company is also responsible for design, implementation and maintenance of internal control relevant to the preparation and presentation of the said Schemes, maintenance of proper books of account, other relevant records and documents as prescribed under the aforesaid Regulations.

Auditor's Responsibility

4. Our responsibility, for the purpose of this certificate, is limited to the review of the procedures and implementation thereof, adopted by the Company for the year ended March 31, 2026 in respect of the compliance with the aforesaid SEBI Regulations.

Opinion

5. Based on our examination as above, and according to the information and explanations provided to us by the Management of the Company, we certify that the Employee Stock Option Scheme 2016, Employee Stock Option Scheme 2018 and Employee Stock Option Scheme 2021 of the Company, have been implemented for the year ended March 31, 2026 in accordance with the provisions of SEBI Regulations, as amended from time to time, and in accordance with the resolutions passed by the Members of the Company.

Restriction on Use

6. This Certificate is addressed to and provided to the Board of Directors of the Company for the purpose of placing the same before the Members of the Company at the ensuing Annual General Meeting of the Company and should not be used for any other purpose without our prior written consent.

For **RPR & ASSOCIATES**
Company Secretaries

Sd/-
Y Ravi Prasada Reddy
Proprietor
FCS No. 5783, C P No. 5360
Peer Review Certificate No. 1425/2021
UDIN: F005783H000244703

Place: Hyderabad
Date: April 30, 2026

Report on Corporate Governance

Company's philosophy on corporate governance

Laurus Labs corporate governance framework establishes rigorous standards for stakeholder engagement, prioritizing long-term sustainable growth and value creation over short-term gains. Built upon the pillars of empowerment and accountability, our governance code guides every strategic action. As a responsible corporate citizen, we operate with total transparency to meet our societal commitments and deliver lasting impact.

We are committed to follow and practice our core values to advance ***"Chemistry for Better Living"*** to become a leading player in offering integrated solutions to global pharmaceutical needs in creating a healthier world. Following core values act like a compass, that keeps the organisation cruising in the right direction:

Knowledge

Seek to learn constantly to stand out from the crowd

Innovation

Strike out on new paths to go farther

Excellence

Scale new peaks in everything we do

Care

Be diligent, safe and sensible

Integrity

Stand up always for what is right

Laurus Labs is a research-driven pharmaceutical manufacturing organization, and has been developing and assisting its client organizations to succeed in innovative medicines that globally enhance the health outcomes for patients. Since inception, the Company has also been developing and manufacturing Active Pharmaceutical Ingredients (APIs) and Intermediates. We scaled our pharmaceutical value chain by attaining a global leadership position in APIs, including anti-retroviral (ARV), oncology, cardiovascular, and gastro therapeutics. Our position was strengthened by our backward-integration capability while remaining highly regulatory compliant across all operations. We are committed to improve global health outcomes by manufacturing high-quality pharmaceuticals under a unified quality standard for all markets.

The Securities and Exchange Board of India ("SEBI") regulates corporate governance norms for listed companies in India through the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). We are in compliance with the corporate governance norms, as prescribed under the SEBI Listing Regulations.

Board of Directors

Composition

The Board comprises optimal combination of Executive Directors and Non-Executive Independent Directors having knowledge and experience in the business and industry. The Company has a diverse, experienced, and well-informed Board. The Board provides leadership, strategic guidance and independent views to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to corporate governance standards of ethics, transparency and disclosure. The Board's responsibility includes exercising appropriate control to ensure that the Company is managed efficiently to fulfill stakeholders' aspirations, societal expectations and exercising independent judgment on the Company's performance and functioning. The Board acts in long term interests of the stakeholders without any conflict and make informed decisions and exercise due care and diligence in overseeing the management of the business of the Company.

The Company's Board represents an appropriate mix of Executive and Non-executive Independent Directors, which is in compliance with the requirements of the Companies Act, 2013 ("the Act") and the SEBI Listing Regulations and is also in line with the robust corporate governance practices. The Company's Board has a total strength of 10 (ten) Directors on the Board, comprising of 5 (five) Executive Directors and 5 (five) Non-executive Independent Directors. The Board has 2 (two) woman directors including one Independent Director. The Chairman of the Board is a Non-Executive Independent Director. The Chairman and the Chief Executive Officer (CEO) of the Company have their own separate roles as a measure of good corporate governance standards. The brief profiles of the Directors are placed on the Company's website https://www.lauruslabs.com/our-people.html.

In terms of the provisions of the Act, none of the Directors on the Board is holding office as a director in more than 20 (twenty) companies or more than 10 (ten) public companies. In terms of Regulation 17A of the SEBI Listing Regulations, none of the Directors of the Company is a director in more than 7 (seven) listed companies. Further, pursuant to Regulation 26(1) of the SEBI Listing Regulations, none of the Directors of the Company is a member of more than 10 (ten) committees or chairman of more than five committees across all the public companies in which they are Directors. The Directors have made necessary disclosures regarding committee positions in other public companies.

The Directors submit annual disclosure to the Company about the Board and Board Committee positions, he/she occupies in other companies. They also inform the Company of any changes regarding their directorships and committee positions. In addition, the directors also submit annual affirmation of the Code of Conduct of the Company. The Independent Directors provides annual declaration of compliance of the criteria of independence as defined under the Act and the SEBI Listing Regulations. All Independent Directors are registered with the Independent Director's databank and requisite disclosures have been received from them in this regard. After assessment of such disclosures, declarations and confirmations, the Board is of the view that all the Independent Directors fulfil the conditions specified under the Act and the SEBI Listing Regulations and are independent of the management. The Board composition and other details as on March 31, 2026, are as hereunder:

Sl. No.	Name of the Director and DIN	Category of Directorship	Date of joining the Board	Whether present at the previous AGM held on June 26, 2025	No. of Directorship in listed entities including this listed entity (Regulation 17A of SEBI Listing Regulations)	Number of memberships/ chairmanship in Audit/ Stakeholders' Relationship Committee(s) including this listed entity (Regulation 26(1) of the SEBI Listing Regulations)	
						Chairman	Member[4]
1	Dr. Ravindranath Kancherla[1] DIN: 00117940	Non-Executive Chairman and Independent Director	18-05-2017	Yes	1	1	1
2	Dr. Satyanarayana Chava[1] DIN: 00211921	Promoter, Executive Director and Chief Executive Officer	21-01-2006	Yes	1	0	0
3	Mr. V V Ravi Kumar[1] DIN: 01424180	Promoter, Executive Director and Chief Financial Officer	30-11-2006	Yes	1	0	1
4	Dr. C V Lakshmana Rao[2] DIN: 06885453	Promoter, Executive Director	08-03-2018	Yes	1	0	1
5	Mr. Krishna Chaitanya Chava[1] DIN: 06831883	Promoter, Executive Director	25-04-2024	Yes	1	0	0
6	Mrs. Soumya Chava[1] DIN: 06831892	Promoter, Executive Director	25-04-2024	Yes	1	0	0
7	Mrs. Aruna Bhinge[1] DIN: 07474950	Non-Executive and Independent Director	07-07-2016	Yes	3	2	1
8	Dr. Rajesh Koshy Chandy[3] DIN: 07575240	Non-Executive and Independent Director	27-07-2016	No	1	0	1
9	Mr. Sekar Karnam[1] DIN: 07400094	Non-Executive and Independent Director	25-04-2024	Yes	2	1	2
10	Mr. Ramesh Subrahmanian[3] DIN: 02933019	Non-Executive and Independent Director	25-07-2024	Yes	1	0	1

Notes:

[1]Indian nationality

[2]Nationality of Australia

[3]Nationality of United States of America

[4]Membership include Chairperson position

Name of the listed entities where the person is a director and the category of directorship

Other than on the Board of the Company, which is a listed entity, the following Directors are holding directorships in other listed entities as shown below:

Mrs. Aruna Bhinge –

a. Punjab Chemicals and Crop Protection Limited as an Independent Director;

b. Mahindra EPC Irrigation Limited as an Independent Director

Mr. Sekar Karnam –

a. Ugro Capital Limited as an Independent Director

Other than the above, our Directors do not hold directorship in any other listed company.

Disclosure of relationships between directors inter-se

Dr. Satyanarayana Chava is the father of Mr. Krishna Chaitanya Chava and Mrs. Soumya Chava. Mr. Krishna Chaitanya Chava is the son of Dr. Satyanarayana Chava and Mrs. Soumya Chava is the daughter of Dr. Satyanarayana Chava. Other than these three directors, none of the directors are related to any other director.

Number of shares held by non-executive directors

Dr. Ravindranath Kancherla and Mrs. Aruna Bhinge are holding 8,75,000 and 17,500 equity shares, respectively, as on March 31, 2026.

Dr. Rajesh Koshy Chandy, Mr. Sekar Karnam and Mr. Ramesh Subrahmanian are not holding any shares or convertible instruments in the Company.

Details about familiarization programme

The Directors are updated with the latest developments affecting the Company and industry. Apart from regular presentations, updates on the Company's business strategies and associated risks, are presented to the Board. Regulatory updates are also presented to the Board in quarterly meetings. Each Director has access to the Company's information and freedom to interact with the Senior Management.

To familiarise a new Independent Director with the Company, an induction kit containing documents about the Company is provided, which inter alia, includes Annual Reports, Investor Presentations, recent Press Releases, Organisation Chart, Pharma Industry Primers, Code of Conduct and the Memorandum and Articles of Association and a brief on Company's Board practices. The visits of the new Independent Director to plants and research locations are organised to familiarise with the Company's business and operations.

Further, the senior leadership periodically makes presentations to the Board members on the operations of the Company, its plans, strategy, risks involved, new initiatives etc. and seek their views and suggestions on the same. Further, the Board members have been provided with various Company policies, including the Code of Conduct for Directors and Senior Management.

The details of the familiarization programs have been placed on the Company's website at: https://www.lauruslabs.com/Investors/PDF/Disclosures/Familiarisation_programme_FY2026.pdf

Core skills/ expertise/ competencies identified by the Board as required in the context of its business(es) and sector(s) for an efficient functioning and those available with the Board

a. Hands on pharma industry experience in sourcing, manufacturing, marketing and business development.

b. Accounting, financial, budget and costing expertise.

c. Legal and HR expertise.

d. Experience in quality.

e. Expertise in corporate governance.

f. Formulation of effective strategy.

g. Experience in supply chain management, generics.

The Board members possess the following core skills / expertise / competencies

Dr. Ravindranath Kancherla – a, e and f of above

Dr. Satyanarayana Chava – a, b, c, d, e, f and g of above

Mr. V V Ravi Kumar – a, b, c, e and f of above

Dr. C V Lakshmana Rao – a, d, e and f of above

Mr. Krishna Chaitanya Chava – a, e, f and g of above

Mrs. Soumya Chava –a, e, f and g of above

Dr. Rajesh Koshy Chandy – a, b, e and f of above

Mrs. Aruna Bhinge – a, b, c, e and f of above

Mr. Sekar Karnam – b, e and f of above

Mr. Ramesh Subrahmanian – a, b, e and f of above

Separate meeting of Independent Directors

In terms of Schedule IV of the Act and Regulation 25 of the SEBI Listing Regulations, Independent Directors of the Company are required to hold at least one meeting in a financial year, without the attendance of non-Independent Directors and members of the Management. It is recommended that all the independent directors shall strive to be present at such meeting.

During the financial year 2025-26, a separate meeting of the Independent Directors was held on March 12, 2026 to review the performance of the Chairman, Non-Independent Directors, Board Committees, Board as a whole, and the quality and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors have expressed satisfaction on the outcome of the review of performance of the Non-Independent Directors, Chairman, Board Committees and Board as a whole. The assessment on the quality and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties were also found to be satisfactory.

Confirmation about Independent Directors

In the opinion of the board, the independent directors fulfil the conditions specified in the SEBI Listing Regulations and are independent of the management.

As required under the SEBI Listing Regulations, a certificate from Company Secretary in Practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority, is attached to this Report as **Annexure-A**.

Further, Annual Secretarial Compliance Report issued by M/s RPR & Associates, Company Secretaries, Secretarial Auditor of the Company, in terms of Regulation 24A of the SEBI Listing Regulations is also attached to this Report as **Annexure-B**.

Board evaluation

In terms of the provisions of the Act and the SEBI Listing Regulations, one of the key functions of the Board and the Nomination and Remuneration Committee ("NRC") is to monitor and undertake the Board evaluation on an annual basis. The NRC has laid down the evaluation criteria for review of the performance of the individual Directors, Chairman, Board Committees and the Board as a whole.

Evaluation criteria and process

For the financial 2025-26, Board evaluation was conducted internally based on the criteria identified by the NRC. The evaluation process was undertaken using the automated process. The methodology included circulation of questionnaires and receiving responses from the Board members. The summary findings/ recommendations were discussed. The Independent Directors at their separate meeting also reviewed the evaluation outcome of the performance of the Chairman, Non-Independent Directors, Board Committees, Board as a whole, and the quality and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The evaluation process inter alia broadly covered the following parameters:

Board and Board Committees: ■ adequacy of the size and structure of the Board, Board diversity, and competencies of Board members and sufficiency of their expertise for Board effectiveness; ■ adequacy of review of strategic plan and annual Budgets; ■ adequacy of the number of Board/ Committee meetings held and timely receipt of notice and agenda for the meetings, and minutes of the proceedings are accurately recorded; ■ adequacy of the Board meetings conducted in a manner that encourages open communication and meaningful participation; ■ adequacy of the statutory committees constituted with well-defined scope and Committee decisions are conveyed to the Board; ■ adequacy of the flow of information between the Board and management exists on an ongoing basis; ■ adequacy of the time devoted by the Board on current and potential strategic issues; ■ adequacy of the Board undertaking review of the high-risk issues impacting the organization; ■ appropriateness and adequacy of the succession plan; ■ adequacy of the secretarial and logistical support available for conducting Board meetings; ■ appropriateness of the overall Board performance is suiting the requirements of business and is meeting Corporate Governance provisions of the statute; ■ appropriateness of the mandate, composition and working procedures of the Board Committees are clearly defined and disclosed; ■ appropriateness of the Board Committees fulfilling their functions as assigned by the Board and under the applicable laws; ■ adequacy of the independence of the Board Committees from the Board; ■ adequacy of the reporting by the Board Committees to the Board is sufficient; ■ adequacy of Board Committees' meetings are conducted in a manner that encourages open communication and meaningful participation of its members.

Individual Directors: ■ experience in the Pharma Industry; ■ knowledge about the Company and the sector in which it operates; ■ qualification and competencies for effective functioning of the Company and the Board; ■ understanding and fulfilling the functions as assigned by the Board or under the applicable laws; ■ ability to function as an effective team member; ■ taking initiative with respect to various areas; ■ regularity and punctuality in attending Board and Committee Meetings; ■ commitment to the Board and to the Company; ■ effective contribution to the Company and to the Board meetings; ■ demonstration of Integrity, including conflict of interest disclosures, maintenance of confidentiality, etc.; **Additional criteria for Independent Directors:** ■ whether independent from the Company and the other directors and there is no conflict of interest; ■ whether he/she exercises his/ her own judgement and voices opinion freely. **Additional criteria for Chairman:** ■ effectiveness of leadership and ability to steer the meetings; ■ impartiality in conducting discussions, seeking views and dealing with dissent, etc.; ■ commitment to the Board and its meetings; ■ ability to keep shareholders' interest in mind during discussions and decisions

Outcome of Board evaluation

The Board expressed satisfaction with the outcome of the performance evaluation of the Chairman, Directors, Board Committees and Board as a whole. The assessment of the quality and timeliness of flow of information between the Company management and the Board, which is necessary for the Board to effectively and reasonably perform their duties were also found to be satisfactory.

Succession planning for the Board and senior management

The Company maintains an appropriate balance of knowledge, skills, diversity and experience in the Board and within the Company, in an endeavour to bring fresh perspectives while sustaining experience and continuity.

The succession planning of leadership positions is being done well in advance and the same is being reviewed from time to time. The leadership positions likely to be vacant due to retirement is being filled in advance to facilitate seamless transition of the role and responsibilities. Further, promoting existing employees to the leadership position within the organisation motivates the existing talent to earn future leadership roles.

Board strategy and budget meet

During the financial year 2025-26, the Board strategy and budget meeting was held on March 12, 2026 at the Corporate Office in Hyderabad where the Board along with senior leadership management deliberated on various strategic matters.

The Board strategy meet facilitates the Board members to interact closely with the senior leadership of the various functions. Further, the strategy meet allows the Board members to get perspective and comprehensive update on various business strategic issues, opportunity to dedicate time for deeper strategic conversations.

Details of Directors who retire by rotation and are proposed for re-appointment at the AGM

Mr. Krishna Chaitanya Chava and Mrs. Soumya Chava shall retire by rotation and being eligible, seek re-appointment. The details of the directors are as follows:

Mr. Krishna Chaitanya Chava

Mr. Krishna Chaitanya Chava brings over a decade of experience in strategic management, business development and project management. His leadership in the Synthesis division since 2017 has been instrumental in driving business diversification within CDMO Synthesis, transforming it into the top profit generator for the Company. His strategic insights and effective management practices have contributed to the division's ongoing success and its potential for future growth.

Directorship Details

Sl. No.	Name of the companies/ bodies corporate/ firms/ association of individuals	Nature of interest or concern/ change in interest or concern	Shareholding (No. of shares/ percentage)	Date on which interest or Concern arose/ changed
1	Laurus Labs Limited CIN: L24239AP2005PLC047518	Executive Director	20,699 (0.004%)	25-04-2024
2	Sriam Labs Private Limited CIN: U24239AP2002PTC121365	Director	Nil	25-07-2019
3	Chemiasoft Private Limited CIN: U72300TG2014PTC092281	Director	Nil	01-03-2014
4	Laurus Synthesis Private Limited CIN: U24110AP2020PTC121364	Director	Nil	18-05-2020
5	Laurus Specialty Chemicals Private Limited CIN: U24110TG2022PTC168791	Director	Nil	01-12-2022

Committee Membership Details

Sl. No.	Name of the Company	Name of the Committee	Chairman/ Member
1	Sriam Labs Private Limited CIN: U24239TG2002PTC038490	CSR Committee	Member
2	Laurus Labs Limited CIN: L24239AP2005PLC047518	Risk Management Committee	Member

Mrs. Soumya Chava

Mrs. Soumya Chava possesses a blend of skills in supply chain management and business development, particularly in the generics market. As the Head (Commercial) at Laurus Labs since August 2023, she has quickly established herself by implementing global procurement strategies and leading numerous commercial engagements. Additionally, she effectively manages the Company's CSR initiatives, showcasing her versatile leadership.

Directorship Details

Sl. No.	Name of the companies/ bodies corporate/ firms/ association of individuals	Nature of interest or concern/ change in interest or concern	Shareholding (No. of shares/ percentage)	Date on which interest or Concern arose/ changed
1	Laurus Labs Limited CIN: L24239AP2005PLC047518	Executive Director	22,940 Equity Shares (0.004%)	25-04-2024
2	Theia Jewellery Private Limited CIN: U52100TG2015PTC101259	Director	50,000 Equity Shares (50%)	19-10-2015
3	Laurus Synthesis Private Limited CIN: U24110AP2020PTC121364	Director	Nil	22-07-2021
4	Laurus Specialty Chemicals Private Limited CIN: U24110TG2022PTC168791	Director	Nil	19-10-2024
5	Laurus Generics Inc. (USA)	Director	Nil	19-01-2024
6	Laurus Generics SA Pty (South Africa)	Director	Nil	19-10-2024
7	Chemiasoft Private Limited CIN: U72300TG2014PTC092281	Member	32,825 Equity Shares (0.24%) & 33,65,000 Preference Shares (53.53% of Preference Shareholding)	06-09-2017

Committee Membership Details

Sl. No.	Name of the Company	Name of the Committee	Chairman/ Member
1	Laurus Synthesis Private Limited CIN: U24110AP2020PTC121364	CSR Committee	Member
2	Laurus Labs Limited CIN: L24239AP2005PLC047518	Risk Management Committee	Member
3	Laurus Labs Limited CIN: L24239AP2005PLC047518	CSR Committee	Member

Board meetings

The schedule of the Board and Board Committee meetings are planned and circulated approximately 12 months in advance. Agendas are circulated in advance with detailed notes and supporting documents. In terms of the Act and the SEBI Listing Regulations, the Board of Directors must meet at least four times a year, with a maximum gap of 120 days between two board meetings. The Board met 7 (seven) times during the financial year 2025-26. The gap between the Board meetings didn't exceed 120 days. The details of directors' attendance at the AGM and Board meetings are given below:

Sl. No.	Name of the Director	Present at the previous AGM	Board meeting dates							No. of meetings		% Attendance
			April 24, 2025	May 15, 2025	July 25, 2025	August 21, 2025	October 23, 2025	January 23, 2026	March 12, 2026	Held during the tenure	Attended	
1	Dr. Ravindranath Kancherla	VC	P	P	P	P	P	P	VC	7	7	**100**
2	Dr. Satyanarayana Chava	VC	P	P	P	P	P	P	P	7	7	**100**
3	Mr. V V Ravi Kumar	VC	P	P	P	P	P	P	P	7	7	**100**
4	Dr. C V Lakshmana Rao	VC	P	VC	P	P	P	P	P	7	7	**100**
5	Mr. Krishna Chaitanya Chava	VC	LOA	P	P	P	P	P	P	7	6	**86**
6	Mrs. Soumya Chava	VC	P	P	P	P	P	P	P	7	7	**100**
7	Mrs. Aruna Bhinge	VC	VC	VC	VC	VC	VC	VC	P	7	7	**100**
8	Dr. Rajesh Koshy Chandy	LOA	VC	VC	VC	VC	VC	VC	VC	7	7	**100**
9	Mr. Sekar Karnam	VC	P	VC	P	VC	VC	VC	P	7	7	**100**
10	Mr. Ramesh Subrahmanian	VC	VC	VC	VC	VC	VC	VC	VC	7	7	**100**
% Attendance		-	**90**	**100**	**100**	**100**	**100**	**100**	**100**	-	-	**98.6**

Attended through video conference   Attended physically   Leave of absence

Committees of the Board

The Company has 5 (five) Board-level Committees. The composition of the Board committees, inducting/ appointing members/ chairperson and making changes therein are approved by the Board. The recommendations of the Committees are submitted to the Board for approval. During the year, all recommendations of the Committees were approved by the Board. The details of the Committees and its members are given below:

Board Committees

Audit Committee

- **Mr. Sekar Karnam**
  Independent Director – Chairperson
- **Mrs. Aruna Bhinge**
  Independent Director – Member
- **Dr. Rajesh Koshy Chandy**
  Independent Director – Member
- **Mr. Ramesh Subrahmanian**
  Independent Director – Member

Nomination and Remuneration Committee

- **Mrs. Aruna Bhinge**
  Independent Director – Chairperson
- **Dr. Ravindranath Kancherla**
  Independent Director – Member
- **Dr. Rajesh Koshy Chandy**
  Independent Director – Member
- **Mr. Ramesh Subrahmanian**
  Independent Director – Member

Stakeholders Relationship Committee

- **Dr. Ravindranath Kancherla**
  Independent Director – Chairperson
- **Mr. V V Ravi Kumar**
  Executive Director & CFO - Member
- **Dr. C V Lakshmana Rao**
  Executive Director - Member

Risk Management Committee

- **Dr. Satyanarayana Chava**
  Executive Director & CEO - Chairperson
- **Dr. Rajesh Koshy Chandy**
  Independent Director – Member
- **Mr. Ramesh Subrahmanian**
  Independent Director – Member
- **Mr. V V Ravi Kumar**
  Executive Director & CFO - Member
- **Dr. C V Lakshmana Rao**
  Executive Director - Member
- **Mr. Krishna Chaitanya Chava**
  Executive Director - Member
- **Mrs. Soumya Chava**
  Executive Director - Member

Corporate Social Responsibility Committee

- **Mr. V V Ravi Kumar**
  Executive Director & CFO - Chairperson
- **Mrs. Aruna Bhinge**
  Independent Director – Member
- **Dr. C V Lakshmana Rao**
  Executive Director - Member
- **Mrs. Soumya Chava**
  Executive Director - Member

Note: status as on March 31, 2026.

Audit Committee

Mr. Sekar Karnam
Independent Director,
Chairperson of the Committee

Members
Mrs. Aruna Bhinge, Independent Director
Dr. Rajesh Koshy Chandy, Independent Director
Mr. Ramesh Subrahmanian, Independent Director

The Audit Committee is constituted in terms of the requirements of the provisions of Regulation 18 of the SEBI Listing Regulations and Section 177 of the Act, and governed by its terms of reference which are in line with the regulatory requirements mandated under the Act and the SEBI Listing Regulations.

The management of the Company is responsible for the preparation of the standalone and consolidated financial statements/ results and the Company's internal financial controls. The Audit Committee reviews and recommends to the Board the financial statements/ results. The financial statements/ results are prepared in accordance with the applicable provisions of the Act, the SEBI Listing Regulations, and the Indian Accounting Standards. The accounting policies are consistent, and the judgments and estimates are reasonable and prudent so as to give true and fair view of the state of affairs of the Company. The financial statements are prepared on a going concern basis and adequate internal financial controls are followed by the Company.

The Audit Committee reviews reports of the Internal Auditors, meets Statutory Auditors as and when required and discusses their findings, suggestions, observations and other related matters. The Board has also approved framework for effective communication between Statutory Auditors and Those Charged with Governance ("TCWG"). Meetings are being held between the TCWG and the Statutory Auditors. It also reviews major accounting policies followed by the Company. The terms of reference of the Audit Committee are as per the SEBI Listing Regulations and the Act. The primary functions of the Audit Committee are as hereunder:

- Oversight of the Company's financial reporting process and the disclosure of its financial information;
- Reviewing the annual financial statements and auditor's report thereon before submission to the Board for approval;
- Reviewing the quarterly financial statements before submission to the Board for approval;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Reviewing adequacy of the internal control systems;
- Evaluation of internal financial controls and risk management systems;
- Reviewing the Internal audit reports relating to internal control weaknesses;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Recommendation for appointment, remuneration and terms of appointment of auditors;
- Approval of payment to statutory auditors for any other services rendered by them;
- Reviewing the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation, etc.;
- Reviewing the implementation of the Code of Conduct on Insider Trading;
- Reviewing the functioning of the whistle blower mechanism;
- Oversight of the compliance with legal and regulatory requirements.

As on March 31, 2026, the Audit Committee comprises of 4 (four) Independent Directors. The Chairperson of the Audit Committee is an Independent Director. There was no change in the composition of the Audit Committee during the financial year 2025-26. All members of the Audit Committee are financially literate and bring in expertise in the fields of finance, accounts, economics, strategy, governance and risk management. The Audit Committee composition complies with the requirements of the Act and the SEBI Listing Regulations. The Chairperson of the Audit Committee attended the AGM held in the year 2025. The Company Secretary acts as secretary to the Audit Committee.

In terms of the Act and the SEBI Listing Regulations, the Audit Committee is required to meet at least four times in a financial year, with a maximum gap of 120 days between two meetings. The Audit Committee met 6 (six) times during the year, the details of the meetings held and attendance therein are given below. The maximum gap between any two meetings didn't exceed 120 days.

Sl. No.	Name of the Audit Committee member	Board meeting dates						No. of meetings		% Attendance
		April 24, 2025	July 25, 2025	August 21, 2025	October 23, 2025	January 23, 2026	January 28, 2026	Held during tenure	Attended	
1	Mr. Sekar Karnam Independent Director							6	6	**100**
2	Mrs. Aruna Bhinge Independent Director							6	6	**100**
3	Dr. Rajesh Koshy Chandy Independent Director							6	6	**100**
4	Mr. Ramesh Subrahmanian Independent Director							6	6	**100**
% Attendance		**100**	**100**	**100**	**100**	**100**	**100**	-	-	**100**

Attended through video conference   Attended physically

Nomination and Remuneration Committee

Mrs. Aruna Bhinge
Independent Director,
Chairperson of the Committee

Members
Dr. Ravindranath Kancherla, Independent Director
Dr. Rajesh Koshy Chandy, Independent Director
Mr. Ramesh Subrahmanian, Independent Director

The Nomination and Remuneration Committee ("NRC") is constituted in terms of the requirements of the provisions of Regulation 19 of the SEBI Listing Regulations and Section 178 of the Act, and governed by its terms of reference which are in line with the regulatory requirements mandated under the Act and the SEBI Listing Regulations.

The role, function and terms of reference of the NRC are as prescribed under the SEBI Listing Regulations and the Act. NRC determines the Company's policy on all elements of the remuneration packages of the executive directors. The NRC has reviewed and evaluated the performance evaluation criteria for Board, its Committees and Directors including Independent Directors as per SEBI Circular dated January 5, 2017. The primary functions of the NRC are as hereunder:

- Review the composition, structure and size of the Board and recommend changes, if any (including the skills, knowledge, experience and diversity);
- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- For appointment of an independent director, evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, formulate a description of the role and capabilities required of an independent director;
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
- Devising a policy on diversity of Board of Directors;
- Formulate criteria for performance evaluation;
- Oversee administration and implementation of the ESOP Scheme.

As on March 31, 2026, the NRC comprises of 4 (four) Independent Directors. The Chairperson of the NRC is an Independent Director. There was no change in the composition of the NRC during the financial year 2025-26. The NRC composition complies with the requirements of the Act and the SEBI Listing Regulations. The Chairperson of the NRC attended the AGM held in the year 2025. The Company Secretary acts as secretary to the NRC.

In terms of the SEBI Listing Regulations, the NRC is required to meet at least once in a financial year. The NRC met 4 (four) times during the year, the details of the meetings held and attendance therein are given below.

Sl. No.	Name of the NRC member	NRC meeting dates				No. of meetings		% Attendance
		April 23, 2025	October 23, 2025	January 23, 2026	March 10, 2026	Held during tenure	Attended	
1	Mrs. Aruna Bhinge Independent Director					4	4	**100**
2	Dr. Ravindranath Kancherla Independent Director					4	4	**100**
3	Dr. Rajesh Koshy Chandy Independent Director					4	4	**100**
4	Mr. Ramesh Subrahmanian Independent Director					4	4	**100**
% Attendance		**100**	**100**	**100**	**100**	-	-	**100**

Attended through video conference   Attended physically

Stakeholders Relationship Committee

Dr. Ravindranath Kancherla
Independent Director,
Chairperson of the Committee

Members
Mr. V V Ravi Kumar, Executive Director & CFO
Dr. C V Lakshmana Rao, Executive Director

The Stakeholders' Relationship Committee ("SRC") is constituted in terms of the requirements with the provisions of Regulation 20 of the SEBI Listing Regulations and Section 178 of the Act and governed by its terms of reference which are in line with the regulatory requirements mandated by the Act and the SEBI Listing Regulations.

The role, function and terms of reference of the SRC are as prescribed under the SEBI Listing Regulations and the Act. The primary functions of the SRC are as hereunder:

- Reviewing resolution of the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual reports, non-receipt of dividends, issue of new/ duplicate share certificates, general meetings, etc.;
- Reviewing any investor grievances received through SEBI, BSE, NSE or SCORES and ensure its timely and speedy resolution;
- Reviewing the adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent ("RTA");
- Reviewing the measures taken for effective exercise of voting rights by shareholders;
- Reviewing the various measures and initiatives taken by the Company for reducing the quantum of unclaimed/ unpaid dividends;
- Reviewing compliance relating to all securities including dividend payments, transfer of unclaimed amounts or shares to the Investor Education and Protection Fund.

As on March 31, 2026, the SRC comprises of 3 (three) Directors, out of which one is Independent Director and 2 (two) are Executive Directors. The Chairperson of the SRC is an Independent Director. There was no change in the composition of the SRC during the financial year 2025-26. The SRC composition complies with the requirements of the Act and the SEBI Listing Regulations. The Chairperson of the SRC attended the AGM held in the year 2025. The Company Secretary acts as secretary to the SRC.

In terms of the SEBI Listing Regulations, the SRC is required to meet at least once in a financial year. The SRC met once during the year, the details of the meeting held and attendance therein is given below.

Sl. No.	Name of the SRC member	SRC meeting date	No. of meetings		% Attendance
		April 23, 2025	Held during tenure	Attended	
1	Dr. Ravindranath Kancherla Independent Director		1	1	**100**
2	Mr. V V Ravi Kumar Executive Director & CFO		1	1	**100**
3	Dr. C V Lakshmana Rao Executive Director		1	1	**100**
% Attendance		**100**	–	–	**100**

Attended through video conference   Attended physically

The Company has received 7 complaints during the year 2025-26; resolved 7 complaints and no complaints were pending as on March 31, 2026. Further, during the year, there were no complaints which was not resolved to the satisfaction of shareholders.

Name and address of Compliance Officer
CS G Venkateswar Reddy
Vice President – Legal, Company Secretary and Compliance Officer
Laurus Labs Limited
Corp. Office: Plot No.103, Road No.1,
Jubilee Hills, Hyderabad - 500 033,
Telangana, India
CIN: L24239AP2005PLC047518
Email: secretarial@lauruslabs.com
Tel: +91 40-6659 4333/ 4320.

Corporate Social Responsibility Committee

Mr. V V Ravi Kumar
Executive Director & CFO,
Chairperson of the Committee

Members
Mrs. Aruna Bhinge, Independent Director
Mrs. Soumya Chava, Executive Director
Dr. C V Lakshmana Rao, Executive Director

The Corporate Social Responsibility ("CSR") Committee is constituted in terms of the requirements with the provisions of Section 135 of the Act read with rules made thereunder and governed by its terms of reference which are in line with the regulatory requirements mandated under the Act.

The role, function and terms of reference of the CSR Committee are as prescribed under the Act. The primary functions of the CSR Committee are as hereunder:

- Reviewing and recommending CSR Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Act;
- Monitoring the CSR Policy of the Company from time to time;
- Recommending the amount of expenditure to be incurred on the CSR activities;
- Reviewing and recommending the Annual Action plan for CSR Programs, including the budgets thereof, their manner of execution, implementation schedules, modalities of utilisation of funds, and monitoring & reporting mechanism of the CSR Programs and any alteration, modification or amendment to the Annual Action Plan;
- Reviewing the impact assessment reports undertaken through independent agencies;
- Reviewing and recommending the Annual Report on CSR activities;
- Recommending any CSR project or program for categorising as Ongoing Project, which was initially not approved as a multi-year project and monitoring thereof.

As on March 31, 2026, the CSR Committee comprises of 4 (four) Directors, out of which one is Independent Director and 3 (three) are Executive Directors. The Chairperson of the CSR Committee is an Executive Director. There was no change in the composition of the CSR Committee during the financial year 2025-26. The CSR Committee composition complies with the requirements of the Act. The Company Secretary acts as secretary to the CSR Committee.

During the financial year, 2 (two) meetings of the CSR Committee were held, as detailed hereunder:

Sl. No.	Name of the CSR Committee member	CSR meeting dates		No. of meetings		% Attendance
		April 23, 2025	October 22, 2025	Held during tenure	Attended	
1	Mr. V V Ravi Kumar Executive Director & CFO			2	2	**100**
2	Mrs. Aruna Bhinge Independent Director			2	2	**100**
3	Dr. C V Lakshmana Rao Executive Director			2	2	**100**
4	Mrs. Soumya Chava Executive Director			2	2	**100**
% Attendance		**100**	**100**	–	–	**100**

Attended through video conference   Attended physically

Risk Management Committee

Dr. Satyanarayana Chava
Executive Director & CEO,
Chairperson of the Committee

Members
Dr. Rajesh Koshy Chandy, Independent Director
Mr. Ramesh Subrahmanian, Independent Director
Mr. V V Ravi Kumar, Executive Director & CFO
Mr. Krishna Chaitanya Chava, Executive Director
Mrs. Soumya Chava, Executive Director
Dr. C V Lakshmana Rao, Executive Director

The Risk Management Committee ("RMC") is constituted in terms of the requirements with the provisions of Regulation 21 of the SEBI Listing Regulations, and governed by its terms of reference which are in line with the regulatory requirements mandated under the SEBI Listing Regulations.

The role, function and terms of reference of the RMC are as prescribed under the SEBI Listing Regulations. The primary functions of the RMC are as hereunder:

- Formulating a detailed Risk Management Policy which shall include:
  - a) A framework for identification of internal and external risks specifically faced by the Company, including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks, compliance/legal risk, disaster risk or any other risk as may be determined by the Committee;
  - b) Measures for risk mitigation including systems and processes for internal control of identified risks
  - c) Business continuity plan
- Ensuring appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- Reviewing periodically the risk management policy, including by considering the changing industry dynamics and evolving complexity.

As on March 31, 2026, the RMC comprises of 7 (seven) Directors, out of which (2) two are Independent Directors and 5 (five) are Executive Directors. The Chairperson of the RMC is an Executive Director. There was no change in the composition of the RMC during the financial year 2025-26. The RMC composition complies with the requirements of the SEBI Listing Regulations. The Company Secretary acts as secretary to the RMC.

In terms of the SEBI Listing Regulations, the RMC is required to meet at least twice in a financial year and meetings of the RMC shall be conducted in such a manner that on a continuous basis not more than 210 days shall elapse between any two consecutive RMC meetings. The RMC met twice during the financial year, the details of the meeting held and attendance therein is given below. The gap between two meetings didn't exceed 210 days.

Sl. No.	Name of the RMC member	RMC meeting dates		No. of meetings		% Attendance
		July 21, 2025	January 30, 2026	Held during tenure	Attended	
1	Dr. Satyanarayana Chava Executive Director & CEO	Attended physically	Attended physically	2	2	**100**
2	Mr. V.V. Ravi Kumar Executive Director & CFO	Attended physically	Attended physically	2	2	**100**
3	Dr. C.V. Lakshmana Rao Executive Director	Attended physically	Attended physically	2	2	**100**
4	Mr. Krishna Chaitanya Chava Executive Director	Leave of absence	Attended physically	2	1	**50**
5	Mrs. Soumya Chava Executive Director	Attended physically	Attended physically	2	2	**100**
6	Dr. Rajesh Koshy Chandy Independent Director	Attended through video conference	Attended through video conference	2	2	**100**
7	Mr. Ramesh Subrahmanian Independent Director	Attended through video conference	Attended through video conference	2	2	**100**
% Attendance		**100**	**100**	-	-	**92.9**

Attended through video conference   Attended physically   Leave of absence

Senior Management

The details of Senior Management Personnel of the Company are as hereunder:

1) Dr. V Uma Maheswer Rao, President – Chemical R&D
2) Mr. Srinivasa Rao S, President – Manufacturing and Operations
3) Dr. Suresh Poda, President – Cell and Gene Therapy & Antibody Drug Conjugates
4) Mr. Rajaram Iyer, Executive Vice President – Portfolio Management
5) Mr. Ch. Sita Ramaiah, Executive Vice President – Finance
6) Mr. Narasimha Rao Chava, Executive Vice President – Human Resources
7) Mr. N. Babchand. Senior Vice President – Generics
8) Mr. Sumeet Sobti, Senior Vice President – Supply Chain Management
9) Dr. Thilek Kumar Muniyappan, Senior Vice President – Formulations-R&D
10) Dr. Parkash Som, Senior Vice President – Regulatory Affairs
11) Mr. Giridhar M, Senior Vice President – Quality Assurance
12) Mr. G Venkateswar Reddy, Vice President – Legal & Secretarial & Compliance Officer

There was no change in the list of Senior Management Personnel of the Company during the financial year 2025-26.

Remuneration to Directors

Details of remuneration paid to Directors during the financial year 2025-26 are as follows:

a. Executive Directors

The remuneration paid to the Executive Directors during the financial year 2025-26 is as hereunder:

₹ in Crore

Sl. No	Name of the Executive Director	Salary	Bonus	Perks	Others	Total
1	Dr. Satyanarayana Chava	14.46	10.08	0.25	0.01	24.80
2	Mr. V V Ravi Kumar	4.80	1.68	0.00	0.12	6.60
3	Dr. C V Lakshmana Rao	3.19	1.12	0.17	0.08	4.56
4	Mr. Krishna Chaitanya Chava	1.73	0.31	0.11	0.05	2.20
5	Mrs. Soumya Chava	1.11	0.20	0.00	0.04	1.35

Note: Rounding off. Service contracts, severance fee: nil; Notice period: 3 months; Stock options: Executive Directors are not entitled for any stock options.

b. Non-Executive Independent Directors

The remuneration paid to each Non-Executive Independent Director is in terms of approval given by the shareholders, as determined by the Board from time to time. During the financial year 2025-26, the Independent Directors were paid remuneration by way commission @₹ 20 lakhs per annum. Further, Independent Directors were also paid sitting fee @₹ 50,000/- for attending each meeting of the Board of Directors and each meeting of the Board Committees, the details of which are provided below:

₹ in Crore

Sl. No	Name of the Non-Executive Independent Director	Commission	Total
1	Dr. Ravindranath Kancherla	0.20	0.06
2	Mrs. Aruna Bhinge	0.20	0.10
3	Dr. Rajesh Koshy Chandy	0.36[1]	0.10
4	Mr. Sekar Karnam	0.20	0.07
5	Mr. Ramesh Subrahmanian	0.20	0.10

Note: Service contracts, severance fee: nil; Notice period: nil; Stock options: Non-Executive Independent Directors are not entitled for any stock options.

[1]Difference due to payment in foreign exchange. Dr. Chandy is entitled to receive and paid commission of USD 40,000 per annum.

Nomination/ Remuneration Policy

The compensation of the Executive Directors comprises of fixed component, perquisites and performance-based incentive and is determined based on the remuneration prevailing in the industry and the performance of the Company. The remuneration package of the Executive Directors is periodically reviewed and suitable revision is recommended to the Board by the Nomination and Remuneration Committee. The Board shall recommend the same for the approval of the Shareholders.

The Nomination and Remuneration Policy as adopted by the Board is placed on the Company's website at: https://www.lauruslabs.com/Investors/PDF/Policies/Remuneration_Policy.pdf

Shareholder's Information

Annual General Meetings ("AGM")

Venue, date and time of the last 3 (three) Annual General Meetings:

Financial year	Date and time	Venue	Details of special resolutions passed
2022-23	July 14, 2023, 03:00 p.m.	Meeting conducted through Video Conference (VC)/ Other Audio-Visual Means (OAVM)	Nil
2023-24	July 11, 2024, 03:00 p.m.	Meeting conducted through Video Conference (VC)/ Other Audio-Visual Means (OAVM)	1. Appointment of Mr. Krishna Chaitanya Chava (DIN: 06831883) as an Executive Director of the Company. 2. Appointment of Mrs. Soumya Chava (DIN: 06831892) as an Executive Director of the Company. 3. Appointment of Mr. Sekar Karnam as an Independent Director for a period of 5 years
2024-25	June 26, 2025, 03:00 p.m.	Meeting conducted through Video Conference (VC)/ Other Audio-Visual Means (OAVM)	1. Approval of re-appointment of Dr. Satyanarayana Chava (DIN: 00211921) as an Executive Director & CEO of the Company. 2. Approval of re-appointment of Mr. V V Ravi Kumar (DIN: 01424180) as an Executive Director & CFO of the Company. 3. Approval of modification of terms of employment contract of Dr. C V Lakshmana Rao (DIN: 06885453), Executive Director of the Company. 4. Approval of modification of terms of employment contract of Mr. Krishna Chaitanya Chava (DIN: 06831883), Executive Director of the Company. 5. Approval of modification of terms of employment contract of Mrs. Soumya Chava (DIN: 06831892), Executive Director of the Company.

No special resolution has been passed through postal ballot during the financial year 2025-26. Therefore, no one has been appointed for conducting the postal ballot exercise. There is no proposal for passing any special resolution through the postal ballot, and therefore, details for providing procedure for postal ballot is not applicable.

Means of Communication

a. **Quarterly and annual results:** Quarterly and annual results of the Company are published in widely circulated national newspapers such as the Business Standard (English) and the local vernacular language newspaper Prajasakthi (Telugu). The results and official news releases, presentations made to the institutional investors/ analysts are also displayed on the Company's website, www.lauruslabs.com. The financial results were sent, if asked for, to the registered e-mail IDs of members.

b. **Annual Report:** The Company's Annual Report containing, inter alia, the Board's Report along with annexures, Corporate Governance Report, Business Responsibility and Sustainability Report, Management's Discussion and Analysis (MDA), Audited Standalone and Consolidated Financial Statements together with Auditors' Report, Notice of AGM and other important information are circulated to the members and others so entitled. The Annual Report is also available on the Company's website, www.lauruslabs.com.

   Annual Reports were sent to the Members through e-mail, in terms of the directions given in the circulars issued by Ministry of Corporate Affairs ("MCA") and the Securities and Exchange Board of India ("SEBI"). However, the Company has provided hard copy of Annual Report to those shareholders who request for the same.

c. **Earning calls:** Earnings calls with analysts and investors and their transcripts and audio recordings are also posted on the website. The investor presentations made to institutional investors or to the analysts are also available in our website, www.lauruslabs.com.

d. **News releases, presentations, etc.:** The Company has robust process to disseminate relevant information to its stakeholders, including members, analysts, customers, business partners, employees and the society at large. Further, all material information which has impact on the operations of the Company is sent to the Stock Exchanges and also the same is placed on the Company's website. Details of communications made during the year are as hereunder:

Means of communication	Number
Publication of results	4
Results earnings calls	4
Press releases/ intimations/ other disclosures and filings	80

e. **Website:** The Company's website, www.lauruslabs.com, is the primary source of information regarding the Company, its facilities and operations, where all official news releases and presentations made to institutional investors and analysts are posted.

It also contains a separate dedicated investors section, as required under Regulation 46(2) of the SEBI Listing Regulations, where the information for members are available.

The Financial Results, official news releases, presentations made to the institutional investors/ analysts are also displayed on the Company's website, www.lauruslabs.com.

f. **Reminder to investors:** The Company send reminders to the shareholders for claiming their unclaimed/ unpaid dividend on shares periodically.

g. **Disclosure with stock exchanges:** National Stock Exchange of India Ltd (NSE) and BSE Limited (BSE) maintain separate online portals, namely, NEAPS and Listing Centre, respectively, for electronic submission of information by listed companies. Various communications such as notices, press releases and the regular quarterly, half-yearly and annual compliances and disclosures are filed electronically on these portals.

h. **Designated exclusive e-mail ID:** The Company has a designated an e-mail ID exclusively for investor services: secretarial@lauruslabs.com.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report forms part of this Report and is provided separately in this Integrated Report.

General Shareholder Information

a. Annual General meeting

AGM day, date and time	Thursday, July 2, 2026, at 3:00 p.m. IST
Venue	In accordance with the General Circular No. 3/2025 dated September 22, 2025, issued by the Ministry of Corporate Affairs (MCA), the 21st AGM of the Company will be held through VC/ OAVM mode. The deemed venue for the same shall be at the Registered Office of the Company. More details have been given in the Notice of 21st AGM.
Receipt of proxy forms	In terms of the relaxations granted by MCA, the facility for appointment of proxies by Members will not be available at the ensuing AGM as the same will be held through VC/ OAVM mode.
Remote e-voting dates	Cut-off date for remote e-voting: Thursday, June 25, 2026 Remote e-voting: Monday, June 29, 2026 at 9:00 a.m. IST to Wednesday, July 1, 2026 at 5:00 p.m. IST
Listing on Stock Exchanges (Equity)	The Company's equity shares are listed on the following Stock Exchanges: • National Stock Exchange of India Limited - Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051 • BSE Limited - Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Annual Listing fees has been paid by the Company to the above stock exchanges
Stock Code	BSE Limited: 540222 NSE: LAURUSLABS
International Securities Identification Number (ISIN)	ISIN for the Company's Equity Shares is INE947Q01028
Depositories for Equity Shares	• National Securities Depository Limited (NSDL) • Central Depository Services (India) Limited (CDSL)

Description of voting rights	The equity shares issued by the Company carry equal voting rights.
Registrar and Transfer Agent (RTA) for equity shares	**KFin Technologies Limited** Selenium Building, Tower B, Plot No. 31-32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana - 500032. Tel: +91 40 6716 2222; Toll Free No.: 1-800-3454-001 Fax: +91 040-23001153 Email: einward.ris@kfintech.com; Website: https://www.kfintech.com

b. Financial year

From April 1, 2025 to March 31, 2026 (i.e., from 1st April every year to 31st March of subsequent year).

c. There was no suspension of trading of securities of the Company during the year under review.

d. Dividend

For the financial year 2025-26, the Board has declared first interim dividend @ 40%, i.e., ₹ 0.80/- per equity share of the face value of ₹ 2/- each) on October 23, 2025 and second interim dividend @60%, i.e., ₹ 1.20/- per equity share on April 30, 2026. The record date for payment of 2nd interim dividend is May 8, 2026 and the payment will be made on May 20, 2026.

e. Unclaimed dividend

Pursuant to the provisions of Section 124 of the Act, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend account, is required to be transferred by Company to the Investor Education and Protection Fund (IEPF), established by the Central Government under the provisions of Section 125 of the Act. Shareholders of the Company who have either not received or have not encashed their dividend warrants, for the financial years 2018-19, 2019-20, 2020-21, 2021-22, 2022-23, 2023-24, 2024-25 and 2025-26 are requested to claim their unpaid/ unclaimed dividend from the Company before transfer to the fund and further requested to submit the bank account details and email ID for recording in the RTA /Depository Participants systems for rendering better services to the shareholders. The details unclaimed/ unpaid dividends and their due date for transfer to IEPF is given below:

Dividend account	Type of dividend	Dividend per share (₹)	Date of declaration	Due date of transfer to IEPF (transfer to be done within 30 days from due date)	Amount outstanding as on March 31, 2026 (net) (₹)
2018-19	Final	1.50	July 11, 2019	August 17, 2026	71,861
2019-20	Interim	1.50	March 12, 2020	April 18, 2027	96,461
2019-20	Final	1.00	July 9, 2020	August 15, 2027	78,831
2020-21	1st Interim	0.80	October 29, 2020	December 5, 2027	4,88,692
2020-21	2nd Interim	0.40	January 28, 2021	March 5, 2028	2,36,657
2020-21	3rd Interim	0.80	April 29, 2021	June 5, 2028	3,05,941
2021-22	1st Interim	0.80	October 28, 2021	December 4, 2028	2,89,739
2021-22	2nd Interim	1.20	April 28, 2022	June 4, 2029	3,31,884
2022-23	1st Interim	0.80	October 21, 2022	November 27, 2029	2,06,685
2022-23	2nd Interim	1.20	April 27, 2023	June 3, 2030	3,51,332
2023-24	1st Interim	0.40	October 20, 2023	November 26, 2030	1,01,686
2023-24	2nd Interim	0.40	April 25, 2024	June 1, 2031	1,07,419
2024-25	1st Interim	0.40	October 24, 2024	Nov 30, 2031	59,203
2024-25	2nd Interim	0.80	April 24, 2025	May 31, 2032	2,35,166
2025-26	1st Interim	0.80	October 23, 2025	November 29, 2032	1,24,127
2025-26	2nd Interim	1.20	April 30, 2026	June 6, 2033	Not applicable

In order to educate the shareholders and with an intent to protect their rights, the Company also sends reminders to shareholders to claim their unclaimed dividends/ shares before it is transferred to the IEPF. Shareholders may note that both the unclaimed dividends and corresponding shares once transferred to the IEPF, including all benefits accruing on such shares, if any, can be claimed from the IEPF following the procedure prescribed in the Rules. No claim shall lie in respect thereof with the Company.

f. Share transfer system

As on March 31, 2026, the total shares of the Company are in demat form only. As the Company's shares are currently traded in dematerialized form, the transfers are processed and approved in the electronic form by NSDL/ CDSL through their depository participants. The Company has appointed KFin Technologies Limited as its Registrars and Share Transfer Agent. The Company has signed a tripartite agreement with NSDL/CDSL and KFin Technologies Limited for availing dematerialization and other share related facilities.

The members may contact for the redressal of their grievances to either KFin Technologies Limited or the Company Secretary of the Company.

g. Distribution of Shareholding as on March 31, 2026

Category (No. of Shares)		No. of Shareholders	%	No. of Shares	%
1	500	2,71,905	93.09	1,80,19,245	3.34
501	1000	8,892	3.05	66,58,776	1.23
1001	2000	4,916	1.68	71,42,438	1.32
2001	3000	1,863	0.64	46,30,875	0.86
3001	4000	880	0.30	30,99,709	0.57
4001	5000	618	0.21	28,49,664	0.53
5001	10000	1,303	0.45	93,98,435	1.74
10001 and above		1,707	0.58	48,80,57,440	90.41
Total		**2,92,084**	**100**	**53,98,56,582**	**100**

Note: Based on PAN.

h. Details of Shareholding in physical mode and electronic mode as on March 31, 2026

Sl. No.	Description	No. of shareholders	% of shareholders	No. of Shares	% of shareholding
1	Physical	0	NA	0	NA
2	NSDL	98,517	32.87	46,40,07,256	85.95
3	CDSL	2,01,224	67.13	7,58,49,326	14.05
	Total	**2,99,741**	**100**	**53,98,56,582**	**100**

Note: Based on Folio.

i. Dematerialization of shares and liquidity

53,98,56,582 shares representing 100% shares have been in dematerialization form.

The Company has not issued any GDR/ADR and there are no outstanding warrants or any convertible instruments.

The Company has undertaken hedging activities for foreign exchange risk, whereas the Company has not undertaken any hedging for commodity price risk.

j. Location of Plants

Unit 1

Plot No 21, Jawaharlal Nehru Pharma City, Parawada Visakhapatnam 531021, Andhra Pradesh, India.

Unit 2

APSEZ, Unit-2, Plot No 19, 20 and 21, APSEZ Gurajapalem, Atchutapuram, Visakhapatnam 531011, Andhra Pradesh, India.

Unit 3

Plot No 18, Jawaharlal Nehru Pharma City, Parawada Visakhapatnam 531021, Andhra Pradesh, India.

Unit 4

Plot No 25, Lalamkoduru, Atchutapuram, Visakhapatnam 531011, Andhra Pradesh, India.

Unit 5

Plot No 102 and 103, SEZ, Lemarthi, Parawada, Visakhapatnam 531021, Andhra Pradesh, India.

Unit 6

Plot No 22 D and 22 E, APSEZ Denotified Area, Atchutapuram, Visakhapatnam 531011, Andhra Pradesh, India.

Unit 8

Plot No. 18B, APSEZ De-Notified Area, Moturupalem, Pudi and Gurajapalem Villages, Rambilli Mandal, Anakapalli – 531 011, Andhra Pradesh, India.

Unit 10

Plot No.18B, APSEZ De-Notified Area, Gurajapalem and Pudi Villages, Rambilli Mandal, Anakapalli – 531 011 Andhra Pradesh, India.

Research & Development Centre

Plot No.DS 1&2, IKP Knowledge Park, Turkapally, Shameerpet, Hyderabad - 500078, Telangana, India.

Address for correspondence:

Registered Office: Laurus Enclave, Plot Office 01, E. Bonangi Village, Parawada Mandal, Anakapalli District, 531021, Andhra Pradesh, India.

Corporate Office: Plot No. 103, Road No.1, Jubilee Hills, Hyderabad – 500033, Telangana, India.

More details are given in the Corporate Information page towards the end of this Integrated Report.

k. Disclosures pertaining to credit rating

Following are the Credit ratings obtained during the financial year, which are also available in the website of the Company i.e., https://www.lauruslabs.com/investors.html

Rating Agency	Facilities Rated	Amount Rated (₹ In Crores)	Rating Assigned	Date of Rating
CARE Ratings Limited	Long Term Bank Facilities	830.61 (Enhanced from 804.43 Cr)	CARE AA; Stable	July 01, 2025
CARE Ratings Limited	Long Term /Short Term Bank Facilities	1445.00 (Reduced from 1545Cr)	CARE AA; Stable/ CARE A1+	July 01, 2025
CARE Ratings Limited	Short Term Bank Facilities	1365.00 (Enhanced from 1,085.00)	CARE A1+	July 01, 2025

l. Other disclosures

Related party transactions

No transaction of material nature has been entered into by the Company with its Directors, Key Managerial Personnel and their relatives, that may have a potential conflict with the interest of the Company. The Register of Contracts containing transactions, in which Directors are interested, is placed before the Board regularly.

Transactions with Related Parties are disclosed in the Notes to the financial statements which forms part of the Integrated Report 2026.

In terms of the SEBI Listing Regulations, the Audit Committee and Board of Directors of the Company have adopted a policy on the related party transactions. The policy is placed on the Company's website at:
https://www.lauruslabs.com/Investors/PDF/Policies/Revised_RPT_Policy.pdf

Details of Non-compliances and penalties

BSE Limited and National Stock Exchange of India Limited had imposed a fine of ₹ 5,000/- per day on the Company for non-compliance of Regulation 17(1) of the SEBI Listing Regulations, pertaining to composition of Board of Directors of the Company which stipulates that 'not less than fifty percent of the board of directors shall comprise of non-executive directors', whereas our Company for a short period of time i.e., from May 18, 2024 till July 24, 2024 had five executive directors and four non-executive directors and on July 25, 2024, the Company had appointed another independent director on the Board and thereby complied with said Regulation.

Vigil mechanism/Whistle Blower Policy

The Board of Directors of the Company had adopted the Whistle Blower policy. The Company has established a mechanism for employees and Directors to report to the management, concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of conduct etc. The employees have been appropriately communicated within the organization about the mechanism and have been provided direct access to the Chairman of the Audit Committee. The mechanism also lays emphasis on making enquiry into whistle blower complaint received by the Company. The Audit Committee reviews periodically the functioning of the whistle blower mechanism. No employee has been denied access to the Audit Committee. A copy of the Whistle Blower Policy is hosted on the Company's website at: https://www.lauruslabs.com/Investors/PDF/Policies/Whistle_Blower_Policy_29-07-2021.pdf

Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with all the mandatory requirements of Corporate Governance as per the SEBI Listing Regulations, and is in the process of implementing the non-mandatory requirements.

Policy on material subsidiaries

In terms of the SEBI Listing Regulations, the Board of Directors of the Company has adopted a policy with regard to determination of material subsidiaries. The policy is placed on the Company's website at:
https://www.lauruslabs.com/Investors/PDF/Policies/PolicyOnMaterialityOfSubsidiaries.pdf

Disclosures pertaining to commodity risk

The Company has framed a policy on Forex Risk Management for managing the risks faced and for hedging activities.

The risk management activities during the year, including their commodity hedging positions and the risks faced and managed. The Company has not undertaken any commodity hedging positions and therefore no risk exists. Necessary disclosure has been made in note no. 37 of the Standalone Financial Statement.

Details of utilization of funds raised through preferential allotment or qualified institutional placement

The Company has not raised any funds through preferential allotment or qualified institutional placement during the current financial year and hence not applicable.

The Board had accepted recommendations of various committees of the board which were mandatorily required in the relevant financial year.

Statutory Auditors fees

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, for the financial year 2025-26 is as follows:

₹ in Crores

Particulars	2025-26	2024-25
Statutory Auditors	0.99	0.98
Limited Review	0.56	0.56
Others including fees for BRSR certification	0.53	0.36
Total	**2.08**	**1.91**

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

a. number of complaints filed during the financial year – Nil

b. number of complaints disposed of during the financial year - Nil

c. number of complaints pending as on end of the financial year - Nil

Disclosures in relation to loans and advances in the nature of loans to firms/companies in which directors are interested

Sl. No	Name of company/ firm giving loans or advances	Amount (₹ in Crores)	Name and status of the company/ firm receiving loan/ advances	Name of the interested Director	Name and status of the company/ firm receiving loan/ advances
1	Laurus Labs Limited	475	Laurus Synthesis Private Limited ("LSPL")	Mr. Krishna Chaitanya Chava and Mrs. Soumya Chava	Common Director, LSPL is Wholly-owned subsidiary of Laurus Labs Limited
2	Sriam Labs Private Limited ("Sriam")	28	LSPL	Mr. Krishna Chaitanya Chava	Common Director, both LSPL and Sriam are Wholly-owned subsidiaries of Laurus Labs Limited
3	Laurus Labs Limited	33	Laurus Bio Private Limited ("Laurus Bio")	Dr. Satyanarayana Chava, Mr. V V Ravi Kumar, Mrs. Aruna Bhinge and Mr. Sekar Karnam	Common Director, Laurus Bio is subsidiary of Laurus Labs Limited

Material subsidiaries

The Company has no material subsidiaries, therefore, the requirement of providing details of the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries is not applicable.

Non-compliance of any requirements of corporate governance report of sub-paras (2) to (10) of Schedule V of the SEBI Listing Regulations

During the year, the Company has complied with the requirements of corporate governance report of sub-paras (2) to (10) of Schedule V of the SEBI Listing Regulations.

Adoption of discretionary requirements as specified in Part E of Schedule II of the SEBI Listing Regulations

The status of adoption of discretionary requirements are as hereunder:

1. **The Board:** The Chairman of the Board is Non-executive Independent Director and he has freedom to discharge his responsibilities from the Company's office as per his requirement in performance of his duties.

2. **Shareholders' rights:** The quarterly, half-yearly and annual results along with the investor presentation and press release are submitted to the stock exchanges, quarterly results are widely published in newspaper and also uploaded on the Company's website at www.lauruslabs.com.

3. **Audit qualifications:** The standalone and consolidated financial statements of the Company are unmodified.
4. **Separate post of Chairman and CEO:** The position of Chairman and CEO are held by different persons. Dr. Ravindranath Kancherla, Independent Director is the Chairman of the Board, and Dr. Satyanarayana Chava is the Executive Director and Chief Executive Officer of the Company. The Chairman is a Non-executive Director and not related to any other director or CEO of the Company.
5. **Reporting of internal audit:** The Internal Auditors of the Company submits their report at the quarterly meetings of the Audit Committee on internal audit findings.
6. **Independent Directors:** The independent directors meet once every year, without the presence of non-independent directors and members of the management.

The disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations

Regulation	Particulars of Regulations	Compliance Status Yes/No
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil Mechanism	Yes
23	Related party transactions	Yes
24	Corporate governance requirements with respect to subsidiary of listed entity	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to Directors and Senior Management	Yes
27	Other corporate governance requirements	Yes
46(2)(b) to (i)	Functional website	Yes

Code of Conduct
In compliance with Regulation 26(3) of the SEBI Listing Regulations and the Act, the Company has framed and adopted a Code of Conduct policy. The Code is applicable to the members of the Board, the executive officers and all employees of the Company and its subsidiaries. The Code is available on our website at:
https://www.lauruslabs.com/Investors/PDF/Policies/Code_of_Conduct_Policy.pdf

All members of the Board, Key Managerial Personnel and Senior Management Personnel have affirmed compliance to the Code as on March 31, 2026.

Prevention of Insider Trading
The Company has adopted an Insider Trading policy to regulate, monitor and report trading by insiders under the SEBI (Prohibition of Insider Trading) Regulations, 2015. This policy includes practices and procedures for fair disclosure of unpublished price-sensitive information, initial and continual disclosure. The Board reviews this policy on a need basis. The policy is available on our website at:
https://www.lauruslabs.com/Investors/PDF/Policies/Code_of_Prohibition_of_Insider_Trading.pdf

CEO and CFO Certification
As required by the SEBI Listing Regulations, the CEO and CFO certification is annexed in this Integrated Report as **Annexure-C**.

Auditors' Certificate on Corporate Governance
In terms of Schedule V of the SEBI Listing Regulations, the Certificate on Corporate Governance issued by Practising Company Secretary is annexed to this Integrated Report as **Annexure-D**.

Disclosures with respect to demat suspense account/ unclaimed suspense account
There are no shares which are lying in demat suspense account/ unclaimed suspense account as on March 31, 2026.

Disclosure of certain types of agreements binding listed entities
In terms of Regulation 30A of the SEBI Listing Regulations, there are no such agreements entered which will impact the management or control of the Company.

Declaration
I, Dr. Satyanarayana Chava, Executive Director and Chief Executive Officer, hereby declare that as provided under SEBI Listing Obligations and Disclosure Requirements Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the financial year ended March 31, 2026.

For **Laurus Labs Limited**
Sd/-
Dr. Satyanarayana Chava
Executive Director and Chief Executive Officer

Place: Hyderabad
Date: April 30, 2026

Annexure – A

to the Report on Corporate Governance

CERTIFICATE

(Pursuant to Regulation 34(3) read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members,
M/s. LAURUS LABS LIMITED
Laurus Enclave, Plot Office 01, E. Bonangi Village,
Parawada Mandal, Anakapalli District, Andhra Pradesh – 531021.

We have examined and verified the books, papers, minute books, forms and returns filed and other records maintained by M/s. Laurus Labs Limited (hereinafter referred to as the "Company") having its registered office at Laurus Enclave, Plot Office 01, E. Bonangi Village, Parawada Mandal, Anakapalli District, Andhra Pradesh – 531021 and the information provided by the Company and its directors and also based on the information available at the websites of Ministry of Corporate Affairs (i.e www.mca.gov.in) and Securities and Exchange Board of India (i.e., www.sebi.gov.in), we hereby certify that as on the date of this certificate, none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of Company by Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority during the year 2025-26.

For RPR & ASSOCIATES
Company Secretaries

Y Ravi Prasada Reddy
Proprietor
FCS No: 5783, C P No: 5360
Peer Review Certificate No. 1425/2021
UDIN: F005783H000244659

Place: Hyderabad
Date: April 30, 2026

Annexure – B
to the Report on Corporate Governance

Annual Secretarial Compliance Report of
M/s. Laurus Labs Limited for the year ended 31.03.2026
(Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereof)

We, M/s. RPR and Associates, Company Secretaries, Hyderabad, have examined:

(a) all the documents and records made available to us and explanation provided by M/s. Laurus Labs Limited (CIN: L24239AP2005PLC047518) having its registered office at Laurus Enclave, Plot Office 01, E. Bonangi Village, Parawada Mandal, Anakapalli District, Andhra Pradesh – 531021, ("the listed entity");

(b) the filings/ submissions made by the listed entity to the stock exchanges;

(c) website of the listed entity; and

(d) any other document/ filing, as may be relevant, which has been relied upon to make this certification/report,

for the year ended 31st March, 2026 ("Review Period") in respect of compliance with the provisions of:

(a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

(b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:

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

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(d) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

(e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(f) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - No Buyback of securities during the review period.

(g) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not Applicable during the review period.

(h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Securities) Regulations, 2021; - Not Applicable during the review period.

(i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; - Not Applicable during the review period.

(j) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments from time to time;

(k) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) (Amendment) Regulations, 2018 regarding the Companies Act and dealing with client;

and circulars/ guidelines issued thereunder and the additional affirmations as per the circulars issued by the stock exchanges on 16th March 2023 and subsequent amendments thereon; and based on the above examination, we hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

Sl. No.	Compliance Requirement (Regulations /circulars/ guidelines including specific clause)	Regulation /Circular No.	Deviations	Action Taken By	Type of Action	Details of Violation	Fine Amount (₹)	Manage-ment Response	Rem-arks
					Advisory /Clarification/Fine/ Show Cause Notice/ Warning, etc.				
No deviations / non-compliance during the review period									

(b) The listed entity has taken the following actions to comply with the observations made in previous report of 2024-25;

Sl. No.	Compliance Requirement (Regulations /circulars/ guidelines including specific clause)	Regulation /Circular No.	Deviations	Action Taken By	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
					Advisory /Clarification /Fine/Show Cause Notice/ Warning, etc.					
1	Composition of Board of Directors under SEBI (LODR)	17(1)(a)	The strength of Non-executive Directors in the Board was not at least 50% between 18th May 2024 to 24th July 2024	BSE and NSE	Fine	The strength of Non-executive Directors was not at least 50%	₹ 3,35,000/- to each Stock Exchange	The Company has paid the penalty amount and also complied with 17(1)(a) w.e.f 25/07/2024	Informed the Board and complied	Nil

We hereby report that, during the review period the compliance status of the listed entity with the following requirements:

Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations/ Remarks by PCS
1.	**Secretarial Standards:** The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.	Yes	-
2.	**Adoption and timely updation of the Policies:** • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities • All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/circulars/ guidelines issued by SEBI	Yes	-
3.	**Maintenance and disclosures on Website:** • The Listed entity is maintaining a functional website • Timely dissemination of the documents/ information under a separate section on the website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website	Yes	-
4.	**Disqualification of Director:** None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013	Yes	-
5.	**Details related to Subsidiaries of listed entities have been examined w.r.t.:** (a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as other subsidiaries	Yes	-
6.	**Preservation of Documents:** The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	-
7.	**Performance Evaluation:** The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations	Yes	-
8.	**Related Party Transactions:** (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ ratified/ rejected by the Audit Committee, in case no prior approval has been obtained.	Yes	-

Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations/ Remarks by PCS
9.	**Disclosure of events or information:** The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	-
10.	**Prohibition of Insider Trading:** The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	-
11.	**Actions taken by SEBI or Stock Exchange(s), if any:** No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.	Yes	-
12.	**Resignation of statutory auditors from the listed entity or its material subsidiaries:** In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of Section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities	N.A.	-
13.	**Additional Non-compliances, if any:** No additional non-compliance observed for all SEBI regulation/circular/guidance note etc.	Yes	-

We further, report that the listed entity is in compliance with the disclosure requirements of Employee Benefit Scheme Documents in terms of regulation 46(2) (za) of the LODR Regulations read with the SEBI Circular for implementation of recommendations of the Expert Committee for facilitating ease of doing business for listed entities dated December 31, 2024.

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.

2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.

3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.

4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For RPR & ASSOCIATES
Company Secretaries

Y Ravi Prasada Reddy
Proprietor
FCS No: 5783, C P No: 5360
Peer Review Certificate No. 1425/2021
UDIN: F005783H000244439

Place: Hyderabad
Date: April 30, 2026

Annexure – C

to the Report on Corporate Governance

To
The Audit Committee &
The Board of Directors
Laurus Labs Limited

Sub: Certificate under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We, Dr. Satyanarayana Chava, Executive Director and Chief Executive Officer and Mr. V V Ravi Kumar, Executive Director and Chief Financial Officer, hereby certify as under:

A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2026 and that to the best of our knowledge and belief:

   (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.

B. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2026 are fraudulent, illegal or violative of the Company's Code of Conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.

D. We have disclosed, wherever applicable, to the auditors and the Audit Committee:

   (1) That there have not been any significant changes in internal control over financial reporting during the year;

   (2) That there have not been any significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and

   (3) That we are not aware of any instances during the year of significant fraud with involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: April 29, 2026
Place: Hyderabad

Sd/-
Dr. Satyanarayana Chava
Executive Director and
Chief Executive Officer
Laurus Labs Limited

Sd/-
V V Ravi Kumar
Executive Director and
Chief Financial Officer
Laurus Labs Limited

Annexure – D

to the Report on Corporate Governance

Certificate on Corporate Governance

To
The Members,
M/s. LAURUS LABS LIMITED
Laurus Enclave, Plot Office 01, E. Bonangi Village,
Parawada Mandal, Anakapalli District, Andhra Pradesh – 531021.

We have examined the compliance conditions of Corporate Governance by M/s. **Laurus Labs Limited** for the financial year ended 31st March, 2026, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI (LODR) Regulations, 2015"] and the Uniform Listing Agreement entered between the Company & Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our knowledge and according to the explanations given to us, we certify that the Company has complied with the conditions of applicable Corporate Governance as stipulated in the above mentioned SEBI (LODR) Regulations, 2015 and the Uniform Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For RPR & ASSOCIATES
Company Secretaries

Y Ravi Prasada Reddy
Proprietor
FCS No: 5783, C P No: 5360
Peer Review Certificate No. 1425/2021
UDIN: F005783H000244516

Place: Hyderabad
Date: April 30, 2026

Business Responsibility & Sustainability Report (“BRSR’)

Section A: General Disclosures

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	:	L24239AP2005PLC047518
2	Name of the Listed Entity	:	Laurus Labs Limited
3	Year of incorporation	:	2005
4	Registered office address	:	Laurus Enclave, Plot Office 01, E. Bonangi Village, Parawada, Mandal, Anakapalli District– 531 021, Andhra Pradesh, India.
5	Corporate office address	:	Plot No.103, Road No.1, Jubilee Hills, Hyderabad- 500 033, Telangana, India
6	E-mail	:	secretarial@lauruslabs.com
7	Telephone	:	+91 40 6659 4333
8	Website	:	www.lauruslabs.com
9	Financial year for which reporting is being done	:	2025-26
10	Name of the Stock Exchange(s) where shares are listed	:	National Stock Exchange of India Limited BSE Limited
11	Paid-up Capital	:	₹ 107,97,13,164
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	:	Mr. G. Venkateswar Reddy, Company Secretary and Compliance Officer, Telephone: +91 40 6659 4333, Email: secretarial@lauruslabs.com Address: Plot No.103, Road No.1, Jubilee Hills, Hyderabad- 500 033, Telangana, India
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	:	The disclosure under BRSR is on Standalone basis.
14	Name of assurance provider	:	M/s Deloitte Haskins & Sells LLP
15	Type of assurance obtained	:	Limited assurance on BRSR Core

II. Products/ services

16. Details of business activities (accounting for 90% of the turnover)

Sl. No.	Description of main activity	Description of business activity	% of turnover of the entity
1	Pharmaceuticals & Bio product	Development, manufacturing & services related to chemicals & chemical products, pharmaceuticals, medicinal chemical, bio & botanical products	100%

17. Products/ services sold by the entity (accounting for 90% of the entity’s turnover)

Sl. No.	Product/ service	NIC Code	% of total turnover contributed
1	Development, manufacture and sale of API & Formulations	210	100%

III. Operations

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

Location	Number of plants (including R&D sites/ operations)	Number of offices	Total
National	8	2	10
International	Nil	Nil	Nil

19. Markets served by the entity

a. Number of locations

Locations	Number
National (No. of States)	20
International (No. of Countries)	61

b. Contribution of exports as a percentage of the total turnover of the entity

62.14%

c. A brief on types of customers

Our Company caters to a diverse range of customers includes major pharma companies, generics players and institutional customers across various countries.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male No. (B)	Male % (B/A)	Female No. (C)	Female % (C/A)
Employees						
1.	Permanent (D)	7,059	6,432	91	627	8
2.	Other than Permanent (E)	Nil	Nil	Nil	Nil	Nil
3.	**Total employees (D + E)**	**7,059**	**6,432**	**91**	**627**	**8**
Workers						
4.	Permanent (F)	Nil	Nil	Nil	Nil	Nil
5.	Other than Permanent (G)	6,773	6,694	99	79	1
6.	**Total workers (F + G)**	**6,773**	**6,694**	**99**	**79**	**1**

b. Differently abled Employees and workers:

Sl. No	Particulars	Total (A)	Male No. (B)	Male % (B/A)	Female No. (C)	Female % (C/A)
Differently abled employees						
1.	Permanent (D)	Nil	Nil	Nil	Nil	Nil
2.	Other than Permanent (E)	Nil	Nil	Nil	Nil	Nil
3.	**Total differently abled employees (D + E)**	Nil	Nil	Nil	Nil	Nil
Differently abled workers						
4.	Permanent (F)	Nil	Nil	Nil	Nil	Nil
5.	Other than permanent (G)	Nil	Nil	Nil	Nil	Nil
6.	**Total differently abled workers (F + G)**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

21. Participation/ Inclusion/ Representation of women

Particulars	Total (A)	No. and percentage of females No. (B)	% (B / A)
Board of Directors	10	2	20
Key Management Personnel (Other than Directors)	1	Nil	NA

22. Turnover rate for permanent employees and workers

Particulars	FY 26 (Turnover rate in current FY)			FY 25 (Turnover rate in previous FY)			FY 24 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	10%	10%	10%	18%	16%	17%	18%	22%	18%
Permanent Workers	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

Sl. No.	Name of the holding/subsidiary/ associate companies/ joint ventures	Indicate whether holding/ subsidiary/ associate/ joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Sriam Labs Private Limited	WOS[1]	100%	The BRSR for the FY 2025-26 has been prepared on Standalone basis of the Company.
2	Laurus Synthesis Private Limited	WOS[1]	100%	
3	Laurus Specialty Chemicals Private Limited	WOS[1]	100%	
4	Laurus Bio Private Limited	Subsidiary	78.34%	
5	Immunoadoptive Cell Therapy Private Limited	Associate	34.89%	
6	Ethan Energy India Private Limited	Associate	26%	
7	Laurus Generics SA (Pty) ltd	WOS[1]	100%	
8	Laurus Holdings Limited	WOS[1]	100%	
9	Laurus Generics GmbH[2]	WOS[1]	100%	
10	Laurus Generics Inc[3]	WOS[1]	100%	
11	KRKA Pharma Private Limited[4]	Joint Venture	49%	
12	Kurnool Renewables Private Limited	Associate	26%	

[1]WOS means Wholly-owned Subsidiary.

[2]Laurus Generics GmbH, Germany is Wholly-owned Subsidiary of Laurus Holdings Ltd., UK and step-down Wholly-owned Subsidiary of the Company.

[3]The Company is holding 49.24% of Laurus Generics Inc., USA and remaining 50.76% is held by Laurus Holdings Ltd., UK.

[4]KRKA Pharma Private Limited is joint venture company, wherein the Company is holding 49% and remaining 51% is held by joint venture partner, KRKA d.d., Novo mesto, a company registered in Slovenia.

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (₹ in Crores) 6,089.07

(iii) Net worth (₹ in Crores) 5,251.94

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 26 Current Financial Year			FY 25 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	Nil	Nil	NA	Nil	Nil	NA
Investors (other than shareholders)	Yes	Nil	Nil	NA	Nil	Nil	NA
Shareholders	Yes	7	Nil	Resolved during the year	2	Nil	Resolved during the year
Employees and workers	Yes	Nil	Nil	NA	Nil	Nil	NA
Customers	Yes	Nil	Nil	NA	Nil	Nil	NA
Value Chain Partners	Yes	Nil	Nil	NA	Nil	Nil	NA
Other (please specify)	Nil	Nil	Nil	NA	Nil	Nil	NA

Policies:

Community:https://www.lauruslabs.com/Investors/PDF/Policies/Corporate_Social_Responsibility_Policy.pdf

Investor & Shareholders: https://www.lauruslabs.com/investors_home.html

Employees & workers: https://www.lauruslabs.com/Investors/PDF/Policies/PGH.pdf

Customers: Customer feedback policy

26. Overview of the entity's material responsible business conduct issues

Our approach to materiality: At Laurus Labs, we acknowledge our responsibility to meet stakeholder expectations to position our business better and enhance the value we create. The materiality assessment has allowed us to comprehend stakeholder concerns and helps in developing a strategy that fits our business, prioritizing the most relevant topics and impact. We performed a sustainability-related materiality assessment to identify the sustainability issues that are most critical to our business and our stakeholders. This process assists us in identifying sustainability focus areas and informs our strategy and the content of our reporting.

We align our identification of material sustainability topics with the GRI Universal Standards considering information relating to the pharmaceutical sector, our regulatory requirements and matters raised during engagements with our people and our external stakeholders. We have focused on five top priority areas, i.e. product safety, ownership and control, waste management and circularity, leadership policy and oversight on sustainability, tax transparency and labelling, protection of human rights and occupational health and safety. More information on our sustainability materiality assessment process and outcomes can be found in our Integrated Report.

Material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to our business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications:

Sl No	Material Issue Identified	Risk / Opportunity	Rational for identifying risk or opportunity	In case of risk approach to adapt or mitigate	Financial implication of risk or opportunity (positive or negative implications)
1	Environment, Health and Safety (EHS)	Risk	Operations are subjected to several regional and global governmental, and non-governmental EHS rules and regulations.	• Improving focus on sustainable energy • Strengthening and promoting a safety culture programme and awareness across the company • Conducting periodic audits in high-risk sites	Risk
2	Industry risk	Risk	Sectoral and market downturns could have potential and immediate impact on company performance	• Analysing industry and pharma-sectoral trends and periodic horizon scanning • Ongoing plans to implement a business continuity plan to minimize risks	Risk
3	Regulatory risk	Risk	The pharmaceutical sector is highly regulated and it is under continual surveillance and scrutiny by regulatory bodies and authorities. Inability to meet requirements may have potential negative impacts on the business	• Improving compliance/ regulatory requirements review mechanism • Utilizing the information management system to detect changes in the regulatory environment and their impact periodically	Risk
4	Competition risk	Risk	Market presence and penetration can be affected by domestic and international competitions	• Building economies of scale in manufacturing, distribution and procurement to maintain cost advantage • Strengthening long-term relationships with key customers by offering better quality and service know-how • Introducing cost improvement initiatives and enhancing manufacturing efficiency at plants	Risk

Sl No	Material Issue Identified	Risk / Opportunity	Rational for identifying risk or opportunity	In case of risk approach to adapt or mitigate	Financial implication of risk or opportunity (positive or negative implications)
				• Undertaking R&D initiatives, focusing on optimizing raw material consumption and increasing manufacturing capability	
5	Innovation risk	Risk	Development of innovative products is critical in improving the product portfolio of the company, Lack of innovation may negatively affect business growth.	• Ensuring R&D capabilities and proven track record in filing, approval and commercialisation of niche products and processes. • Improving internal capabilities, know-how and enhancing process optimisation to strengthen market leadership	Risk
6	Financial risks	Risk	The foreign exchange rate fluctuations could impact our company's net expenses and other future investments.	• Implementing a strong currency hedging plan/ strategy and periodically evaluating derivatives to address risks	Risk
7	Capacity planning and Optimisation risk	Risk	Inability to meet dynamic customer needs can impact business growth	• Tracking trends and horizon scanning to keep up with the market and deliver and satisfy customer needs • Implementing plans to ensure plant capacities meet market expectations • Process optimization and improving efficiency to reduce production related risks such as plant malfunctions	Risk
8	Operational risk	Risk	Efficiency and effectiveness of business operations can be significantly impacted if and when vendor customer relations are not managed effectively	• Stabilizing vendor risks and challenges by the implementation of action plans • Forging long-term partnerships with regional and global pharmaceutical companies to ensure revenue visibility	Risk

Note: More details have been given in the initial section of this Integrated Report.

Section B: management and process disclosures

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	https://www.lauruslabs.com/images/pdfs/LaurusLabs-Policy-on-the-Nine-Principles-of-BRSR.pdf								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes. The Company's Policy on the 9 principles of BRSR applies to Laurus operations globally, including all legal entities worldwide owned or controlled by Laurus (including its subsidiaries), and to its directors, officers, employees and workers. The Policy will also be applicable to contractual staff, interns, consultants and trainees working for or on behalf of the Company. Actions of business partners, including joint venture partners, vendors, contractors, consultants, agent, trainees, distributors and suppliers can have a direct impact on our business. For this reason, we expect business partners to meet the same high standards when working with Laurus or on its behalf.								
4. Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, and Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	GRI Standards 2021, UN SDGs, NGRBC, PSCI Principles, ISO 37001:2016, ISO 9001:2015	GRI Standards 2021, UN SDGs, ISO 14001:2015, cGMP, ISO 20400:2017	GRI Standards 2021, UN SDGs, ISO 45001, UN Guiding Principles on Business and Human Rights, ILO Conventions and Codes of Practice, Universal Declaration of Human Rights, PSCI Principles	GRI Standards 2021, UN SDGs, PSCI Principles	GRI Standards 2021, UN SDGs, UN Guiding Principles on Business and Human Rights, ILO Conventions and Codes of Practice, Universal Declaration of Human Rights, PSCI Principles	GRI Standards 2021, UN SDGs, ISO 14001:2015, ISO 45001:2018, ISO 50001:2018, PSCI Principles, National Ambient Air Quality Standards (NAAQS)	GRI Standards 2021, UN SDGs	GRI Standards 2021, UN SDGs, ISO 20400:2017, National Standards-CSR Rules prescribed by the Companies Act, 2013	GRI Standards 2021, UN SDGs, ISO 27001:2022
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Details regarding our ESG Goals is given in intial section of the Integrated Report 2026 of the Company.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Details regarding our ESG goal progress is given, wherever applicable, is given in BRSR as well as in initial section of the Integrated Report 2026 of the Company.								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	At Laurus Labs, our commitment to growth through sustainable and responsible actions forms our strategic business pillar – a foundation for everything we do. Guided by this purpose, we aim to drive impact across our business, from redesigning our products to reducing our environmental footprint and supporting local communities through strategic partnerships and employee engagement. Our efforts have been recognized internationally, with significant improvements in our ESG ratings. Specifically, our ESG score, as per S&P Global's CSA, rose to 81 from 71 in 2026. We were also awarded a Silver rating by EcoVadis for our sustainability initiatives, and our MSCI score is BBB. With this Integrated Report for the FY 2025-26, we are publishing our Environment, Social, and Governance (ESG) goals to set a high standard. We have established bold and measurable objectives related to the environment, employees, and governance. In response to increasing stakeholder expectations, we have not only integrated ESG principles into our operations but have developed a robust ESG strategy. This strategy is more than just a checklist; it's a dynamic blueprint designed to foster long-term growth, drive value creation, and positively influence both the environment and the communities in which we operate. We remain committed to setting and achieving ESG goals in line with global standards and stakeholder expectations. Dr. Satyanarayana Chava, Executive Director and Chief Executive Officer								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Dr. Satyanarayana Chava, Executive Director and Chief Executive Officer, reviews the implementation and oversight of the Business Responsibility initiatives.								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, details.	Dr. Satyanarayana Chava, Executive Director and Chief Executive Officer, oversees any sustainability related issues. Further, the Board on an annual basis, review and approves the BRSR.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Business Steering Committee									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes									

	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, Name of the agency.	The processes and compliances are periodically evaluated and updated by various department heads/ business heads and approved by the management. An internal assessment of the workings of the Business Responsibility policies has been done. Further, limited assurance was carried on by the independent auditor on the BRSR Core disclosures.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Not applicable

Section C: Principle wise performance disclosure

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors Key Managerial Personnel	5	Familiarisation/awareness programme for the Board of Directors/KMPs of the Company is done periodically as part of Board process covering various areas pertaining to the business, strategy, risks, operations, regulations, economy and ESG. In addition, updates are shared with the Board members/KMPs to apprise them of developments in the Company, key regulatory changes, risks, compliances and legal cases.	100
Employees & Workers other than BoD and KMPs	3,95,453 training sessions were conducted for approximately 7805 employees.	The employees/ operators' training is being controlled through the electronic system known as LMS (Learning Management System). This system manages employee training in a comprehensive approach that ensures employees receive the necessary training and certifications to perform their roles effectively and safely. The LMS generates and tracks various types of training, including • Induction Training • Standard Operating Procedures (SOPs) • current Good Manufacturing Practices (cGMP) • External Training • Miscellaneous Training • Practical demo sessions • Unscheduled Training • General Training (Prevention of Sexual Harassment (POSH) The LMS schedules these trainings according to employees' roles, job responsibilities, and regulatory requirements, ensuring that they receive timely and appropriate training throughout their tenure with the company. Additionally, the system tracks employees' progress, completion status, and certification, facilitating compliance and audit readiness. Overall, using an LMS streamlines the training process, enhances compliance, and contributes to a well-trained and knowledgeable workforce.	97

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website)

Particulars	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NA	Nil	Nil	NA	NA
Settlement	NA	Nil	Nil	NA	NA
Compounding fee	NA	Nil	Nil	NA	NA

Particulars	Non-Monetary			
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NA	Nil	NA	NA
Punishment	NA	Nil	NA	NA

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed

Case details	Name of the regulatory/ enforcement agencies/ judicial institutions
NA	NA

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy

Yes, the Company has Anti-bribery and Anti-corruption Policy. The Company is committed to the prevention, deterrence and detection of fraud, bribery, and all forms of corrupt business practices, adhering to zero tolerance approach to bribery and corruption. The said Policy outlines the principles that govern the compliances with applicable anti-bribery and anti-corruption laws in all jurisdiction where we operate. This Policy strictly prohibits employees and affiliated individuals from offering or accepting bribes, in any form, whether monetary or otherwise.

The Anti-bribery and Anti-corruption Policy is available on the website of the Company at the link, https://www.lauruslabs.com/images/pdfs/Anti-bribery&Anti-corruption-Policy.pdf. The said Policy should be read in conjunction with the Company's Business Code of Conduct and Ethics, which is available on the website of the Company at the link, https://www.lauruslabs.com/images/pdfs/Business_Code_of_Conduct_and_Ethics_Policy.pdf

5. Number of Directors/ KMPs/ employees/ workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption

Particulars	FY 26 (Current Financial Year)	FY 25 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest

Particulars	FY 26 (Current Financial Year)		FY 25 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	NA	Nil	NA

7. Provide details of any corrective action taken or underway on issues related to fines/ penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest

Nil

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

Particulars	FY 26 (Current Financial Year)	FY 25 (Previous Financial Year)
Number of days of accounts payables	136	145

Note: Limited assurance has been carried out by Deloitte Haskins & Sells LLP on the above indicator.

9. Open-ness of business

Parameter	Metrics	FY 26 (Current Financial Year)	FY 25 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	39%	41%
	b. Number of trading houses where purchases are made from	267	305
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	54%	49%
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales	0.12%	0.10%
	b. Number of dealers/ distributors to whom sales are made	1	1
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors	100%	100%
Share of RPTs in	a. Purchases (Purchases with related parties/ Total Purchases)	4.27%	4.06 %
	b. Sales (Sales to related parties/ Total Sales)	6.33%	4.53%
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	92.97%	94.86%
	d. Investments (Investments in related parties/ Total Investments made)	97.64%	99.54%

Note

1. *Purchases from trading houses – The Company has evaluated its vendors/ suppliers of raw material and packing material for the purposes of identification and reporting of Trading Houses.*
2. *Sales to Dealers/Distributors – The nature of Sales made by the Company are largely direct sales, sales to dealers and distributors is limited to only one customer, wherein, it is low both in terms of value and volume*
3. *Limited assurance has been carried out by Deloitte Haskins & Sells LLP on the above indicator.*

Leadership Indicators

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

Total number of awareness programs held	Topics / principles covered under meeting	%age of value chain partners covered by value of business done with such partners under the awareness programs
1. One Training Session was conducted with the elected Strategic supplier base which clearly explained the key areas of Laurus Code of conduct and the necessity to assess, monitor and improve on these aspects. 2. We engage with the Strategic supplier base on individual basis to make them aware of Laurus expectations on Sustainable practices and get their feedback	Laurus Supplier Code of Conduct encompasses the following aspects of Sustainability 1) Business Ethics 2) Human rights 3) Employment Practices 4) Environment 5) Health & Safety 6) Supporting Communities Laurus had identified key strategic suppliers and have evaluated their Sustainability practices through Supplier assessment framework. The strategic suppliers were classified as critical and non-critical based on various criteria.	65% of our key value chain partners were covered by value of business done with such partners under the awareness programs.

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes. The Company's Code of Conduct lays down guidance for dealing with situation of conflict-of-interest of the Directors and senior management. Further, as part of the Board governance, in case any director is getting appointed or associated with any new organisation, such director makes disclosure of his association with the new organisation to the Company. The director's disclosures are also placed before the Board for review and taking note of the same. The Board members also makes disclosures with respect to discussion on any matter where conflict of interest arises and recuse themselves from discussion and decision.

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Particulars	FY 26 Current Financial Year	FY 25 Previous Financial Year	Details of improvements in environmental and social impacts
R&D	4%	5%	Investments in Gene Therapy is focused on improving the lives of patients.
Capex	5%	5%	Reduction in usage of non-renewable energy sources. Improving water efficiency/ operational excellence projects, and technology investments in energy efficient equipments. Safety of employees and stakeholders.

2. a. Does the entity have procedures in place for sustainable sourcing

Yes, the Company has procedures in place for sustainable sourcing.

b. If yes, what percentage of inputs were sourced sustainably

About 65% of key raw material and packing material inputs were sourced sustainability.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste

In keeping with our focus on sustainable operations, Laurus Labs strives to reduce waste generated at the source whenever possible and recycle the residual waste. A considerable portion of the waste generated in the pharmaceutical industry is categorized as hazardous and must be handled with caution. We ensure that the waste generated by our operations is effectively monitored and disposed of in accordance with all relevant regulatory standards.

We also regularly monitor our waste management systems and procedures to ensure that the waste generated throughout our sites undergoes proper and safe treatment. Solvent recovery systems deployed at our API locations allow predefined volumes of used solvent to be recovered. Our operational efficiency allows us to use resources conservatively and reduce waste. We comply with all the local and national regulations, in addition to adopting global standards in safe handling and disposal of emissions and effluents.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same

No

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
Nil					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same

Name of Product / Service	Description of the risk / concern	Action Taken
Nil		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 26 Current Financial Year	FY 25 Previous Financial Year
Total recycled input material	31.73%	32.93%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed

Particulars	FY 26 Current Financial Year			FY 25 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Nil	Nil	Nil	Nil	Nil	Nil
E-waste	Nil	Nil	Nil	Nil	Nil	Nil
Hazardous waste	Nil	Nil	Nil	Nil	Nil	Nil
Other waste	Nil	Nil	Nil	Nil	Nil	Nil

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not applicable. As a pharmaceutical company, Laurus Labs does not reclaim products at the end of their life for reuse or recycling, given regulatory and safety considerations. However, any reclaimed products are safely disposed.	

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicator

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	6,432	6,432	100	6,432	100	NA	NA	6,432	100	NA	NA
Female	627	627	100	627	100	627	100	NA	NA	627	100
Total	**7,059**	**7,059**	**100**	**7,059**	**100**	**627**	**100**	**6,432**	**100**	**627**	**100**
Other than Permanent employees											
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

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

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
Other than Permanent workers											
Male	6,694	Nil	Nil	6,694	100	Nil	Nil	Nil	Nil	Nil	Nil
Female	79	Nil	Nil	79	100	Nil	Nil	Nil	Nil	79	100
Total	**6,773**	**Nil**	**Nil**	**6,773**	**100**	**Nil**	**Nil**	**Nil**	**Nil**	**79**	**100**

Note: Workers are not on payroll of the Company, other benefits will be taken care by contractor

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent)

Particulars	FY 26 Current Financial Year	FY 25 Previous Financial Year
Cost incurred on well- being measures as a % of total revenue of the company	1.31%	1.50%

Note:

1. *The well-being costs mentioned include expenses for bus transportation and canteen facilities provided to both employees and workers. Additionally, health insurance, general medical expenses, and maternity and paternity benefits are extended to employees.*
2. *Limited assurance has been carried out by M/s Deloitte Haskins & Sells LLP on the above indicator.*

2. Details of retirement benefits, for Current FY and Previous Financial Year

Benefits	FY 26 Current Financial Year			FY 25 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	NA	Yes	100%	NA	Yes
Gratuity	40%	NA	NA	40%	NA	NA
ESI	5%	NA	Yes	17%	NA	Yes
Others – please specify	–	–	–	–	–	NA

Note: Statutory benefits to workers as per applicable laws being reimbursed by the Company to the agencies for contract workers.

3. Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard

Yes, the premises/ offices of the Company are accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy

Yes, the Company does not discriminate in employment opportunities or practices on the basis of race, colour, religion, disability, national origin, genetic information, sex (including pregnancy), age, sexual orientation, gender (including gender identity and expression), marital status, protected veterans' status, citizenship status or any other characteristic protected by applicable law. The Policy is available on the website of the Company at the link, https://www.lauruslabs.com/Investors/PDF/Policies/NDP.pdf.

5. Return to work and Retention rates of permanent employees and workers that took parental leave

Particulars	Permanent employees		Permanent workers	
Gender	**Return to work rate**	**Retention rate**	**Return to work rate**	**Retention rate**
Male	100%	100%	NA	NA
Female	62%	100%	NA	NA
Total	**96%**	**100%**	**NA**	**NA**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief

Particulars	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent workers	Yes, the Company has a Policy on grievance handling which establishes framework on grievance handling and to resolve grievance as soon as reasonably possible. The Policy is available on the website of the Company at the link, https://www.lauruslabs.com/Investors/PDF/Policies/PGH.pdf.
Other than permanent workers	
Permanent employees	
Other than permanent employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity

Category	FY 26 (Current Financial Year)			FY 25 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total permanent employees	7,059	Nil	Nil	6,167	Nil	Nil
- Male	6,432	Nil	Nil	5,695	Nil	Nil
- Female	627	Nil	Nil	472	Nil	Nil
Total permanent workers	Nil	Nil	Nil	Nil	Nil	Nil
- Male	Nil	Nil	Nil	Nil	Nil	Nil
- Female	Nil	Nil	Nil	Nil	Nil	Nil

8. Details of training given to employees and workers

Category	FY 26 Current Financial Year					FY 25 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No.(B)	% (B/A)	No.(C)	% (C/A)		No. (E)	% (E/D)	No.(F)	% (F/D)
Employees										
Male	6,432	6,432	100	6,432	100	5,695	5,695	100	5,695	100
Female	627	627	100	627	100	472	472	100	472	100
Total	**7,059**	**7,059**	**100**	**7,059**	**100**	**6,167**	**6,167**	**100**	**6,167**	**100**
Workers										
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

9. Details of performance and career development reviews of employees and worker

Category	FY 26 Current Financial Year			FY 25 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	6,432	6,432	100	5,695	5,695	100
Female	627	627	100	472	472	100
Total	**7,059**	**7,059**	**100**	**6,167**	**6,167**	**100**
Workers						
Male	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil
Total	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system

Yes, all units are certified with ISO 45001:2018. We carry out internal audits to check the effectiveness of EHSMS periodically. Trained EHSMS coordinators are appointed to implement OHSMS.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity

At Laurus Labs, operational excellence and employee well-being are intrinsically linked. Guided by our foundational Standard Operating Procedures—EHS/004 (Risk Assessment) and EHS/028 (Internal Audits)—we maintain an uncompromising approach to hazard identification. Our "Safety First" mandate is hardwired into our pre-execution workflow through a robust, three-pronged evaluation mechanism comprising Activity-Based Risk Assessments (ABRA), HAZOP studies, and Exposure Risk Assessments (ERA). This ensures that process risks are mitigated to acceptable levels before a single machine is turned on. In addition we also carry out Job Safety Analysis (JSA) for all non-routine activities.

However, best in class safety measures cannot rely on engineering controls alone; it demands a collective organizational mindset. By cascading line management responsibility down to the shop floor, we have institutionalized employee-led safety workflows. Initiatives like our One-Day Safety Officer rotation, dedicated Shift Safety Champions, and weekly Behavior-Based Safety (BBS) conversations encourage open safety dialogue and allow us to address the root causes of unsafe actions collaboratively.

As part of our ongoing safety transformation, we have announced the commencement of SANKALP Phase 2 program our safety culture transformation journey in collaboration with the British Safety Council, a global leader in health and safety excellence.

Supported by a rigorous change control protocol and strengthened by an extensive three-tiered audit system (which includes intra-unit, central, and independent third-party evaluations), we are dedicated to the continuous improvement of our Environment, Health, and Safety Management System (EHSMS) to protect our most valuable asset: our people.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes, Our commitment to occupational health and safety is driven by standardized execution and active employee ownership. Operating under SOP EHS/028 (Internal Audit, Inspections, NC, and CAPA) and SOP EHS/007 (EHS Committee), we have created an environment where hazard identification is continuous and institutionalized. Our dedicated EHS department conducts frequent, rigorous rounds across the shop floor, backed up in real-time by trained Shift Safety Champions who monitor critical activities and flag immediate risks during every single shift.

We believe that the best safety insights come directly from the shop floor. Through our Safety Suggestion Scheme, anchored by accessible suggestion boxes at our plant's main gate, workers are actively encouraged to report unsafe observations and propose process enhancements. This ground-level vigilance is amplified during our National Safety Day and World Environment Day promotional campaigns, where the EHS department recognizes and rewards employees who champion safety protocols. By blending rigorous corporate compliance with a rewarding safety culture, we ensure that every worker is an active guardian of our zero-harm workspace.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, the employees/ workers of the entity have access to non-occupational medical and healthcare services. All employees are covered under health insurance, statutory health insurance (ESIC) as per eligibility, providing periodical health checkups and wellness programs.

11. Details of safety related incidents

Safety Incident/Number	Category*	FY 2026 Current Financial Year	FY 2025 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

**Including in the contract workforce*

Note:
1. *The reporting boundary for the above indicator includes the Company's manufacturing units.*
2. *Limited assurance has been carried out by Deloitte Haskins & Sells LLP on the above indicator.*

12. Describe the measures taken by the entity to ensure a safe and healthy work place

a. We have implemented various standard operating procedures (SOP) and Operational Control Procedures (OCP) to ensure safety at workplace.

b. Periodical trainings are given to all workers on safe practices.

c. Continuous inspections and periodical audits are carried out to identify all unsafe acts & conditions.

d. We are carrying out several audits in the specific areas by the third party to identify the gaps and to make further improvement.

e. Designed the workplace based on the latest statutory requirements and complying with all safety norms.

f. Process safety studies are carried out for all processes before execution, risk assessment is done to make the process safe. All process safety requirements are implemented. Workplace monitoring is carried out to improve the industrial hygiene.

g. EHS promotional activities are carried out to encourage safe practices and promote safety as a culture.

h. Periodical review meeting with senior management to improve safety requirement.

i. Implementing Safety Culture Transformation activities (SANKALP).

j. Implementing Asset Integrity Management (AIM) to improve effectiveness of equipment safety.

k. Emergency preparedness and response:

- Fire protection which comprises of Detection, Alarm and Suppression system installed at all workplaces.
- Two numbers of Multi-purpose Fire Tenders are in place and procuring another Two numbers in this year.
- All sites have Occupational Health Centers and Ambulances. Additionally, Two numbers of Advanced Life Support Ambulances are in place.
- Emergency Response Teams on-site, who undergone a specific training from External Expert Agency.

13. Number of Complaints on the following made by employees and workers

Particulars	FY 26 (Current Financial Year)			FY 25 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	NA	Nil	Nil	NA
Health & Safety	Nil	Nil	NA	Nil	Nil	NA

14. Assessments for the year

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions

We implemented all recommendations related to different safety audits, statutory audits and incidents. Best practices from other industries are implemented as well.

All recommendations related to risk assessments are implemented to make the process safe.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)

Yes, for both the employees and workers

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners

The Company collects the proofs of deposits of statutory dues like payment challans etc. from the service value chain partners before releasing their bills regularly and ensures that the statutory dues have been deducted and deposited by the value chain partners with the relevant statutory authorities.

3. Provide the number of employees / workers having suffered high consequence work- related injury/ ill-health/ fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment

Particulars	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 26 (Current Financial Year)	FY 25 (Previous Financial Year)	FY 26 (Current Financial Year)	FY 25 (Previous Financial Year)
Employees	Nil	Nil	NA	NA
Workers	Nil	Nil	NA	NA

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No, the Company do not provide such transition assistance.

5. Details on assessment of value chain partners

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	We conduct yearly sustainability assessment of our key value chain partners, providing awareness of Laurus supplier code of conduct. During the year 65% of key value chain partners have been assessed.
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners

All the key value chain partners assessed for their sustainability practices have met sustainability criteria.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity

Our stakeholders includes individuals, groups, companies or institutions that are part of our value chain.

We follow the process of identification of the stakeholders defined by their interest, impact and participation in operations of the Company including engagement on various environmental, social and governance matters and we classify accordingly. Our operations are integrated with stakeholder needs, interests and expectations.

Over the years we have developed firm-level processes to encourage open and constructive interaction with our stakeholders. It reinforces our understanding of relevant matters and helps us identify those attributes of stakeholders that make them important to our business and necessitate meaningful engagement. Engaging with stakeholders provides us an opportunity to serve them in the best sustainable way and redefine our strategies to deliver the maximum value. By Partnering with our stakeholders, we involve them in the decision making, product and process improvement and create an enabling environment to do better together.

Our sustainability programme brings together stakeholders from across the pharmaceutical value chain to identify and address the industry's most pressing environmental issues. One-on-one meetings, annual general meetings, training, group discussions, surveys, and supplier and custodial relationships are all examples of systematic channels of interaction with our stakeholders integrated throughout our business operations.

At a strategic level, stakeholder issues are examined and taken into account. The stakeholder engagement framework represents how we connect with our stakeholders and address their major problems. The table below details the various stakeholder groups that have had direct or indirect contact with Laurus Labs, as well as their ways of involvement and key concerns.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of Communication (Email, SMS, Newspapers, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/ Half Yearly/ Quarterly/ Others – Please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	• Customer audits • One-on-one meetings • Exhibitions	Regular interval	• Safety • Customer data protection and privacy • Product efficacy • Quality • Sustainable supplies
Investors and Shareholders	No	• Financial results/ investor calls • Television and print media interviews • Annual bankers meet • Attending investor conferences Calls with investors based on their request • Email announcements	Quarterly & need basis	• Business growth/ profitability • Newer opportunities • Risk management, • Governance
Government and regulators	No	• Regulatory audits • Engagement on a need basis • Participation in forums	On need basis	• Compliance • Stipulated timely reporting • Sustainable practices • Inclusive growth
Employees	No	• Formal induction at the time of joining • Technical and non-technical training programs • Town hall meetings • Operations review meetings • Quarterly newsletters • Intranet portal • International Safety Day celebrations • Laurus Labs Family Day–an annual cultural extravaganza • Annual sports meet • Programs and competitions for employees and their families • Grievance redressal mechanism • Continual feedback sessions • Mailers on Safety, Health especially • Feedback through Great Place to Work Survey	Frequently	• Workplace safety, employee welfare, IR issues • Professional growth • Employee benefits and other facilities • Diversity at the workplace • Leadership connect sessions • Equal opportunities • Wages and benefits • Work-life balance
Business partners / suppliers and service providers	No	• Contract agreements • Global pharma meets • Symposiums • Seminars • One-to-One meetings	Regularly on need basis	• Processing cycles • Business ethics and transparency • Sustainability performance
Communities and NGOs	Yes, depending on various factors such as health and income	• Direct meets with local representatives • Science exhibitions & health camps • Initiatives like community tree plantations, RO water facilities at public places, building community infrastructure, aid to government schools, hospitals and NGOs • Collaboration with government/ NGOs	Frequent and need basis	• Community development (education, healthcare, sanitation, water) • Livelihood creation • Other social benefits • Local sourcing of labour • Managing conflict • Social licence to operate

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board**
Our Board of Directors serves as a source of advice and counsel in ensuring highest levels of corporate governance through risk control and regulatory compliance. The Board of Directors oversees the organizational management to ensure that all the stakeholder demands are met promptly. By responsibly addressing the concerns of the stakeholders in our value chain, the Board of Directors and the senior management team ensure that the long-term interests of multiple parties are recognized. The Committees appointed by the Board focus on specific areas where they can make informed decisions and provide recommendations to the Board on the matters in their areas.

The Board is committed to provide accurate and thorough financial and non-financial reporting, as well as a rigorous feedback mechanism. To protect stakeholder interests, the Company follows robust governance practices for disclosures and be subject to internal and/or external assurance and governance procedures.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No)**
Yes. stakeholder consultation is used to support the identification and management of environmental, and social topics.

If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity

Over the years we have developed firm-level processes to encourage open and constructive interaction with our stakeholders. It reinforces our understanding of relevant matters and helps us identify those attributes of stakeholders that make them important to our business and necessitate meaningful engagement. Engaging with stakeholders provides us an opportunity to serve them in the best sustainable way and redefine our strategies to deliver the maximum value. By partnering with our stakeholders, we involve them in the decision making, product and process improvement and create an enabling environment to do better together.

We have adopted a structured approach to materiality assessment aligned to the GRI standards and IR framework that includes identifying a broad umbrella of relevant issues and prioritizing them based on changing business needs and stakeholder feedback.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups**
At a strategic level, stakeholder issues are examined and taken into account. The stakeholder engagement framework represents how we connect with our stakeholders and address their major problems. The table provided in the principle 4 details the various stakeholder groups that have had direct or indirect contact with Laurus Labs, as well as their ways of involvement and key concerns.

Principle 5: Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity**

Category	FY 26 Current Financial Year			FY 25 Previous Financial Year		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
Employees						
Permanent	7,059	7,059	100	6,167	6,167	100
Other than permanent	Nil	Nil	Nil	Nil	Nil	Nil
Total Employees	**7,059**	**7,059**	**100**	**6,167**	**6,167**	**100**
Workers						
Permanent	Nil	Nil	Nil	Nil	Nil	Nil
Other than permanent	6,773	6,773	100	6,300	6,300	100
Total Workers	**6,773**	**6,773**	**100**	**6,300**	**6,300**	**100**

2. Details of minimum wages paid to employees and workers

Category	FY 26 Current Financial Year					FY 25 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C /A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	7,059	Nil	Nil	7,059	100	6,167	Nil	Nil	6,167	100
Male	6,432	Nil	Nil	6,432	100	5,695	Nil	Nil	5,695	100
Female	627	Nil	Nil	627	100	472	Nil	Nil	472	100
Other than Permanent	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Workers										
Permanent	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Other than Permanent	6,773	Nil	Nil	6,773	100	6,300	Nil	Nil	6,300	100
Male	6,694	Nil	Nil	6,694	100	6,220	Nil	Nil	6,220	100
Female	79	Nil	Nil	79	100	80	Nil	Nil	80	100

3. Details of remuneration/salary/wages

a. Median remuneration / wages:

Particulars	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹ in lakhs)	Number	Median remuneration/ salary/ wages of respective category (₹ in lakhs)
Board of Directors (BoD)	8	127.77	2	77.50
Key Managerial Personnel (other than BoD)	1	89.20	–	–
Employees other than BoD and KMP	6,427	5.22	626	3.90
Workers	–	–	–	–

Note: Details have been given for permanent employees and workers only. The Company do not have permanent workers.

b. Gross wages paid to females as % of total wages paid by the entity

Particulars	FY 26 Current Financial Year	FY 25 Previous Financial Year
Gross wages paid to females as % of total wages*	6%	5%

**Managerial remuneration was not considered for the calculation*

Note:

1. *Gross wages for employees and workers are reported in line with the Industry Standards Note for BRSR Core referred to in the SEBI's Circular dated December 20, 2024.*
2. *Limited assurance has been carried out by Deloitte Haskins & Sells LLP on the above indicator.*

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, we have a focal point responsible for addressing human rights impacts or issues caused or contributed to by the business. The Head of Human Resources in consultation with the Head of Legal Department acts as focal point for addressing human rights impacts or issues caused or contributed to by the business.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues

The Company has enforced various policies which take care of human rights and any grievances shall be escalated to the HR team which is basically responsible to implement the policies and accordingly HR team shall take suitable measures to redress grievances relating to violation of human rights, if any.

6. Number of Complaints on the following made by employees and workers

Particulars	FY 26 Current Financial Year			FY 25 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	NA	Nil	Nil	NA
Discrimination at workplace	Nil	Nil	NA	Nil	Nil	NA
Child Labour	Nil	Nil	NA	Nil	Nil	NA
Forced Labour/ Involuntary Labour	Nil	Nil	NA	Nil	Nil	NA
Wages	Nil	Nil	NA	Nil	Nil	NA
Other human rights related issues	Nil	Nil	NA	Nil	Nil	NA

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Particulars	FY 26 Current Financial Year	FY 25Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees / workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

Note: Limited assurance has been carried out by Deloitte Haskins & Sells LLP on the above indicator.

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

The Company has implemented Whistle Blower Mechanism where any discrimination and harassment cases can be directly brought to the notice of the Audit Committee of the Board of Directors. Similarly, in sexual harassment cases, there is Internal Complaints Committees (ICCs) and relevant policies to ensure that complaint(s) shall not be met with adverse consequences.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, human rights requirements, particularly relating to non-engagement of child labour, forced labour, non-discrimination at work places, etc., form part of the business agreements/contracts.

10. Assessments for the year

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above

Not applicable

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints

As there were no grievances/ complaints with respect to human rights, the business process was not required to be modified.

2. Details of the scope and coverage of any Human rights due-diligence conducted

Human rights due diligence is conducted on a periodic basis to identify the potential human rights issues that could be present in the operations and the value chain, like, issues related to child labour, forced labour, discrimination, harassment, collective bargaining and freedom of association. The Company evaluates the human rights risks associated with its facilities through internal assessment and evaluation.

3. Is the premise/ office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016

Yes, the premises/ offices of the Company, including the registered and corporate offices have ramps or have elevators and relevant infrastructure for differently abled individuals.

4. Details on assessment of value chain partners

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	65% of key value chain partners (by value of business done with such partners) were assessed.
Discrimination at workplace	
Child Labour	
Forced Labour/ Involuntary Labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not applicable

Principle 6: Businesses should respect and make efforts to protect and restore the environment

The reporting boundary for environment indicators includes the Company's manufacturing units. The source for Purchasing Power Parity (PPP) is International Monetary Fund (IMF). The PPP rate considered is 20.34 for FY 2025-26 and 20.66 for FY 2024-25.

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity:

Parameter	FY 26 (Current Financial Year)	FY 25 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	1,17,375 GJ	84,232 GJ
Total fuel consumption (B)	–	30,292 GJ
Energy consumption through other sources (C)	–	–
Total energy consumed from renewable sources (A+B+C)	1,17,375 GJ	114,524 GJ
From non-renewable sources		
Total electricity consumption (D)	9,62,526 GJ	9,00,747 GJ
Total fuel consumption (E)	39,00,015 GJ	24,46,895 GJ
Energy consumption – other sources (F)	737 GJ	731 GJ
Total energy consumed from non-renewable sources (D+E+F)	48,63,278 GJ	33,48,373 GJ
Total energy consumed (A+B+C+D+E+F)	49,80,653 GJ	34,62,897 GJ
Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations)	0.000082	0.000066
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.0017	0.0014
Energy intensity in terms of physical Output (GJ/MT)	268.3	196.5
Energy intensity (optional) – the relevant metric may be selected by the entity	–	–

Note: For Current year reporting, the fuel and power conversion factor for Gigajoules reporting is sourced from Department for Environment, Food and Rural Affairs (DEFRA)

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

Yes, independent assurance was carried out by Deloitte Haskins & Sells LLP (except energy intensity in terms of physical output)

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No

3. **Provide details of the following disclosures related to water**

Parameter	FY 26 (Current Financial Year)	FY 25 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	–	–
(ii) Groundwater	–	–
(iii) Third party water	16,63,049	15,68,994
(iv) Seawater / desalinated water	–	–
(v) Others	–	–
Total volume of water withdrawal (in Kiloliters) (i + ii + iii + iv + v)	16,63,049	15,68,994
Total volume of water consumption (in Kiloliters)	10,46,969	9,99,103
Water intensity per rupee of turnover (Total water consumption/ Revenue from operations)	0.000017 KL / rupee	0.000019 KL/rupee
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.00035	0.00040
Water intensity in terms of physical Output (m3/T)	89.6	89.1
Water intensity (optional) – the relevant metric may be selected by the Entity	–	–

Note: Water consumption is equal to water withdrawal less water discharged.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, independent assurance was carried out by Deloitte Haskins & Sells LLP (except water intensity in terms of physical output)

3. **Provide the following details related to water discharged**

Parameter	FY 26 (Current Financial Year)	FY 25 (Previous Financial Year)
Water discharge by destination and level of treatment (in Kiloliters)		
(i) To Surface water	–	–
- No treatment		
- With treatment – please specify level of Treatment		
(ii) To Groundwater	–	–
- No treatment		
- With treatment – please specify level of Treatment		
(iii) To Seawater	–	–
- No treatment		
- With treatment – please specify level of Treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of Treatment*	6,16,079	5,69,891
(v) Others		
- No treatment		
- With treatment – please specify level of Treatment		
Total water discharged (in Kiloliters)	**6,16,079**	**5,69,891**

**Water discharged which is sent to third-party undergoes through primary level of treatment as required by the norms.*

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, independent assurance was carried out by Deloitte Haskins & Sells LLP

4. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation**

The Company's operational units are not designed as ZLD. As per the EC terms of industrial cluster, we are disposing waste water to the common effluent treatment plants authorized by State Pollution Control Board (SPCB).

5. Please provide details of air emissions (other than GHG emissions) by the entity:

Parameter	Please specify unit	FY 26 (Current Financial Year)	FY 25 (Previous Financial Year)
NOx	Tonnes	298	229
SOx	Tonnes	536	590
Particulate matter (PM)	Tonnes	140	132
Persistent organic pollutants (POP)		–	–
Volatile organic compounds (VOC)	ppm	435	382
Hazardous air pollutants (HAP)		–	–
Others - please specify		–	–

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.
No

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity

Parameter	Unit	FY 26 (Current Financial Year)	FY 25 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	3,77,764	3,15,457
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	1,89,832	181,901
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)		0.0000093	0.0000095
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted			
For Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		0.00019	0.00020
Total Scope 1 and Scope 2 emission intensity in terms of physical output (Ton/MT)		30.6	28.2
Total Scope 1 and Scope 2 emission intensity *(optional)* – the relevant metric may be selected by the entity		–	–

Note:
1. Scope 1 emission factors are sourced from Department for Environment, Food and Rural Affairs (DEFRA) and grid emission factor for Scope 2 is sourced from the Central Electricity Authority India.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.
Yes, independent assurance was carried out by Deloitte Haskins & Sells LLP (except emission intensity in terms of physical output)

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details
Co-gen Boiler- We generate power and steam at a single platform.

Earlier, we used to generate steam from our in-house boilers of capacity 2*16TPH and the steam produced from the boilers are used for our manufacturing activities in the same unit.

Later, we installed the co-gen boiler of 35MT capacity in view of reducing the burden towards purchasing the electricity and to reduce our Scope-2 GHG emissions.

This Boiler generates steam as well as 4.5MW of power per day which indirectly reducing the fuel consumption to produce equalent power by an external provider. Installation of Cogen boiler system benefitting as mentioned below:

- Reduced Scope 2 GHG emissions
- Optimized the fuel consumption
- Utilizing the waste heat appropriately

8. Provide details related to waste management by the entity

Parameter	FY 26 (Current Financial Year)	FY 25 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	693	495
E-waste **(B)**	5.2	11.29
Bio-medical waste **(C)**	10.5	12.01
Construction and demolition waste **(D)**		
Battery waste **(E)**	33.8	11
Radioactive waste **(F)**		
Other Hazardous waste. Please specify, if any. **(G)**	48,515	42,312*
Other Non-hazardous waste generated **(H).** *Please specify, if any.* (Break-up by composition i.e. by materials relevant to the sector)	11,034	10,893
Total (A+B + C + D + E + F + G+ H)	60,292	53,734
Waste intensity per rupee of turnover (Total waste generated/ Revenue from operations)	0.00000099	0.00000103
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/ Revenue from operations adjusted for PPP)	0.000020	0.000021
Waste intensity in terms of physical output (Ton/MT)	3.25	3.05
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	37,449	30,906
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	5,607	4,783
Total	43,056	35,689
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	1,687	445
(ii) Landfilling	6,444	6788
(iii) Other disposal operations	9,104	10,812
Total	**17,235**	**18,045**

Note: Other hazardous waste comprises of items such as spent solvents, evaporation salts, ETP sludge among others. C&D waste is not considered and tracked for the units under construction
Other non-hazardous waste comprises of items such as fly ash, fiber drums, scrap pipes, others.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, independent assurance was carried out by Deloitte Haskins & Sells LLP (except waste intensity in terms of physical output)

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes

In keeping with our focus on sustainable operations, Laurus Labs strives to reduce waste generated at the source whenever possible and recycle the residual waste. A considerable portion of the waste generated in the pharmaceutical industry is categorized as hazardous and must be handled with caution. We ensure that the waste generated by our operations is effectively monitored and disposed of in accordance with all relevant regulatory standards.

We also regularly monitor our waste management systems and procedures to ensure that the waste generated throughout our sites undergoes proper and safe treatment. Solvent recovery systems deployed at our API locations allow predefined volumes of used solvent to be recovered. Our operational efficiency allows us to use resources conservatively and reduce waste. We comply with all the local and national regulations, in addition to adopting global standards in safe handling and disposal of emissions and effluents.

Some of the active measures and interventions to reduce processed waste from our operations are:

- All used batteries are returned to the supplier or recycler. E-waste is collected and delivered to authorized recyclers
- 100% of the hazardous waste produced was disposed safely across all units
- E-waste is being sent to authorized recyclers

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details

Sl. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not applicable			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances

S. No.	Specify the law/ regulation/ guidelines which was not complied with	Provide details of thenon- compliance	Any fines/ penalties/ action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not applicable				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kiloliters):
For each facility / plant located in areas of water stress

(i) Name of the area: Parawada & Atchutapuram (in the Anakapalli district, Andhra Pradesh)

(ii) Nature of operations: Manufacturing of Active Pharmaceutical Ingredients (API) and Formulations

(iii) Water withdrawal, consumption and discharge:

Parameter	FY 26 (Current Financial Year)	FY 25 (Previous Financial Year)
Water withdrawal by source (in kiloliters)		
(i) Surface water	Nil	Nil
(ii) Groundwater	Nil	Nil
(iii) Third party water	16,63,049	15,68,994
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kiloliters)	16,63,049	15,68,994
Total volume of water consumption (in kiloliters)	10,46,970	999,103
Water intensity per rupee of turnover (Water consumed / turnover)	0.000017 KL / rupee	0.000019 KL / rupee
Water intensity *(optional)* – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kiloliters)		
(i) Into Surface water	-	-
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater	-	-
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater	-	-

Parameter	FY 26 (Current Financial Year)	FY 25 (Previous Financial Year)
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment	–	–
- With treatment – please specify level of treatment	6,16,079	5,69,891
(v) Others	–	–
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)	**6,16,079**	**5,69,891**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.
No

2. **Please provide details of total Scope 3 emissions & its intensity**

Parameter	Unit	FY 26 (Current Financial Year)	FY 25 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	5,89,356	3,30,036
Total Scope 3 emissions per rupee of turnover		0.0000096	0.0000063
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	–	–	–

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency
No

3. **With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities**
Not applicable

4. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives:**

Sl. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative (Saving/ conservation)
1	During year, a total of 37,053 tons of steam was procured from a neighbouring industry, which is a by-product of the waste heat recovery boiler. This initiative contributed to a decrease in coal consumption and resulted in an approximate reduction of 88,753 TCO2e emissions.		737 GJ 88,753 TCo2e
2	Renewable energy usage from both captive solar power and PPA		10,913 GJ
3	Installed on/off control valves for temperature control in specified AHU's to achieve energy optimization		864 GJ
4	Efficient Cooling Tower Management- Incorporating Variable Frequency Drives (VFDs) and temperature controls in cooling tower fans has led to substantial energy.		2,050 GJ
5	Energy Efficient Lighting- Across all our facilities, have transitioned to energy-efficient LED lighting, not only lowering energy consumption but also contributing to a more sustainable lighting solution.		806 GJ
6	Established a connecting pipeline from Utility-1 to Utility-2 and operated a single chiller for both MB-5 and MB-6A, as well as MB-4, for the past four months. Individual chillers can be activated whenever the load increases. The screw chiller has been replaced with a centrifugal chiller, which is highly energy efficient and contributes to energy conservation.		717 GJ
7	Two brine chilling plants have been stopped by optimizing the process and parameters, installing the pressure control pumps and VFD for CT fans, Timer for lights etc..		4,887 GJ
8	Installed new IE3 pumps, which are high-efficiency pumps compared to IE1 and IE2. Additionally, we are planning to install or replace IE4 and IE5 pumps in the coming years to conserve more energy throughout our operations.		1,361 GJ
9	Energy optimization (Installed on/off control valves for specified AHU's)		104 GJ
10	Installation of VFD, thermostats, Centrifugal chiller, EC Blower etc..		4,074 GJ

Sl. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative (Saving/ conservation)
11	New Pre-treatment plant rinsing water diverted to input APIIC water tank via ponds.		12,775 KL
12	Steam Condensate from MEE and Reject water from blocks is reused to boiler, cooling towers, gardening, etc. The steam condensate trap line is routed to the boiler feed water tank		15,053 KL
13	The wastewater from LTDS is directed to Unit-8 CETP for reverse osmosis treatment, and the treated wastewater is subsequently returned to the respective units for reuse.		87,600 KL
14	The Bio ETP outlet is currently undergoing treatment in the RO system at our CETP Unit 8. The treated RO water is utilized for cooling tower makeup and boiler feed, thereby reducing the need for fresh water in the cooling tower.		1,800 KL
15	Fresh water saved by utilizing softener backwash water to develop greenery in and around plant premises.		4,575 KL
16	Water savings from the purchased steam from neighbouring industry		37,054 KL

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link

Yes, the Company enforces procedure EHS 041: Business Continuity Plan (BCP) to safeguard core operations against disruptions. Under this framework, Functional Heads collaborate with domain experts to identify risks, implement proactive control measures, and design robust recovery strategies. To ensure operational readiness, each function conducts annual BCP testing, and the logged findings are formally reviewed by the Management Review Committee to strengthen corporate governance.

Concurrently, every manufacturing unit maintains a localized On-site Emergency Management Plan (OSEP) for disaster management. Grounded in quantitative risk assessments and Hazard Analysis and Risk Assessment (HARA), the plan establishes a clear emergency organogram detailing personnel roles for scenarios like fire, explosions, or toxic releases. Units maintain dedicated mitigation resources and run periodic mock drills to audit performance, identify operational gaps, and maximize safety.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard

No significant adverse impact to the environment, arising from the value chain.

We ensure sustainability within the supply chain: The quality of our products is of utmost importance and suppliers are only on boarded after a series of stringent checks to warrant that they are aligned with the expectations of the company. We onboard our key value chain partners after taking into consideration the required quality, EHS, and sustainability criteria. Our critical tier 1 suppliers are further assessed based on vendor audits. During the year, around 86 vendors have been evaluated on sustainability criteria.

We are committed to engaging with our suppliers to help them improve the social and environmental impact of the materials and services they offer. The supplier code of conduct (CoC) and sustainable supply chain questionnaire helps us assess and align our suppliers with core values as they sign up to foster a culture of honesty, accountability, and integrity. The CoC also helps us in integrating sustainability parameters into our supply chain. The CoC covers aspects such as labour rights, anti-bribery and corruption, health and safety, environment, ethics, data privacy, confidentiality, and information protection.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts

65% of key value chain partners were assessed for Environmental impact as part of sustainability evaluation.

8. How many green credits have been generated or procured:

a. By the listed entity

b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners

None in FY 2025-26

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations:** 7

   b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

Sl. No.	Name of the trade and industry chambers/ associations	State/ National
1	Confederation of Indian Industry	National
2	Pharmaceuticals Export Promotion Council of India	National
3	Bulk Drugs Manufacturers Association	State
4	JNPC Manufacturers Association	State
5	Indo American Chamber of Commerce, Hyderabad	State
6	Indian Drug Manufacturers Association	National
7	Federation of Indian Chambers of Commerce and Industry	National

2. **Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities**

Name of authority	Brief of the case	Corrective action taken
NA	NA	NA
NA	NA	NA

Leadership Indicators

1. **Details of public policy positions advocated by the entity**

S. No.	Public Policy Advocated	Method resorted for such advocacy	Whether information available in public domain (Yes/No)	Frequency of review by Board (Annually/Half Yearly/Quarterly, others- please specify)	Web link if available
	Nil	Nil	Nil	Nil	Nil

Principle 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes / No)	Relevant Weblink
Nil					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
NA	NA	NA	NA	NA	NA	NA

3. **Describe the mechanisms to receive and redress grievances of the community**

   Any major activities are undertaken by the Company in discussion and agreement with the community members. In case of any grievances, the community leaders can reach out to the Company's point of contact (POC) at each of the units. The POC is directly accessible to the community to address any concerns that may arise. Depending on the nature of complaint, relevant stakeholders are engaged to resolve any issue.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers

Particulars	FY 26 (Current Financial Year)	FY 25 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	13%	11%
Directly from within India	71%	67%

Note:
1. *The boundary for reporting of MSMEs/small producers is Indian suppliers and for the input materials sourced directly from within India is global suppliers.*
2. *Limited assurance has been carried out by Deloitte Haskins & Sells LLP on the above indicator.*

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 26 (Current Financial Year)	FY 25 (Previous Financial Year)
Rural	93%	93%
Semi-urban	NIL	NIL
Urban	NIL	NIL
Metropolitan	7%	7%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Note:
1. *Numbers mentioned above are specific to India locations geography.*
2. *Classification is based on the RBI Guidelines and Census 2011*
3. *Limited assurance has been carried out by Deloitte Haskins & Sells LLP on the above indicator.*

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above)

Details of negative social impact identified	Corrective action taken
NA	NA

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies

S. No.	State	Aspirational District	Amount spent (In INR)
Nil			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

The Company do not have a Preferential Procurement Policy, as the Company do not discriminate on any basis while selecting our suppliers and provide equal opportunities for engagement to all potential suppliers. However, the Company encourages working with local suppliers or suppliers that are close to our facilities (including small-scale industries).

(b) From which marginalized /vulnerable groups do you procure

Not applicable

(c) What percentage of total procurement (by value) does it constitute

Not applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
	NA	NA	NA	NA

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved

Name of authority	Brief of the Case	Corrective action taken
Not applicable		

6. Details of beneficiaries of CSR Projects

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
(i)	**Promoting health care, eradicating hunger & Water Plant**		
	Pure Little Hearts Foundation	100	100%
	Hrudaya Cure A Little Heart Foundation	41	100%
	Bal Arogya Samvardhan	6	100%
	Water Plant	Group of people	
	Cure SMA Foundation of India	Group of people	
(ii)	**Promoting Education**		
	Construction of 200 PAX Auditorium at Andhra University	Group of people	100%
	Abhaya Foundation	120	100%
	Special Repairs to Govt Social Welfare Girls Hostel at Parawada	100	100%
	Repairs for Govt Polytechnic College, Narsipatnam	180	100%
	Repairs & renovation to the Govt BC Boys Hostel, Koruwada Vill.	Group of Students	100%
(iii)	**Promoting gender equality**		
	Seaweed rafts Installed at Tantadi Beach for Self Help Group Women	50	100%
(iv)	**Ensuring environmental sustainability**		
	ICRISAT	Group of people	
	TTD Gardens Maintenance	Group of people	
	Garbage Vehicle to Ramannapalem Grama Panchayat	Group of people	
	Gowsala - Shri Kalpavruksha Kamadhenu Welfare Trust	Group of rescued herd	
	Hydraulic for Garbage Vehicle to Gorlivanipalem Grama Panchayat	Group of people	
	Rejuvenation of Yerra Cheruvu & Park at Kotturu	Group of people	
(v)	**Promoting heritage**		
	Anakapalli Utsav -Dist Collector Anakapalli	Group of people	
	Sangitanjaly Foundation	Group of people	
	Pandit Jasraj Cultural Foundation	Group of people	
	Sri Chandrasekharendra Sangeetha Educational Society	Group of people	
	Anakapalli Utsav -Dist Collector Anakapalli	Group of people	
(vi)	**Promoting Sports**		
	Financial Support for Golf Player	1	
(vii)	**Rural Development projects**		
	Laurus Skill Development Centre	Group of people	
	Construction of Annavaram Temple Tensile roof shed	Group of people	
	Beautification of Kaleshwaram - ECKO Design Studio	Group of people	
	Construction of Secreteriat Buildings - Muncipal Admn Dept, Yellamanchili	Group of people	
	Supply & Fixing of Furniture @ Fire Station Anakapalli	Group of people	
	R & B Department, Yellamanchili - Jungle Clearance	Group of people	
	Financial assistance for Painting & Electrical works to DPO Building in visakapatnam	Group of people	

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback

The Company's email id is publicly disclosed for raising any consumer complaints. On receipt of the any complaint, the same is being investigated by the relevant function/ department, and thereafter, appropriate feedback will be provided to the complainant.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about

Particulars	As a percentage to total turnover
Environmental and social parameters relevant to the product	We comply with the applicable and relevant laws and regulations of the countries we operate in with respect to disclosure of information on environmental and social parameters relevant to the products.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following

Particulars	FY 26 (Current Financial Year)		Remarks	FY 25 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	NA	Nil	Nil	NA
Advertising	Nil	Nil	NA	Nil	Nil	NA
Cyber-security	Nil	Nil	NA	Nil	Nil	NA
Delivery of essential services	Nil	Nil	NA	Nil	Nil	NA
Restrictive trade practices	Nil	Nil	NA	Nil	Nil	NA
Unfair trade practices	Nil	Nil	NA	Nil	Nil	NA
Other	Nil	Nil	NA	Nil	Nil	NA

4. Details of instances of product recalls on account of safety issues

Particulars	Number	Reasons for recall
Voluntary recalls	Nil	NA
Forced recalls	Nil	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy

The Company has internal policy/ procedures related to Information Systems Security and the policies are also available on the intranet platform of the Company. The Company also has Information Technology Policy, which inter alia also gives guidelines about the information security and the same is available on the website of the Company at the link, https://www.lauruslabs.com/images/pdfs/IT_POLICY.pdf. The policy related to data privacy is available on the website of the Company and is available at the link, https://www.lauruslabs.com/Investors/PDF/Policies/LLL_updated-privacy-policy-26.09.2025.pdf.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services

Not applicable

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches - Nil

b. Percentage of data breaches involving personally identifiable information of customers - Nil

c. Impact, if any, of the data breaches - NA

Note: Limited assurance has been carried out by Deloitte Haskins & Sells LLP on the above indicator.

Leadership Indicators

1. Channels/ platforms where information on products and services of the entity can be accessed (provide web link, if available)

The information related to Company's products is available on our website at https://www.lauruslabs.com/.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services

The Company ensures appropriate product labelling based on the regulatory requirements, to educate the customer about the safe and responsible usage of its products.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services

The Company ensures appropriate and responsible disclosure with respect to the description of its products, and such other relevant information including risks about the product, as may be required statutorily, so that the customers can exercise their freedom to use it in a responsible manner.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The Company display the product information on the product as mandated as per the applicable local laws or as per the respective customer requirements. The Company engages with its customers on an ongoing basis and conducts methodical research on their satisfaction with respect to its products.

Assurance Report

INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT ON IDENTIFIED SUSTAINABILITY INFORMATION OF LAURUS LABS LIMITED

To the Board of Directors
of LAURUS LABS LIMITED

1. We have undertaken to perform limited assurance engagement, for LAURUS LABS LIMITED (the "Company") vide our engagement letter dated April 02, 2026, in respect of the agreed Sustainability Information listed below (the "Identified Sustainability Information") in accordance with the Criteria stated in paragraph 3 below. This Sustainability Information is included in the Company's Business Responsibility and Sustainability Report (the "BRSR Report") included within the Integrated Annual Report (the "IAR") of the Company for the year ended March 31, 2026. This engagement was conducted by a multidisciplinary team including assurance practitioners, environmental engineers and specialists.

2. Identified Sustainability Information

Our scope of limited assurance consists of the Identified Sustainability Information listed in the Appendix I to our report. The reporting boundary of the BRSR Report is as disclosed in Question 13 of Section A: General Disclosure of the BRSR with exceptions disclosed by way of note under respective questions of the BRSR Report, where applicable.

Our limited assurance engagement was with respect to the year ended March 31, 2026 information only unless otherwise stated and we have not performed any procedures with respect to any other elements included in the BRSR Report and, therefore, do not express any conclusion thereon.

3. Criteria

The Criteria used by the Company to prepare the Identified Sustainability Information is listed below:

- Regulation 34(2)(f) of the Securities and Exchange Board of India (the "SEBI") (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended; and
- Business Responsibility and Sustainability Reporting Requirements for listed entities per Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026 (the "SEBI Master Circular").

4. Management's Responsibility

The Company's management is responsible for selecting or establishing suitable criteria for preparing the Sustainability Information including the reporting boundary of the BRSR Report, taking into account applicable laws and regulations, if any, related to reporting on the Sustainability Information, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal controls relevant to the preparation of the BRSR Report and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

5. Inherent limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between companies.

6. Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") and the SEBI Master Circular and its clarifications thereto and have the required competencies and experience to conduct this assurance engagement.

We apply Standard on Quality Control (the "SQC") 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements", and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

7. Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Identified Sustainability Information listed in Appendix I based on the procedures we have performed and evidence we have obtained.

We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, "Assurance Engagements on Sustainability Information", and Standard on Assurance Engagements (SAE) 3410 Assurance Engagements on Greenhouse Gas Statements (together the "Standards"), both issued by the Sustainability Reporting Standards Board (the "SRSB") of the ICAI.

These Standards require that we plan and perform our engagement to obtain limited assurance about whether the Identified Sustainability Information is free from material misstatement.

As part of limited assurance engagement in accordance with the Standards, we exercise professional judgment and maintain professional skepticism throughout the engagement.

A limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of the Identified Sustainability Information as listed in Appendix I, assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Information.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents and evaluating the appropriateness of reporting policies and agreeing with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Obtained an understanding of the Identified Sustainability Information and related disclosures;
- Obtained an understanding of the assessment criteria and their suitability for the evaluation and/or measurements of the Identified Sustainability Information;
- Made inquiries of Company's management, including Environment Health and Safety team, finance team, compliance team, human resources team amongst others and those with the responsibility for preparation of the BRSR Report;
- Obtained an understanding of the key systems, processes and controls for recording, processing and reporting on the Identified Sustainability Information at the corporate office and at plants on a sample basis. Our procedures did not include evaluating the suitability of design, obtaining evidence about their implementation or testing operating effectiveness of particular control activities;
- Based on the above understanding and the risks that the Identified Sustainability Information may be materially misstated, determined the nature, timing and extent of further procedures;
- Reviewed the key assumptions, emission factors and methodologies used for calculation of Greenhouse Gas (the" GHG") emissions;
- Reviewed the Company's process for collating the sustainability information through agreeing or reconciling the Identified Sustainability Information with the underlying records on a sample basis; and
- Reviewed the consolidation for plants on a sample basis and corporate office under the reporting boundary for ensuring the completeness of data being reported.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

8. Exclusions

Our assurance scope excludes the following and therefore we do not express a conclusion on:

- Operations of the Company other than the Boundary mentioned in the Identified Sustainability Information listed in Appendix I;
- Aspects of the Report and the data/information (qualitative or quantitative) other than the Identified Sustainability Information;
- Data and information outside the defined reporting period i.e. the financial year ended March 31, 2026; and
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.

9. Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Identified

Sustainability Information listed in Appendix I and presented for the year ended March 31, 2026 in the BRSR Report are not prepared, in all material respects, in accordance with the Criteria as stated in paragraph 3 above.

10. Restriction on use

Our Limited Assurance report has been prepared and addressed to the Board of Directors of the Company at the request of the Company solely, to assist the Company in reporting on Company's sustainability performance and activities. Accordingly, we accept no liability to anyone, other than the Company. Our Limited Assurance report should not be used for any other purpose or by any person other than the addressees of our report. We neither accept nor assume any duty of care or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W / W-100018)

Pratiq Shah
Partner
Membership No. 111850
UDIN: 26111850AQIRYK7193

Place: Mumbai
Date: May 19, 2026

APPENDIX I

Identified Sustainability Information subject to Limited Assurance

BRSR Core Indicators subject to Limited assurance

The boundary for assurance is on standalone basis.

Sr. No	Reporting Standard Reference	Description of Indicator
Section C: Principle [P] Wise Performance Disclosures - Essential Indicators [E]		
1	P-1 [E], Question 8	Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured)
2	P-1 [E], Question 9	Open-ness of business: Details of concentration of purchases and sales with trading houses and with dealers/distributors respectively, and with related parties along-with loans and advances & investments, with related parties.
3	P-3 [E], Question 1(c)	Spending on measures towards well-being of employees and workers (including permanent and other than permanent)
4	P- 3 [E], Question 11	Details of safety related incidents: Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) (employees and workers) Total recordable work-related injuries (employees and workers) - No. of fatalities (employees and workers) - High consequence work-related injury or ill-health (excluding fatalities) (employees and workers)
5	P-5 [E], Question 3(b)	Gross wages paid to females as % of total wages paid by the entity
6	P-5 [E], Question 7	Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 - Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) - Complaints on POSH as a % of female employees / workers - Complaints on POSH upheld
7	P-6 [E], Question 1	Details of total energy consumption (in Joules or multiples) and energy intensity: - Total energy consumed from renewable sources - Total energy consumption from non-renewable sources
8		- Total energy consumed
9		Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)
		Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)
10	P-6 [E], Question 3	Water withdrawal by source (in Kiloliters) - Surface water, Groundwater, Third-Party Water, - Seawater/desalinated water, Others - Total volume of water withdrawal (in Kiloliters) - Total volume water consumption (in Kiloliters)
11		Water intensity per rupee of turnover (Total water consumption / Revenue from operations)
		Water intensity per rupee of turnover adjusted for PPP (Total water consumption / Revenue from operations adjusted for PPP)
12	P-6 [E], Question 4	Water Discharge by destination and level of treatment (in Kiloliters)
13	P-6 [E], Question 7	Greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity - Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)
14		- Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)
15		- Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)
		- Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)

Sr. No	Reporting Standard Reference	Description of Indicator
16	P-6 [E], Question 9	Details related to waste management by the entity: Total waste generated: Plastic waste, E-waste, Construction demolition waste, Biomedical waste, Battery waste, Radioactive waste, Other Hazardous waste and Non-hazardous waste.
17		- Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) - Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)
18	P-6 [E], Question 9	For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)
19	P-6 [E], Question 9	For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)
20	P-8 [E], Question 4	Percentage of input material (inputs to total inputs by value) sourced from suppliers. - Directly sourced from MSMEs/ small producers - Directly from within India
21	P-8 [E], Question 5	Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the Rural, Semi-urban, Urban and Metropolitan locations, as a percentage of total wage cost.
22	P-9 [E], Question 7	Information relating to data breaches: - Number of instances of data breaches - Percentage of data breaches involving personally identifiable information of customers - Impact, if any, of the data breaches

FINANCIAL STATEMENTS

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:** • 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)
(Membership No. 213649)
(UDIN: 26213649QFSUJK2638)

Place: Hyderabad
Date: April 30, 2026

Annexure "A" To the Independent Auditor's Report

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

Report on the Internal Financial Controls with reference to 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)
(Membership No. 213649)
(UDIN: 26213649QFSUJK2638)

Place: Hyderabad
Date: April 30, 2026

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)
(Membership No. 213649)
(UDIN: 26213649QFSUJK2638)

Place: Hyderabad
Date: April 30, 2026

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

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

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)		**1,469.12**	1,009.43
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)		**740.48**	**380.39**
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

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

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
Partner
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Dr. Satyanarayana Chava
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G. Venkateswar Reddy
Company Secretary
Membership No. F7016

Place: Hyderabad
Date: April 30, 2026

Place: Hyderabad
Date: April 30, 2026

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

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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 wok 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

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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.

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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:

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

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in 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:

a) the rights to receive cash flows from the asset have expired, or

b) 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

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

   ii. 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:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits and bank balances.

b) 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.

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)

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**

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)

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

For the year ended March 31, 2026

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
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				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
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				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
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.

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)

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:

i) Pursuant to the joint venture agreement entered into by the Company with KRKA Pharma Private Limited (""KRKA""), Capital contribution amounting to ₹ 49.00 (March 31, 2025 : ₹ 105.35, in two tranches, ₹ 22.05 and ₹ 83.30) have been made into KRKA in terms of the aforesaid agreement during the year 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.

ii) During the year ended March 31, 2025, Laurus Bio Private Limited (""Laurus Bio"") entered into definitive agreement with Laurus Labs Limited (Parent Company), Eight Roads Ventures and F-Prime Capital (""Investors""), Pursuant to this agreement Investors have together invested ₹ 120 Crores into Laurus Bio. During the year, the company has invested ₹ 75 Crores, in two tranches, ₹ 35 and ₹ 40 into Laurus Bio Private Limited as per the aforesaid definitive agreement. Accordingly, the Company's stake in Laurus Bio as on March 31, 2026 is 78.34% (March 31, 2025: 76.32%).

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

iv) The Company incorporated wholly owned subsidiary, Laurus Specialty Chemicals Private Limited (LSCPL) in India on December 01, 2022. LSCPL has not commenced its operations.

v) 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:

a. Market Access Initiative (MAI refunds) governed by guidelines issued by the Department of Commerce

b. 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

c. Terminal Excise Duty (TED refunds) governed under the Customs Act, 1962

d. 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**

a) 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.

b) Trade receivables are non-interest bearing and are generally on credit terms of 30 - 120 days.

c) 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.

d) 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.

e) 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:

(a) 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.

(b) 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	
Equity shares of ₹ 2/- each held by	% Holding	Number of shares	% Holding	Number of shares
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),expect 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 financer 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)

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(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

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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

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

Particulars	As at March 31, 2026 No. of options	As at March 31, 2025 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 No. of options	For the year ended March 31, 2025 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

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Particulars	For the year ended March 31, 2026 No. of options	For the year ended March 31, 2025 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 Devlopment 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	

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for the year ended March 31, 2026

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

Name of the related party	Relationship
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

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(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

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(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

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	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

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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.

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)

(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(l))

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

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

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

(xii) Revenue and receivables - Refer Note (2 (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.

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)

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	Fair value measurement using				
	Date of valuation	Total	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	Fair value measurement using				
	Date of valuation	Total	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.

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)

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

Standalone Notes to Financial Statements

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

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

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. 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.

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)

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.

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)

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

G. Venkateswar Reddy
Company Secretary
Membership No. F7016

Place: Hyderabad
Date: April 30, 2026

Independent Auditor's Report

To The Members of
Laurus Labs Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Laurus Labs Limited** (the "Holding Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as the "Group") which includes the Group's share of profit in its joint venture and associates, which comprise the Consolidated Balance Sheet as at March 31, 2026, and the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries, associates and joint venture referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026, their consolidated profit and their consolidated other comprehensive loss, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue Recognition – Refer note 2.2 (e) and note 17 of the consolidated financial statements** The Holding 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:** • We obtained an understanding of the revenue recognition process and tested the Holding Company's controls around the timely and accurate recording of sales transactions. • 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 Holding Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis, Board's report including annexures to Board's report, Report on Corporate Governance and Business Responsibility and Sustainability Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries and joint venture audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries and joint venture is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its Associates and joint venture in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and its joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint venture are also responsible for overseeing the financial reporting process of the Group and of its associates and joint venture.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit

procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint venture to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

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

(b) The consolidated financial statements also include the Group's share of loss of ₹ 0.28 crores for the year ended March 31, 2026, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries, associate and joint venture referred to in the Other Matters section above we report, to the extent applicable that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group, its associates and joint venture including relevant records so far as it appears from our examination of those books and the reports of the other auditors.

    c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

    d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026, taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its Subsidiary Companies, Associate Company and Joint venture Company incorporated in India, none of the directors of the Group Companies, its Associate Companies and Joint venture Company incorporated in India is disqualified as on March 31, 2026, from being appointed as a director in terms of Section 164 (2) of the Act.

    f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Holding Company, Subsidiary Companies and Associate Company incorporated in India, to whom internal financial controls over financial reporting is applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those Companies.

    g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies incorporated in India, the remuneration paid by the Holding Company and such subsidiary companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

    h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

        i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 39(C) to the consolidated financial statements.

        ii) The Group, its associates and joint venture did not have any material foreseeable losses on long-term contracts including derivative contracts.

        iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies, associate companies and joint venture company incorporated in India.

iv) (a) The respective Managements of the Holding Company, its subsidiaries, associates and joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associates and joint venture respectively that, to the best of their knowledge and belief, as disclosed in the note 40(vi) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries, associates and joint venture to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries, associates and joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Holding Company, its subsidiaries, associates and joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associates and joint venture respectively that, to the best of their knowledge and belief, as disclosed in the note 40(vii) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiaries, associates and joint venture from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, associates and joint venture shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, associates and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) (a) The first interim dividend declared and paid by the Holding Company during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.

(b) The second interim dividend declared by the Holding Company during the year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to declaration of dividend. However, the said dividend was not due for payment on the date of this audit report.

(c) The interim dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

vi) Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries and associate based on the other auditor's reports of its subsidiary companies, associate company and joint venture company incorporated in India whose financial statements have been audited under the Act, the Holding Company, its subsidiary companies, associate companies and joint venture company have used an accounting software for maintaining their respective books of account for the year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective other auditors, whose reports have been furnished to us by the Management of the Holding Company, have not come across any instance of the audit trail feature being tampered with.

The audit trail has been preserved by the Company and above referred subsidiaries, associates, and joint venture as per the statutory requirements for record retention.

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

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

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

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

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

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

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

Place: Hyderabad
Date: April 30, 2026

Annexure "A" To the Independent Auditor's Report

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

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as at and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of Laurus Labs Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, its associate companies and joint venture, which are companies incorporated in India, as of that date.

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

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary companies, its associate companies and its joint ventures, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, associate companies and joint venture, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary companies, its associate companies and its joint ventures, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

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

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

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Holding Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

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

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

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

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

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

Place: Hyderabad
Date: April 30, 2026

Consolidated Balance Sheet

as at March 31, 2026

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

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

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

Consolidated Statement of Profit and Loss

for the year ended March 31, 2026

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

Particulars		Note	For the year ended March 31, 2026	For the year ended March 31, 2025
I.	**INCOME**			
	Revenue from operations	17	6,812.90	5,553.96
	Other income	18	48.38	59.93
	Total income (I)		**6,861.28**	**5,613.89**
II.	**EXPENSES**			
	Cost of materials consumed	19	2,794.34	2,428.55
	Purchase of traded goods		172.56	105.36
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	20	(271.44)	(55.93)
	Employee benefits expense	21	895.45	719.52
	Other expenses	22	1,444.28	1,301.18
	Total expenses (II)		**5,035.19**	**4,498.68**
III.	**Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) (I-II)**		**1,826.09**	1,115.21
	Depreciation and amortisation expense	3,4 & 39A	480.05	430.09
	Finance income	23A	(6.57)	(15.17)
	Finance costs	23B	170.73	216.00
IV.	**Profit before tax**		**1,181.88**	**484.29**
V.	**Tax expense**			
	Current tax		297.52	156.90
	Deferred tax		(5.49)	(27.02)
	Total tax expense		**292.03**	**129.88**
VI.	**Profit for the year before share of profit/(loss) from associates and joint venture (IV-V)**		**889.85**	**354.41**
VII.	Share of profit/(loss) from associates and joint venture, net of tax		0.29	3.93
VIII.	**Profit for the year after share of profit/(loss) from associates and joint venture (VI-VII)**		**890.14**	**358.34**
	Other comprehensive income (OCI)	24		
	Items that will not be reclassified subsequently to profit or loss:			
	Remeasurement gains/(losses) on defined benefit plans		3.64	(1.87)
	Tax on remeasurement of defined benefit plans		(0.91)	0.50
	Share in other comprehensive income of associates and joint venture, net of tax		0.11	(0.01)
			2.84	**(1.38)**
	Items that will be reclassified subsequently to profit or loss:			
	Exchange differences on translating the financial statements of foreign operations		(8.74)	(2.27)
			(8.74)	**(2.27)**
	Total other comprehensive loss for the year, net of tax		**(5.90)**	**(3.65)**
	Total comprehensive income for the year, net of tax		**884.24**	**354.69**
	Profit for the year attributable to:			
	Equity holders of the parent company		888.79	358.32
	Non-controlling interests		1.35	0.02
	Total comprehensive income for the year attributable to:			
	Equity holders of the parent company		882.90	354.67
	Non-controlling interests		1.34	0.02
	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 (₹)		16.47	6.65
	Diluted (₹)		16.45	6.64
	Summary of material accounting policies	2.2		

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

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

C. Manish Muraliddhar
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

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

Consolidated Statement of Changes in Equity

for the year ended March 31, 2026

a. Equity share capital

Equity shares of ₹ 2/- each, fully paid up	No.	₹
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						Other comprehensive income	Non-controlling Interests	Total
	Capital reserve	Securities Premium	Employee Stock option reserve	Retained Earnings	Gross obligation liability to acquire non-controlling interest	Re-measurement of the net defined benefit plans	Foreign currency translation reserve		
As at April 01, 2024	**1.79**	**717.08**	**21.47**	**3,314.95**	**(33.32)**	**(9.02)**	**(9.79)**	**4.62**	**4,007.78**
Profit for the year	-	-	-	358.32	-	-	-	0.02	358.34
Expense arising from equity-settled share-based payment transactions	-	-	10.23	-	-	-	-	-	10.23
Transferred from stock options outstanding	-	15.76	(5.65)	-	-	-	-	-	10.11
Dividend on equity shares	-	-	-	(43.13)	-	-	-	-	(43.13)
Changes in Non-controlling interest		-	-		-	-	-	125.32	125.32
Net impact on settlement of Gross obligation liability to acquire Non-controlling interest	-	-	-	(3.65)	33.32	-	-	-	29.67
Foreign currency translation reserve	-	-	-	-	-	-	(2.27)	-	(2.27)
Remeasurement on net defined benefit liability, net of tax	-	-	-	-	-	(1.38)	-	-	(1.38)
As at March 31, 2025	**1.79**	**732.84**	**26.05**	**3,626.49**	**-**	**(10.40)**	**(12.06)**	**129.96**	**4,494.67**
Profit for the year	-	-	-	888.79	-	-	-	1.34	890.13
Expense arising from equity-settled share-based payment transactions	-	-	10.94	-	-	-	-	-	10.94
Transferred from stock options outstanding	-	31.89	(12.01)	-	-	-	-	-	19.88
Dividend on equity shares	-	-	-	(86.33)	-	-	-	-	(86.33)
Foreign currency translation reserve	-	-	-	-	-	-	(8.74)	-	(8.74)
Remeasurement on net defined benefit liability, net of tax	-	-	-	-	-	2.84	-	-	2.84
As at March 31, 2026	**1.79**	**764.73**	**24.98**	**4,428.95**	**-**	**(7.56)**	**(20.80)**	**131.30**	**5,323.39**

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

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

Consolidated Statement of Cash Flows

for the year ended March 31, 2026

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

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

Consolidated Statement of Cash Flows

for the year ended March 31, 2026

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

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

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

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

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

Consolidated Notes to Financial Statements

for the year ended March 31, 2026

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

1. Corporate information

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

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

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

2. Material accounting policies

2.1 Basis of preparation

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

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

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

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

Basis of consolidation

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

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

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

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

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

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

Consolidated Notes to Financial Statements

for the year ended March 31, 2026

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

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

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

The Group has following investments in subsidiaries and associate:

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

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

ii) During the year ended March 31, 2025, Laurus Bio Private Limited ("Laurus Bio") entered into definitive agreement with Laurus Labs Limited (Parent Company), Eight Roads Ventures and F-Prime Capital ("Investors"), Pursuant to this agreement Investors have together invested ₹ 120 Crores into Laurus Bio. During the year, the company has invested ₹ 75 Crores, in two tranches, ₹ 35 and ₹ 40 into Laurus Bio Private Limited as per the aforesaid definitive agreement. Accordingly, the Company's stake in Laurus Bio as on March 31, 2026 is 78.34% (as on March 31, 2025: 76.32%).

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

Consolidated Notes to Financial Statements

for the year ended March 31, 2026

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

(b) Consolidation procedure:

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.

b) Eliminate the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

d) Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests.

e) When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

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

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 Summary of material accounting policies

(a) Business combinations and goodwill

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

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

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

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

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

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI.

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

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

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit.

Any impairment loss for goodwill is recognised in Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

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

Investment in associates:

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

The results and assets and liabilities of associate are incorporated in these Consolidated Financial Statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105 – Non-current Assets Held for Sale and Discontinued Operations.

(b) Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

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The Group classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

(c) Foreign currencies

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

Transactions and balances

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

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

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

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

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

Group Companies

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

(d) Fair value measurement

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

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

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

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

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

(e) Revenue recognition

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

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

Sale of products

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

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

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

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Sale of services

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

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or the amount is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Interest income

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

Dividends

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

Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Export incentives are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

(f) Taxes

Current income tax

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

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

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries and associate, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

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- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of deductible temporary differences associated with investments in subsidiaries and associate, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

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

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

(g) Property, plant and equipment

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

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

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

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

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

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

The Group, based on technical assessment and management estimate, depreciates certain items of plant and equipment and vehicles over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

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

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

(h) Intangible assets

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

Computer Software

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

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

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

(i) Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as a lessee

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

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

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

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

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

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

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

(j) Borrowing costs

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

(k) Inventories

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

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

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

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

(l) Impairment of non-financial assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market

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

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

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

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

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

(m) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(n) Retirement and other employee benefits

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

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

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

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

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

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

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

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

The Group treats accumulated leaves which are to be settled after 12 months as a long-term employee benefit and accumulated leaves which are to be settled in the next 12 months as a short-term employee benefit for measurement purposes. Such accumulated leaves are provided for based on an actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred. The Group presents the entire liability in respect of leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement beyond 12 months after the reporting date.

(o) Share-based payments

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

Equity-settled transactions

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

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

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

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

(p) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets:

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

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

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

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or

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

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

In addition, the group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The group has not designated any debt instrument as at FVTPL due to recognition inconsistency.

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

Further, All equity investments in scope of Ind AS 109 are measured at fair value. For equity instruments which are not held for trading, the group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the group may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

a) the rights to receive cash flows from the asset have expired, or

b) the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

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

ii. the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

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

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits and bank balances.

b) Trade receivables that result from transactions that are within the scope of Ind AS 115.

The Group follows 'simplified approach' for recognition of impairment loss. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such

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

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

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

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

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

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

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss ('FVTPL'), loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

Loans and borrowings

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

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

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability

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

Reclassification of financial assets

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

Offsetting of financial instruments

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

Supplier Finance Arrangements

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

(q) Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

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

(r) Cash and cash equivalents

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

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

(s) Research and development

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

(t) Measurement of EBITDA

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

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

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

(u) Earnings per share

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

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

(v) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

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

In August 2025, MCA notified the following amendments to:

1) **Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025** – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Group has no impact of these amendments in its classification criteria of current and non-current liabilities.

2) **Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025** – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

3) **Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately** - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

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3. Property, plant and equipment

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

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

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

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

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

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

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

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

For the year ended March 31, 2025

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

(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				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Balance as on March 31, 2026	**-**	**-**	**-**	**-**	**-**

Particulars	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
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	Goodwill on consolidation	Computer software	Total
Gross carrying value At cost			
As at April 01, 2024	**246.30**	**52.72**	**299.02**
Additions	-	6.15	6.15
Disposals	-	(0.99)	(0.99)
As at March 31, 2025	**246.30**	**57.88**	**304.18**
Additions	-	6.12	6.12
Disposals	-	(1.55)	(1.55)
As at March 31, 2026	**246.30**	**62.45**	**308.75**
Amortisation			
As at April 01, 2024	**-**	**33.70**	**33.70**
Charge for the year	-	5.85	5.85
Disposals		(0.99)	(0.99)
As at March 31, 2025	**-**	**38.56**	**38.56**
Charge for the year	-	7.00	7.00
Disposals		(1.51)	(1.51)
As at March 31, 2026	**-**	**44.05**	**44.05**
Net carrying value			
As at March 31, 2025	**246.30**	**19.32**	**265.62**
As at March 31, 2026	**246.30**	**18.40**	**264.70**

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Impairment test of goodwill:

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

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

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

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

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

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

5 Financial assets

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

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

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

Notes:

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

ii) 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.

iii) The Group has complied with number of layers prescribed under clause 87 of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

B. Loans (At amortised cost)

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

(C) Other financial assets

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

* Export and other receivable comprises the following:

a. Market Access Initiative (MAI refunds) governed by guidelines issued by the Department of Commerce

b. 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

c. Terminal Excise Duty (TED refunds) governed under the Customs Act, 1962

d. 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

Consolidated Notes to Financial Statements

for the year ended March 31, 2026

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

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

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

For the year ended March 31, 2026:

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

For the year ended March 31, 2025:

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

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

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

7. Other assets

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

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for the year ended March 31, 2026

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

8. Inventories

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

Note:

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

9. Trade receivables

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

a) No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member except as stated in note no.32.

b) Trade receivables are non-interest bearing and are generally on credit terms of 30 - 120 days.

c) Of the trade receivables balance, ₹ 357.93 in aggregate (as at March 31, 2025 ₹ 648.96) is due from the Company's customers individually representing more than 5 % of the total trade receivables balance.

d) The Group has used practical expedient by computing the expected credit loss allowance for doubtful trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking estimates. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates used in the provision matrix.

e) Trade receivables is net of bills discounted without recourse amounting to ₹ nil (as at March 31, 2025 ₹ nil)

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

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for the year ended March 31, 2026

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

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

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

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

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

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		
- On current accounts	111.42	90.99
- Deposits with original maturity of less than three months	-	8.43
Remittance in transit	1.08	-
Cash on hand	0.16	0.12
Total	**112.66**	**99.54**
B) Bank balances other than Cash and cash equivalents		
Earmarked balances with banks:		
- Remaining maturity for less than twelve months	0.73	44.39
- Unclaimed dividend accounts	0.31	0.28
Total	**1.04**	**44.67**

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

Consolidated Notes to Financial Statements

for the year ended March 31, 2026

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

11. Equity share capital

Particulars	As at March 31, 2026	As at March 31, 2025
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**

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:

(a) 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.

(b) For the purpose aforesaid, the Liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the shareholders or different classes of shareholders.

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

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

Consolidated Notes to Financial Statements

for the year ended March 31, 2026

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

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

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

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

11.5. Details of shares reserved for issue under options

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

11.6. Other equity

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

Nature and purpose of reserves

Capital reserve:

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

Securities premium:

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

Employee Stock option reserve:

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

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

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

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

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

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

12. Dividends paid and proposed

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

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

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

Terms and conditions of borrowings - Laurus Labs Limited:

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

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

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

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

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

(c) All term loans are secured by pari passu first charge on the property, plant and equipment (both present and future) except to the extent of assets exclusively charged to banks. They are further secured by pari passu second charge on current assets (both present and future).

(d) Current borrowings are availed in both Rupee and Foreign currencies. Interest on rupee loans ranges from MCLR to MCLR plus 0.90% (March 31, 2025: MCLR plus 0% to 0.10%). Buyers credit loan interest ranges from SOFR plus 0.34% to SOFR plus 0.45% (March 31, 2025: SOFR plus 0.34% to SOFR plus 0.45%). The secured current borrowings are backed by pari passu first charge on current assets and pari passu second charge on the fixed assets (both present and future), except to the extent of assets exclusively charged to banks . [March 31, 2025: The secured current borrowings are backed by pari passu first charge on current assets and pari passu second charge on the fixed assets (both present and future)].

(e) The Group has used the borrowings for the purposes for which it was taken.

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

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

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

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

Terms and conditions of borrowings - Laurus Synthesis Private Limited.

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

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

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

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Terms and conditions of borrowings - Laurus Bio Private Limited:

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

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

C) Trade payables

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

Terms and conditions of the above financial liabilities:

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

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

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

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

Consolidated Notes to Financial Statements

for the year ended March 31, 2026

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

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

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

D) Other financial liabilities

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

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

E) Supplier financing arrangements

a) The Group has implemented a supplier financing programme available to domestic suppliers on voluntary basis. Under this arrangement, participating suppliers may elect to receive early settlement of invoices raised to the Group through designated financial institutions. Any charges or interest arising from such early settlement are solely borne by the participating suppliers. The Group will settle the payment to financial institutions on the original invoice due dates. Payment terms under this arrangement for trade payables range from 90 to 150 days and in the case of other financial liabilities, they are paid within a year.

b) The Group also has availed facilities which offer extended payment terms for low tenor payables and the related liabilities under this arrangement are presented under Current Borrowings, as they represent finance obtained by the company and are sufficiently different from trade payables. The Group pays the financer within 90 days from the discounting date.

Carrying amount of liabilities under supplier financing arrangement	As at March 31, 2026	As at March 31, 2025
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

Consolidated Notes to Financial Statements

for the year ended March 31, 2026

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

14. Other Non-current and current liabilities

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

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

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

15. Provisions

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

16. Income tax assets / liabilities

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

Consolidated Notes to Financial Statements

for the year ended March 31, 2026

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

17. Revenue from operations

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of products			
Income from sale of API, Intermediates and Formulations		6,257.78	5,212.28
Income from sale of stock-in-trade		208.81	120.73
	(A)	**6.466.59**	**5,333.01**
Sale of services			
Contract research services		254.64	174.85
	(B)	**254.64**	**174.85**
Other operating revenue			
Sale of scrap		19.91	16.17
Others		71.76	29.93
	(C)	**91.67**	**46.10**
Revenue from operations	**(A+B+C)**	**6,812.90**	**5,553.96**

Notes:

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

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

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

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

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

Consolidated Notes to Financial Statements

for the year ended March 31, 2026

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

18. Other income

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

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

19. Cost of materials consumed

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

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	484.55	495.80
Work-in-progress of API, Intermediates and Formulations	746.65	679.47
	1,231.20	**1,175.27**
Closing stock of inventories		
Finished goods of API, Intermediates and Formulations	639.36	484.55
Work-in-progress of API, Intermediates and Formulations	863.28	746.65
	1,502.64	**1,231.20**
(Increase)/Decrease in inventories of finished goods and work-in-progress	**(271.44)**	**(55.93)**
(Increase)/Decrease in finished goods of API, Intermediates and Formulations	(154.81)	11.25
(Increase)/Decrease in Work-in-Progress of API, Intermediates and Formulations	(116.63)	(67.18)
(Increase)/Decrease in inventories of finished goods and work-in-progress	**(271.44)**	**(55.93)**

Consolidated Notes to Financial Statements

for the year ended March 31, 2026

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

21. Employee benefits expenses

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

22. Other expenses

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

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

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

Consolidated Notes to Financial Statements

for the year ended March 31, 2026

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

23A. Finance Income

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

23B. Finance costs

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

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

24. Components of other comprehensive income (OCI)

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

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

25. Earnings per share (EPS)

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

Consolidated Notes to Financial Statements

for the year ended March 31, 2026

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

26. Details of CSR expenditure

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

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

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

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

27. Taxes

(a) Income tax expense:

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

(i) Statement of Profit and Loss

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

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

(ii) Other comprehensive income (OCI)

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

(b) Reconciliation of effective tax rate:

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

Consolidated Notes to Financial Statements

for the year ended March 31, 2026

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

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

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

28. The employee benefit schemes are as under:

i. Provident fund :

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

ii. Superannuation fund:

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

iii) Compensated absences:

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

iv) Gratuity

Defined benefit plans

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

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

Consolidated Notes to Financial Statements

for the year ended March 31, 2026

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

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

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

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

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

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

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

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

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

Expected benefit payments for the year ending:

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

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

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

(iii) Sensitivity analysis:

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

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

Defined contribution plan

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

Risk Management:

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

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

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

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

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

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

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

29. Share based payments - Equity settled

ESOP 2016 Scheme

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

ESOP 2018 Scheme

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

ESOP 2021 Scheme

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

Exercise period

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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31. Segment reporting

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

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

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

(i) Revenue from customers within India – Domestic

(ii) Revenue from customers outside India – Exports

Geographical segments

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

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

32. Related party disclosures

Names of related parties and description of relationship

Name of the related party	Relationship
Joint Venture	
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%)	
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	
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)

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

Transactions with related parties during the year:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Subsidiary Companies		
i) KRKA Pharma Private Limited		
Investment made	49.00	105.35
Sale of land	-	90.65
b) 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	-
c) 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	16.21
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
d) 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
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	0.11	0.12
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

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Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
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	0.08	0.08
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
e) Relatives of Key Management Personnel		
i) Mr. Narasimha Rao Chava		
Remuneration	1.55	1.68

Closing balances (Unsecured)

	For the year ended March 31, 2026	For the year ended March 31, 2025
a) 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		
Security Deposit	2.43	2.43
Trade payables	0.01	0.08
b) 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
c) Relatives of Key Management Personnel		
i) Mr. Narasimha Rao Chava		
Remuneration payable	0.33	0.36

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

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

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33. Significant accounting judgements, estimates and assumptions

The preparation of the Group's Consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are disclosed in notes to financial statements.

(i) Share-based payments

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

(ii) Defined employee benefit plans (Gratuity)

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

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

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

(iii) Fair value measurement of financial instruments

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

(iv) Depreciation on property, plant and equipment

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

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(v) Impairment of goodwill

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

(vi) Recognition and measurement of other provisions:

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

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

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

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

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

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

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

34. Fair values

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

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

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

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

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35. Fair value hierarchy

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

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

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

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

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

Measurement of fair value

Valuation techniques

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

Type	Valuation technique
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.

36. Financial risk management objectives and policies

Financial risk management framework

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

Credit risk

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

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

Trade receivables:

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

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

Exposure to credit risk:

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

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

Liquidity risk

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

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

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

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for the year ended March 31, 2026

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

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

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

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Group's exposure to market risk is primarily on account of foreign currency exchange rate risk. Exposure to market risk with respect to commodity prices primarily arises from the Company's purchases and sales of active pharmaceutical ingredients, including the raw material components for such active pharmaceutical ingredients. These are commodity products, whose prices may fluctuate significantly over short periods of time. The prices of the Group raw materials generally fluctuate in line with commodity cycles, although the prices of raw materials used in the Company's active pharmaceutical ingredients business are generally more volatile. Cost of raw materials forms the largest portion of the Group operating expenses. Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. As of March 31, 2026, the Group had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

Interest rate risk

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

Interest rate sensitivity

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

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

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

Foreign currency exchange rate risk

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

Consolidated Notes to Financial Statements

for the year ended March 31, 2026

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

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

a) Forward contract (Derivatives):

Forward contract outstanding as at Balance Sheet date:

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

b) Details of Unhedged Foreign Currency Exposure:

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

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

* Amount less than Indian Rupees 100,000.

c) Foreign currency sensitivity:

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

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

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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. Group Information

Information about subsidiaries and associates

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

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

Notes:

1) During the year ended March 31, 2023, the Company incorporated wholly owned subsidiary, Laurus Specialty Chemicals Private Limited (LSCPL) in India on December 01, 2022. LSCPL has not commenced its operations as at March 31, 2026.

2) During the year ended March 31, 2025, Laurus Bio Private Limited ("Laurus Bio") entered into definitive agreement with Laurus Labs Limited (Parent Company), Eight Roads Ventures and F-Prime Capital ("Investors"), Pursuant to this agreement Investors have together invested ₹ 120 Crores into Laurus Bio. During the year, the company has invested ₹ 75 Crores, in two tranches, ₹ 35 and ₹ 40 into Laurus Bio Private Limited as per the aforesaid definitive agreement. Accordingly, the Company's stake in Laurus Bio as on March 31, 2026 is 78.34% (as on March 31, 2025: 76.32%).

3) 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.

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

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

Consolidated Notes to Financial Statements

for the year ended March 31, 2026

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

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

The Scheme inter alia provides for the following:

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

38. Capital management

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

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

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

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

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

Consolidated Notes to Financial Statements

for the year ended March 31, 2026

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

39. Commitments and Contingencies

A. Leases

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

Lease commitments - Group as lessee

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

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

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

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

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

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

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

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

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for the year ended March 31, 2026

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

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

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

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

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

B. Commitments

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

C. Contingent liabilities

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

40. Other statutory information

i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

ii) The Group does not have any transactions with companies struck off.

iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

v) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

vi) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

Consolidated Notes to Financial Statements

for the year ended March 31, 2026

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

vii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

viii) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961."

41. Government Grants

i) For Accounting policy w.r.t. accounting of Government Grants, refer note 2e.

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

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for the year ended March 31, 2026

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

42. Summary of net assets and profit and loss:

Name of the entity	Net Assets*				Share in Profit/ (Loss)				Share in other comprehensive income				Share in total comprehensive income			
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated profit/ (loss)	Amount	As % of consolidated profit/ (loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
	March 31, 2026		March 31, 2025		March 31, 2026		March 31, 2025		March 31, 2026		March 31, 2025		March 31, 2026		March 31, 2025	
A. Parent	96.70%	5,251.94	99.16%	4,563.95	83.19%	740.48	106.15%	380.39	-48.99%	2.90	20.82%	(0.76)	84.07%	743.38	107.03%	379.63
B. Subsidiary incorporated in India																
Sriam Labs Private Limited	1.19%	64.54	1.29%	59.39	0.58%	5.16	1.04%	3.71	0.34%	(0.02)	1.64%	(0.06)	0.58%	5.14	1.03%	3.65
Laurus Synthesis Private Limited	3.61%	196.04	2.60%	119.60	8.60%	76.53	2.60%	9.31	1.69%	(0.10)	15.89%	(0.58)	8.64%	76.43	2.46%	8.73
Laurus Bio Private Limited	4.84%	262.73	3.93%	181.07	0.75%	6.72	0.89%	3.20	1.01%	(0.06)	-0.82%	0.03	0.75%	6.66	0.91%	3.23
Laurus Specialty Chemicals Private Limited	0.00%	0.09	0.00%	0.09	-	-	-	-	-	-	-	-	-	-	-	-
C. Subsidiary incorporated outside India																
Laurus Holdings Limited	0.34%	18.72	-0.85%	(39.00)	7.50%	66.74	-9.32%	(33.38)	-	-	-	-	7.55%	66.74	-9.41%	(33.38)
Laurus Generics SA (Pty) Limited	0.02%	1.35	0.04%	1.91	-0.09%	(0.84)	-2.61%	(9.37)	-	-	-	-	-0.09%	(0.84)	-2.64%	(9.37)
Total	106.70%	5,795.41	106.18%	4,887.01	100.52%	894.79	98.75%	353.86	-45.95%	2.72	37.53%	(1.37)	101.50%	897.51	99.38%	352.49
Non-controlling interest	2.42%	131.30	2.82%	129.96	0.15%	1.35	0.01%	0.02	0.17%	(0.01)	-	-	0.15%	1.34	0.01%	0.02
D. Associates																
Immunoadoptive Cell Therapy Private Limited	-	-	N.A	N.A	-0.07%	(0.64)	1.00%	3.57	-1.86%	0.11	0.27%	(0.01)	-0.06%	(0.53)	-	-
Ethan Energy India Private Limited	-	-	N.A	N.A	-0.03%	(0.28)	0.30%	1.07	-	-	-	-	-0.03%	(0.28)	-	-
E. Joint Venture																
KRKA Pharma Private Limited	-	-		-	0.14%	1.21	-0.20%	(0.71)	-	-	-	-	0.14%	1.21	-	-
Consolidation adjustments	-9.12%	(495.35)	-9.00%	(414.45)	-0.71%	(6.29)	0.14%	0.53	147.64%	(8.74)	62.20%	(2.27)	-1.65%	(15.01)	0.61%	2.18
Net amount	100.00%	5,431.36	100.00%	4,602.52	100.00%	890.14	100.00%	358.34	100.00%	(5.92)	100.00%	(3.65)	100.00%	884.24	100.00%	354.69

* Net assets means total assets minus total liabilities.

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for the year ended March 31, 2026

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

Note :

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

2) Percentage below 0.01% have been disclosed as 0.00%

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

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

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

Notice

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

Ordinary Business :

1. To consider and adopt the:
   (a) Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2026, the reports of Board of Directors and Auditors thereon;

   (b) Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2026 and report of Auditors thereon.

2. To approve and ratify the 1st interim dividend on equity shares @ Re. 0.80 per equity share paid for the financial year 2025-26.

3. To approve and ratify the 2nd interim dividend on equity shares @ Re. 1.20 per share for the financial year 2025-26.

4. To re-appoint Mr. Krishna Chaitanya Chava (DIN: 06831883), a Director, who retires by rotation and, being eligible, offers himself, for re-appointment.

5. To re-appoint Mrs. Soumya Chava (DIN: 06831892), a Director, who retires by rotation and, being eligible, offers herself, for re-appointment.

Special Business:

6. **To approve the appointment of Dr. Shekhar Chintamani Mande (DIN: 10083454) as an Independent Director of the Company**

   To consider, and if thought fit, to pass, the following resolution, as a Special Resolution:

   RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, of the Companies Act, 2013 ("the Act") read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), Regulation 17, Regulation 25 and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, and the Articles of Association of the Company, and approval and recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded for the appointment of Dr. Shekhar Chintamani Mande (DIN: 10083454) as an Independent Director of the Company, in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director and who had submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years, i.e., with effect from July 02, 2026 to July 01, 2031 (both days inclusive);

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

7. **To approve the appointment of Mrs. Sutapa Banerjee (DIN: 02844650) as an Independent Director of the Company**

   To consider, and if thought fit, to pass, the following resolution, as a Special Resolution:

   RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, of the Companies Act, 2013 ("the Act") read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), Regulation 17, Regulation 25 and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, and the Articles of Association of the Company, and approval and recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded for the appointment of Mrs. Sutapa Banerjee (DIN: 02844650) as an Independent Director of the Company, in respect of whom the Company has received a notice in writing under Section 160(1) of Act from a Member proposing her candidature for the office of Director and who had submitted a declaration that she meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years, i.e., with effect from July 02, 2026 to July 01, 2031 (both days inclusive);

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

8. To approve payment of remuneration to the Non-Executive Director(s) including Independent Director(s) of the Company

To consider, and if thought fit, to pass, the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Rules made thereunder and Regulation 17(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the provisions of the Memorandum and Articles of Association, based on the recommendation of the Board of Directors, the consent of the Members of the Company be and is hereby accorded for payment of remuneration to the Non-Executive Director(s) including Independent Director(s) of the Company (whether existing or future), aggregating to a sum not exceeding 1% of the net profits of the Company per annum, calculated in accordance with the provisions of Section 198 of the Act, effective from April 1, 2026, and the said remuneration be paid in such amount, proportion and manner as may be decided by the Board of Directors of the Company, from time to time;

RESOLVED FURTHER THAT the above remuneration shall be in addition to the sitting fees in terms of the provisions of the Act and reimbursement of expenses payable to the Non-Executive Director(s) including Independent Director(s) for attending the meetings of the Board of Directors or any Committee thereof or for any other purpose, as may be decided by the Board;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board or Nomination and Remuneration Committee of the Board of the Company, be and is hereby authorized to take all actions and do all such deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard."

9. To approve the remuneration payable to cost auditors for the financial year 2026-27

To consider, and if thought fit, to pass, the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications and re-enactment thereof, for the time being in force), the remuneration payable to M/s. Sagar & Associates, Cost Accountants (Firm Registration No. 000118), appointed by the Board of Directors of the Company, on the recommendation of the Audit Committee, as Cost Auditors of the Company to conduct audit of cost records of the Company, for the financial year ending March 31, 2027, amounting to ₹ 5,50,000/- (Rupees Five Lakh and Fifty Thousand only) plus applicable taxes and out of pocket expenses at actuals, in connection with the aforesaid audit, be and is hereby ratified;

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, matters, deeds and things as may be necessary to give effect to the above resolution."

By order of the Board of Directors
For **Laurus Labs Limited**

Sd/-

G Venkateswar Reddy
Company Secretary
ICSI Membership No. F7016

Regd. Office:
Laurus Enclave, Plot Office 01, E. Bonangi Village,
Parawada Mandal, Dist. Anakapalli,
Andhra Pradesh – 531 021

Corporate Office:
Plot No.103, Road No.1, Jubilee Hills,
Hyderabad, Telangana - 500 033
Website: www.lauruslabs.com
email: secretarial@lauruslabs.com

Place: Hyderabad
Date: April 30, 2026

Notes for Member's attention:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") read with the Rules made thereunder, Secretarial Standard on General Meetings ("SS-2") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") wherever applicable, in respect of the special business set out in the Notice, is annexed hereto. The Board of Directors of the Company at its meeting held on April 30, 2026, has considered and recommended to include item nos. 6 to 9, of the special business in the Notice for seeking approval of the members at the 21st Annual General Meeting ("AGM") of the Company.

2. The Ministry of Corporate Affairs, Government of India ('MCA') has vide its circular no. 03/2025 dated September 22, 2025, read with general circulars no. 14/2020 dated April 8, 2020, no. 17/2020 dated April 13, 2020, no. 20/2020 dated May 5, 2020 (collectively referred to as 'MCA Circulars') permitted the holding of the AGM through Video Conferencing facility / Other Audio Visual Means ('VC/OAVM'), till further orders, in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated May 5, 2020. In compliance with the provisions of the Act, the SEBI Listing Regulations, and MCA & SEBI Circulars, the 21st AGM of the Company will be held through VC/OAVM. The deemed venue for the 21st AGM shall be at the Registered Office of the Company.

3. In line with the MCA Circulars, the Company is providing VC/ OAVM facility to its members to attend the 21st AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited ("NSDL"), as the authorized agency for facilitating voting through electronic means. The facility of casting votes by a Member using remote e-voting system as well as e-voting on the date of the AGM will be provided by NSDL.

4. At the AGM:
   a. Members can attend the meeting through login credentials provided to them to connect to VC/ OAVM facility. Physical attendance of the Members at the Meeting venue is not required.
   b. Appointment of proxy to attend and cast vote on behalf of the member is not available.
   c. Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/ OAVM facility and participate thereat and cast their votes through e-voting.
   d. Since the AGM will be held through VC/ OAVM facility, the route map, proxy form and attendance slip are not attached to this Notice.

5. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participants with whom they are maintaining their demat account. All the shares of the Company are held in dematerialised form.

6. The facility for attending the AGM virtually will be made available for 1,000 members on first come first served basis. This will not include large members (i.e., members with 2% or more shareholding), Promoters, institutional investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

7. The Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the AGM by following the procedure mentioned in this Notice. The e-voting period will be closed on expiry of 30 minutes after closure of the 21st AGM.

8. Members attending the 21st AGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

9. The statutory registers including Register of Directors and Key Managerial Personnel and their shareholding, the Register of Contracts or Arrangements in which Directors are interested, maintained under the Act and the Certificate from the Secretarial Auditors of the Company certifying that the ESOP Schemes of the Company are being implemented in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, will be available for inspection by the members during the 21st AGM. All documents referred to in the Notice and Explanatory Statement will be available for inspection in electronic mode from the date of circulation of this Notice up to the date of the 21st AGM. Members who wish to inspect the register are requested to write to the Company by sending e-mail to secretarial@lauruslabs.com and the Company shall respond suitably.

10. In accordance with the MCA and SEBI Circulars, the Notice of the 21st AGM along with the Integrated Annual Report for the financial year ended March 31, 2026, has been sent only through electronic mode to the members who have registered their e-mail addresses with the Company/ Depository Participants/ Company's Registrar and Transfer Agent ("RTA"). The Notice of 21st AGM and Integrated Annual Report are also available on the Company's website at www.lauruslabs.com and on the website

of the Stock Exchanges, i.e. BSE Limited ("BSE") at www.bseindia.com and National Stock Exchange of India Limited ("NSE") at www.nseindia.com and on the website of National Securities Depository Limited ("NSDL") at www.evoting.nsdl.com. Physical copy of the Notice of the 21st AGM and the Integrated Annual Report for the year ended March 31, 2026 has not been sent to the members.

11. A letter containing a weblink for accessing the Notice and Integrated Annual Report for the financial year 2025-26 will be sent to those shareholders who have not registered their email address with the Company/ Depositories/ RTA.

12. Members who have not registered their e-mail address are advised to register their e-mail address with their Depository Participant or by sending email either to the Registrar and Transfer Agent ("RTA") or to the Company at the email id secretarial@lauruslabs.com.

13. Members are requested to intimate immediately, any change in their address to their Depository Participants with whom they are maintaining their demat accounts.

14. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, the Secretarial Standard on General Meetings (SS-2) issued by the ICSI and Regulation 44 of the SEBI Listing Regulations, as amended, and the Circulars issued by the Ministry of Corporate Affairs from time to time the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. The facility of casting votes by a member using remote e-voting system as well as e-voting on the date of the AGM will be provided by NSDL. The detailed instructions for e-voting and attending the 21st AGM through VC/ OAVM is given in this Notice.

15. The Board of Directors of the Company has declared 1st interim dividend @Re. 0.80 per equity share (i.e., 40%) and 2nd interim dividend @Re. 1.20 per equity share (i.e., 60%), at their Board meetings held on October 23, 2025 and April 30,2026, respectively, for the financial year 2025-26.

16. In terms of Schedule I of the SEBI Listing Regulations, listed companies are required to use the Reserve Bank of India's approved electronic mode of payment such as electronic clearance service (ECS), LECS (Local ECS)/ RECS (Regional ECS)/ NECS (National ECS), direct credit, real time gross settlement, national electronic fund transfer (NEFT), etc. for making payments like dividend etc. to the members. Accordingly, members are requested to update their bank details with their Depository Participants.

17. Members are requested to note that the dividend remaining unclaimed for a continuous period of seven years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to the Investor Education and Protection Fund (IEPF). In addition, all equity shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to demat account of the IEPF authority within a period of thirty days of such equity shares becoming due to be transferred to the IEPF. In the event of transfer of equity shares and the unclaimed dividends to IEPF, Members are entitled to claim the same from IEPF authority by submitting an online application in the prescribed Form IEPF-5 available on the website, www.iepf.gov.in and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in Form IEPF-5.

18. Pursuant to Rule 5 of the Investor Education and Protection Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company will upload the details of unpaid and unclaimed amounts lying with the Company as on March 31, 2026 on its website at www.lauruslabs.com and also on the website of the Ministry of Corporate Affairs. The said details upto the financial year ended March 31, 2025 have already been uploaded.

19. The instructions for Members for remote e-voting and joining AGM are as under:

The remote e-voting period begins on June 29, 2026 at 09:00 A.M.(IST) and ends on July 1, 2026 at 05:00 P.M.(IST) The remote e-voting module shall be disabled by NSDL for voting thereafter. The members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e., June 25, 2026, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being June 25, 2026.

The remote e-voting facility is available at the link, www.evoting.nsdl.com. The e-voting event number (EVEN) and period of remote e-voting are set out below:

EVEN	Day, Date and Time of AGM	Cut-off Date	Commencement of Remote e-Voting	End of Remote e-voting
139595	Thursday, July 2, 2026 at 3:00 p.m. IST	Thursday, June 25, 2026	Monday, June 29, 2026 at 9:00 a.m. IST	Wednesday, July 1, 2026 at 5:00 p.m. IST

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e., NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e., NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e., your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e., NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/ Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login Type	Helpdesk Details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e., IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e., Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

   a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c. How to retrieve your 'initial password'?

      - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e., a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      - If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a. Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b. "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

a. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

b. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

c. Now you are ready for e-Voting as the Voting page opens

d. Cast your vote by selecting appropriate options i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

e. Upon confirmation, the message "Vote cast successfully" will be displayed.

f. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

g. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

a. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to yravifcs@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e., other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login

b. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

c. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) by email to secretarial@lauruslabs.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) to secretarial@lauruslabs.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e., Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

The instructions for members for e-voting on the day of the AGM are as under:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/ OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

Instructions for members for attending the AGM through VC/ OAVM are as under:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/ folio number, email id, mobile number at secretarial@lauruslabs.com. The same will be replied by the company suitably.

6. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at secretarial@lauruslabs.com, on or before June 28, 2026. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

20. The Board of Directors of the Company has appointed Mr. Y Ravi Prasada Reddy (Membership No. F5783, CP No. 5360), proprietor of M/s RPR & Associates, Company Secretaries as the Scrutiniser to scrutinize the remote e-voting process and e-voting at the AGM in a fair and transparent manner.

21. The scrutinizer, immediately after conclusion of e-voting at the 21st AGM, shall first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolutions have been carried or not, and such report shall then be sent to the Chairperson or a person authorized by him, within 2 (two) working days from the conclusion of the AGM, who shall declare the result of the voting forthwith.

22. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/ OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/ OIAE/ OIAE_IAD-1/P/ CIR/2023/145 dated July 31, 2023 (updated as on December 20, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (https://smartodr.in/login).

23. KFin Technologies Limited, Registrar and Share Transfer Agent ("RTA") of the Company, has launched a unified platform 'KPRISM' for the benefit of shareholders. KPRISM is a self-service portal / mobile based application that enables the shareholders to access their portfolios serviced by RTA, and check details like dividend status and make request for annual reports, change of address, update bank mandate, download standard forms, etc. The portal can be accessed at https://kprism.kfintech.com. For more assistance on KPRISM, shareholders may contact +91-40-67162222.

24. A Senior Citizens Investor Cell has been formed by the RTA to assist exclusively the senior citizens (above 60 years of age) in redressing their grievances, complaints and queries. The senior citizens wishing to avail this service can send the communication to senior.citizen@kfintech.com.

    Alternatively, you may also contact RTA's toll-free number: 1-800-309-4006, dedicated for Senior Citizens, for any queries or information.

25. The Company is pleased to provide the facility of live webcast of proceedings of 21st AGM. Members who are entitled to participate in the 21st AGM can view the live proceedings of 21st AGM by logging on the NSDL e-voting system at www.evoting.nsdl.com using their secure login credentials. Members are encouraged to use this facility of the live webcast. The webcast facility will be available from 2.30 p.m. (IST) onwards (30 minutes before the start of the 21st AGM on July 2, 2026).

EXPLANATORY STATEMENT TO THE NOTICE OF 21st AGM

Explanatory statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") read with the rules made thereunder, as applicable, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the Secretarial Standards on General Meetings ("SS-2")

Item No. 6: Appointment of Dr. Shekhar Chintamani Mande (DIN: 10083454), as an Independent Director of the Company

The Board of Directors of the Company at its meeting held on April 30, 2026, based on the recommendation of the Nomination and Remuneration Committee ("NRC"), has approved and recommended the appointment of Dr. Shekhar Chintamani Mande (DIN: 10083454), as an

Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years i.e. with effect from July 02, 2026 to July 01, 2031 (both days inclusive), for the approval of the members of the Company by way of special resolution.

Based on the desired attributes identified for the position of the Independent Director of the Company including succession planning of Independent Director(s) whose second term is coming to an end and basis those attributes as well as considering the skill and experience of Dr. Shekhar C Mande, the NRC found him qualified and has recommended the candidature of Dr. Mande, for appointment as an Independent Director of the Company. His area of expertise includes biophysics, structural & computational biology, R&D, science administration, strategy, governance, among others. Further, in the opinion of the Board, Dr. Mande fulfils the conditions of independence specified under the Companies Act, 2013 ("the Act") read with the Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The Board noted that Dr. Mande's skills, background and experience are aligned to the attributes identified by the NRC and that he is eligible for appointment as an Independent Director of the Company.

In terms of Regulation 25(2A) of the SEBI Listing Regulations, the appointment, re-appointment or removal of an Independent Director shall be subject to the approval of shareholders by way of a special resolution.

Accordingly, the appointment of Dr. Shekhar C Mande requires the approval of the members by way of a special resolution. Therefore, in view of the aforesaid provisions, the Company is seeking the approval of its members for appointment of Dr. Shekhar C Mande, as an Independent Director on the Board of the Company for a term of 5 (five)consecutive years effective from July 02, 2026 to July 01, 2031 (both days inclusive).

Profile of Dr. Shekhar C Mande:
Dr. Shekhar C Mande is a distinguished structural and computational biologist, and a well-known research scientist, who transitioned from a successful scientific research career into senior science administration and national policy leadership. He began his career as a research scientist with deep expertise in protein structure and computational biology.

In 2011, he moved into science administration as Director of the National Centre for Cell Science (NCCS), Pune, a premier Department of Biotechnology institution of Government of India, where he led institutional strategy, research direction, and national collaborative programs, including contributions to large-scale initiatives such as the Indian Human Microbiome project.

In October 2018, he was appointed as the Director General of Council of Scientific and Industrial Research (CSIR) and Secretary of the Department of Scientific and Industrial Research (DSIR), Government of India, heading India's largest civilian R&D network. In this role, he provided leadership across multiple national laboratories, shaped science and innovation priorities, and was closely involved in coordinating government-led R&D and industry collaborations, including initiatives during the Covid-19 period. His tenure reflects exposure to large-scale public systems, policy frameworks, and academic-industry partnerships.

Dr. Mande is a distinguished Professor at the Savitribai Phule Pune University and also currently serves on the boards of reputed institutions, including Tata Steel, and brings experience contributing to board deliberations, particularly on R&D investments, innovation strategy, and long-term technology direction.

In 2005, he was awarded the Shanti Swarup Bhatnagar Prize for Science and Technology – the most prestigious science award in India – in the category of Biological Sciences.

Dr. Mande holds Ph.D. from Indian Institute of Science, Bangalore in Molecular Biophysics. He holds Masters and Bachelor's degree in physics from Nagpur University.

Details as required under Regulation 36(3) of the SEBI Listing Regulations, the Secretarial Standard – 2 and other applicable provisions are provided in Annexure-1 to the explanatory statement.

Dr. Shekhar C Mande has given his declaration to the Board, inter alia, confirming that he: (i) meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations, (ii) is not restrained from acting as a Director by virtue of any Order passed by SEBI or any such authority and (iii) is not disqualified under Section 164 of the Act. He has also given his consent to act as an Independent Director. In terms of Section 160(1) of the Act, the Company has received a notice from a Member, proposing candidature of Dr. Mande for the office of Director.

In the opinion of the Board, Dr. Shekhar C Mande is a person of integrity, possesses relevant expertise/ experience and fulfills the conditions specified in the Act and the SEBI Listing Regulations for appointment as an Independent Director and he is independent of the management. Additionally, he is well positioned to add value in discussions around research prioritization, scientific governance, and innovation-led growth on the Board of the Company. Given his rich experience, expertise and knowledge, the Board considers it desirable and in the interest of the Company to have Dr. Mande on the Board of the Company. Accordingly, the Board recommends the appointment of Dr. Mande as an Independent Director as set out at Item No. 6 of accompanying Notice for approval by the members by a Special Resolution.

A copy of the draft letter of appointment, setting out the terms and conditions of appointment of Dr. Shekhar C Mande, and all other documents referred to in the accompanying Notice and this Statement are available for inspection by the members, at the Company's registered office during business hours on all working days till the end of e-voting period.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulations 17 and 25(2A) of the SEBI Listing Regulations, the approval of the Members is sought for the appointment of Dr. Shekhar C Mande as an Independent Director of the Company, as a special resolution as set out above.

Except Dr. Shekhar C Mande and his relatives, no other Director, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 6 of this Notice of the Company.

The NRC and the Board recommend the resolution set out in Item No. 6 of this Notice for approval of the members.

Item No. 7: Appointment of Mrs. Sutapa Banerjee (DIN: 02844650), as an Independent Director of the Company

The Board of Directors of the Company at its meeting held on April 30, 2026, based on the recommendation of the Nomination and Remuneration Committee ("NRC"), has approved and recommended the appointment of Mrs. Sutapa Banerjee (DIN: 02844650), as an Independent Director, not liable to retire by rotation, for a term of 5 (five) consecutive years i.e. with effect from July 02, 2026 to July 01, 2031 (both days inclusive), for the approval of the members of the Company by way of special resolution.

Based on the desired attributes identified for the position of the Independent Director of the Company including succession planning of Independent Director(s) whose second term is coming to an end and basis those attributes as well as considering the skill and experience of Mrs. Sutapa Banerjee, the NRC found her qualified and has recommended the candidature of Mrs. Banerjee, for appointment as an Independent Director of the Company. Her area of expertise includes banking, investment banking, finance, risk management, strategy, corporate governance, among others. Further, in the opinion of the Board, Mrs. Banerjee fulfils the conditions of independence specified under the Companies Act, 2013 ("the Act") read with the Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The Board noted that Mrs. Banerjee's skills, background and experience are aligned to the attributes identified by the NRC and that she is eligible for appointment as an Independent Director of the Company.

In terms of Regulation 25(2A) of the SEBI Listing Regulations, the appointment, re-appointment or removal of an Independent Director shall be subject to the approval of shareholders by way of a special resolution.

Accordingly, the appointment of Mrs. Sutapa Banerjee requires the approval of the members by way of a special resolution. Therefore, in view of the aforesaid provisions, the Company is seeking the approval of its members for appointment of Mrs. Sutapa Banerjee, as an Independent Director on the Board of the Company for a term of five consecutive years effective from July 02, 2026 to July 01, 2031 (both days inclusive).

Profile of Mrs. Sutapa Banerjee:
Mrs. Sutapa Banerjee is a seasoned board leader with over three decades of experience spanning financial services, governance oversight, risk management, and institutional leadership. With her extensive experience across regulated financial institutions and listed company boards, she brings seasoned leadership, sound judgment, and strong oversight capabilities. Mrs. Banerjee began her career at ANZ Grindlays Bank, where she held leadership roles across Corporate and Consumer Banking, systems implementation, and training in India and Australia.

In 1996, Mrs. Banerjee joined ABN AMRO Bank, where she launched and led its Private Banking division in India, building it into one of the leading foreign bank platforms in the country by 2006. Her leadership during this period earned her recognition as one of the 'Top 20 Global Rising Stars of Wealth Management' by the Institutional Investor Group in 2007, making her the only Indian and one of two Asians honored. In 2009, she became CEO of Ambit Private Wealth, where she built the firm from the ground up into an institutionalized and governance-led platform. As CEO, she led Ambit Private Wealth to 'Best Private Bank in India in the 2013 AsiaMoney polls. In 2012, she was shortlisted in the '50 most Powerful Women' by Fortune India.

Over time, her professional journey has evolved toward board leadership and strategic oversight, particularly in regulated and listed environments. Mrs. Banerjee currently serves as an Independent Director on the boards of several prominent companies, including Eternal (Zomato), Godrej Properties, Polycab India, IdeaForge Technologies, JSW Dulux, Axis Capital, CarDekho (Girnar Software), and SatSure.

Mrs. Banerjee is an Advanced Leadership Fellow (2015) at Harvard University. She teaches, consults, trains, writes and speaks, globally on Behavioural Insights in Decision-making and the use of Design interventions. She is a visiting faculty with IIM-Ahmedabad on behavioural biases in decision making and its impact on corporate practices with a focus on gender titled 'A Gender Lens on Corporate Policies', a first for any business school anywhere. She is also an adjunct faculty with IICA – the Government of India think tank under the Ministry of Corporate Affairs.

Mrs. Banerjee is a gold medalist in Economics from the XLRI School of Management in India, and an Economics major from Presidency College, Kolkata. She has served on the CII National Committee on 'Women's Empowerment' and 'The Indian Women Network', the CII National Committee on 'Integrity and Transparency in Governance' and the Advisory Panel of the 'India Responsible Business Forum'.

Details as required under Regulation 36(3) of the SEBI Listing Regulations, the Secretarial Standard – 2 and other applicable provisions are provided in Annexure-1 to the explanatory statement.

Mrs. Sutapa Banerjee has given her declaration to the Board, inter alia, confirming that she: (i) meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations, (ii) is not restrained from acting as a Director by virtue of any Order passed by SEBI or any such authority and (iii) is not disqualified under Section 164 of the Act. She has also given her consent to act as an Independent Director. In terms of Section 160(1) of the Act, the Company has received a notice from a Member, proposing candidature of Mrs. Banerjee for the office of Director.

In the opinion of the Board, Mrs. Sutapa Banerjee is a person of integrity, possesses relevant expertise/ experience and fulfills the conditions specified in the Act and the SEBI Listing Regulations for appointment as an Independent Director and she is independent of the management. Additionally, she is well positioned to contribute in Board deliberations for strengthening the board governance, compliance oversight, and long-term institutional stewardship. Given her rich experience, expertise and knowledge, the Board considers it desirable and in the interest of the Company to have Mrs. Banerjee on the Board of the Company. Accordingly, the Board recommends the appointment of Mrs. Banerjee as an Independent Director as set out at Item No. 7 of accompanying Notice for approval by the members by a Special Resolution.

A copy of the draft letter of appointment, setting out the terms and conditions of appointment of Mrs. Sutapa Banerjee, and all other documents referred to in the accompanying Notice and this Statement are available for inspection by the members, at the Company's registered office during business hours on all working days till the end of e-voting period.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulations 17 and 25(2A) of the SEBI Listing Regulations, the approval of the Members is sought for the appointment of Mrs. Sutapa Banerjee as an Independent Director of the Company, as a special resolution as set out above.

Except Mrs. Sutapa Banerjee and her relatives, no other Director, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 7 of this Notice of the Company.

The NRC and the Board recommend the resolution set out in Item No. 7 of this Notice for approval of the members.

Item No. 8: Approval of payment of remuneration to the Non-Executive Director(s) including Independent Director(s) of the Company

The shareholders of the Company at the Extra-ordinary General Meeting held on July 20, 2016, had approved the payment of remuneration/ commission to Non-Executive Directors and Independent Directors of the Company of an aggregate amount not exceeding 1% per annum of the net profits of the Company every year, computed as per Section 198 of the Companies Act, 2013 ("the Act"). In terms of the provisions of Section 197 read with Schedule V and other applicable provisions, if any, of the Act read with Rules made thereunder, Regulation 17(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and as a measure of good governance practice, the Board of Directors of the Company at its meeting held on April 30, 2026 has approved to seek fresh approval of the members for payment of remuneration by way of commission to the Non-Executive Directors including Independent Directors of the Company (whether existing or future), aggregating to a sum not exceeding 1% of the net profits of the Company per annum, to be calculated in accordance with the provisions of Section 198 of the Act.

The Non-Executive Independent Directors of the Company are leading professionals with high level of expertise and rich experience in functional areas such as business strategy, financial governance, corporate governance and others aspects of corporate management. They provide invaluable contribution towards the Company's business strategy, monitoring of financial and risk management, governance and compliances, amongst others.

During the period from July, 2016 to March 31, 2026, the remuneration to Independent Directors was ₹ 20 lakhs per annum for each independent director and USD 40,000 per annum for one independent director, being foreign citizen. Considering the increased responsibility of the independent directors, approximately after close to 10 years, the Board has approved the revision to the remuneration by way of commission being paid to the independent directors to ₹ 40 lakhs per annum, each independent director, effective from April 1, 2026. The sitting fees have also been increased from ₹ 50,000/- (Rupees fifty thousand only) to ₹ 1,00,000/- (Rupees one lakh only) payable to each independent director for each Board or Committee meeting to be attended by them (for Committee meeting as a member of the Committee) effective from April 1, 2026.

With the increasing demand over the time of the independent and professional Directors on various skill matrix relating to the Company and the ever-changing regulatory environment, it is prudent to appropriately compensate, attract and retain experienced and qualified professionals on the Board. Accordingly, the Board may, on the recommendation of the Nomination and Remuneration Committee, from time to time, keeping in mind the industry practice and growth of the Company, review the remuneration by way of commission to the Non-Executive Directors including Independent Directors (whether existing or future), within the overall limit of 1% of net profit, as may be approved by the shareholders of the Company.

Section 197(1) of the Act provides that the total managerial remuneration payable by a public company to its Directors, including Managing Director and its Whole-time Director and its Manager in respect of any financial year shall not exceed 11 percent of the net profit of the Company for that financial year computed in the manner laid out in Section 198 of the Act, except that the remuneration of the Director shall not be deducted from the gross profits. Further, pursuant to the second proviso to the Section 197(1) of the Act, the Company can pay remuneration to the Directors who are neither Managing Director nor Whole-time Director, upto 1% of the net profits of the Company, if there is a Managing Director or Whole-time Director or Manager in the Company. Pursuant to Regulation 17(6)(a) of SEBI Listing Regulations payment of profit related commission to Non-Executive Directors including Independent Directors, requires approval of the shareholders of the Company.

Accordingly, the Board recommends the resolution set forth in Item No. 8 relating to payment of remuneration to Non-Executive Directors including Independent Directors, by way of an Ordinary Resolution.

Except the independent directors and their relatives, no other Director, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financial or otherwise, in the resolution set out at Item No. 8.

Item No. 9: Approval of the remuneration payable to cost auditors for the financial year ending March 31, 2027

The Board of Directors, on the recommendation of the Audit Committee, has approved the re-appointment of M/s. Sagar & Associates, Cost Accountants (Firm Registration No. 000118), as the Cost Auditors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2027, at a remuneration of ₹ 5,50,000/- (Rupees Five Lakhs and Fifty Thousand only) plus applicable taxes and out of pocket expenses, at actuals in connection with the aforesaid audit.

The proposed remuneration of the Cost Auditors has been proposed after due consideration of the scope of audit involved and cost audit teams requiring fewer members due to the advancement in technology/ software, auditing systems and other automation tools. Therefore, the remuneration of the Cost Auditors being proposed for approval of the members is commensurate with the scope of work involved and above stated reasons in the present business environment.

In terms of the provisions of the Section 148(3) of the Companies Act 2013, read with the Companies (Audit and Auditors) Rules, 2014, members of the Company are required to approve/ ratify the remuneration proposed to be paid to the Cost Auditors.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No.9 of the Notice for approval of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2027. The Board recommends the resolution set forth in the Item No.9 of the Notice for approval of the members.

None of the Directors or Key Managerial Personnel or relatives of Directors and Key Managerial Persons are, in any way, concerned or interested, financially or otherwise, in this resolution.

Regd. Office:
Laurus Enclave, Plot Office 01, E. Bonangi Village,
Parawada Mandal, Dist. Anakapalli,
Andhra Pradesh – 531 021

Corporate Office:
Plot No.103, Road No.1, Jubilee Hills,
Hyderabad, Telangana - 500 033
Website: www.lauruslabs.com
email: secretarial@lauruslabs.com

Place: Hyderabad
Date: April 30, 2026

By order of the Board of Directors
For **Laurus Labs Limited**

Sd/-

G Venkateswar Reddy
Company Secretary
ICSI Membership No. F7016

Annexure

Additional details of Directors seeking appointment/ re-appointment at the 21st Annual General Meeting ("AGM") of the Company to be held on July 2, 2026, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2

Name of the Director	**Mr. Krishna Chaitanya Chava**	**Mrs. Soumya Chava**	**Dr. Shekhar Chintamani Mande**	**Mrs. Sutapa Banerjee**
Director Identification Number (DIN)	06831883	06831892	10083454	02844650
Age	35 years	39 years	64 Years	61 Years
Nationality	Indian	Indian	Indian	Indian
Qualifications	• PGP MFAB from Indian School of Business, Hyderabad • Master's degree in Mechanical Engineering from North Carolina State University, USA • Bachelor's degree in Mechanical Engineering from BITS Pilani, Dubai	• Bachelor of Pharmacy from Osmania University • Master's in Clinical Research and Business Administration from Campbell University, NC, USA • PG diploma in Patents Law from NALSAR University of Law, Hyderabad	• Ph.D Molecular Biophysics from Indian Institute of Science, Bangalore • M.Sc., Physics from University of Nagpur • B.Sc. from University of Nagpur	• Fellow, Advanced Leadership from Harvard University • MBA from XLRI Jamshedpur (Gold medalist) • B.Sc. Economics from Presidency College, Calcutta University
Expertise in specific functional area[1]	Mr. Krishna Chaitanya Chava spearheading the Synthesis Business unit of the Company. Under his leadership, Synthesis Business is performing exceedingly well and contributing to the significant revenues of the Company. He has rich experience in strategy, skill workshops and marketing within the pharma industry. Before joining the Company in 2017, he was associated with Dr. Reddy's Laboratories Limited.	Mrs. Soumya Chava spearheading the commercial function (Supply Chain Management) and Business Development of the Company, particularly in the Affordable Medicines (Generics) market. She has extensive experience in the Pharma Industry. Initially, she gained experience in Clinical trial management in Quintiles Transnational. After her initial working experience, she had quenched her entrepreneurial zeal and has conceptualised a jewellery boutique for children, from designing to marketing in the name of Theia Jewellery. She established Theia as a good quality and reliable player in this field.	The profile including experience are provided above	The profile including experience are provided above
Date of Appointment	April 25, 2024	April 25, 2024	The Board at its meeting held on April 30, 2026 has approved and recommended to the members for approval of the appointment as an Independent Director with effect from July 2, 2026.	The Board at its meeting held on April 30, 2026 has approved and recommended to the members for approval of the appointment as an Independent Director with effect from July 2, 2026.
Number of shares held in the Company including as a beneficial owner	20,699 equity shares	22,940 equity shares	Nil	Nil

Name of the Director	Mr. Krishna Chaitanya Chava	Mrs. Soumya Chava	Dr. Shekhar Chintamani Mande	Mrs. Sutapa Banerjee
Relationship with Directors and Key Managerial Personnel ("KMP")	Son of Dr. Satyanarayana Chava, Executive Director & Chief Executive Officer, and brother of Mrs. Soumya Chava, Executive Director	Daughter of Dr. Satyanarayana Chava, Executive Director & Chief Executive Officer, and sister of Mr. Krishna Chaitanya Chava, Executive Director	Dr. Mande is not related to any Director or KMP of the Company	Mrs. Banerjee is not related to any Director or KMP of the Company
Number of Board meetings attended	6 (Six) Board meetings attended out of 7 (seven) held during the year	7 (Seven) Board meetings attended out of 7 (seven) held during the year	Not applicable	Not applicable
Directorship in other companies	• Laurus Synthesis Private Limited • Sriam Labs Private Limited • Laurus Specialty Chemicals Private Limited • Chemiasoft Private Limited	• Laurus Synthesis Private Limited • Theia Jewellery Private Limited • Laurus Specialty Chemicals Private Limited • Laurus Generics SA Pty Ltd (South Africa) • Laurus Generics Inc. (USA)	• Tata Steel Limited • ICGA Foundation • Biotech Consortium India Limited • Pune Knowledge Cluster Foundation	• Polycab India Limited • Godrej Properties Limited • Eternal Limited • Ideaforge Technology Limited • JSW Dulux Limited • Axis Capital Limited • Girnar Software Private Limited • Satsure Analytics India Private Limited,
Membership(s)/ Chairmanship(s) of Board Committees of other companies	• Member of CSR Committee of Sriam Labs Private Limited	• Member of CSR Committee Laurus Synthesis Private Limited	Member, CSR Committee of Tata Steel Limited	• Member, Audit Committee, Nomination and Remuneration Committee, CSR Committee, and Chairperson of Risk Management Committee of Polycab India Limited • Chairperson, Stakeholders' Relationship Committee, and Nomination and Remuneration Committee, and Member, Audit Committee, CSR Committee, Risk Management Committee, and ESG Committee of Godrej Properties Limited • Chairperson, Audit Committee, and Member, Investment Committee of Eternal Limited • Chairperson, Nomination and Remuneration Committee, and Member, Audit Committee of Ideaforge Technology Limited • Member, Audit Committee, Nomination and Remuneration Committee, CSR Committee, and Risk Management Committee of JSW Dulux Limited • Chairperson, Risk Management Committee and Member, Audit Committee of Axis Capital Limited
Names of listed entities from which the Director has resigned in the past three years	Nil	Nil	Nil	Nil

Name of the Director	Mr. Krishna Chaitanya Chava	Mrs. Soumya Chava	Dr. Shekhar Chintamani Mande	Mrs. Sutapa Banerjee
Terms of appointment along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable	**Term**: In terms of the provisions of Section 152 of the Companies Act, 2013 ("the Act") at least two-thirds of the total number of directors (excluding independent directors), are liable to retire by rotation, out of which at least one-third of the total number of such directors shall retire at every AGM. In accordance with the said requirement, Mr. Krishna Chaitanya Chava, Executive Director of the Company, would be retiring at this AGM and being eligible, has offered himself for re-appointment. The members of the Company at the AGM held on July 11, 2024 have appointed Mr. Krishna Chaitanya Chava as the Executive Director of the Company, for a period of 5 (five) years with effect from April 25, 2024 up to April 24, 2029, whose office will be liable to determination by retirement by rotation **Remuneration last drawn**: He has received remuneration in terms of approval given by the Members of the Company. During the financial year ended March 31, 2026 he has received remuneration amounting to ₹ 2.20 Cr. **Remuneration sought to be paid**: He is entitled for remuneration in terms of approval given by the Members of the Company.	**Term**: In terms of the provisions of Section 152 of the Companies Act, 2013 ("the Act") at least two-thirds of the total number of directors (excluding independent directors), are liable to retire by rotation, out of which at least one-third of the total number of such directors shall retire at every AGM. In accordance with the said requirement, Mrs. Soumya Chava, Executive Director of the Company, would be retiring at this AGM and being eligible, has offered herself for re-appointment. The members of the Company at the AGM held on July 11, 2024 have appointed Mrs. Soumya Chava as the Executive Director of the Company, for a period of 5 (five) years with effect from April 25, 2024 up to April 24, 2029, whose office will be liable to determination by retirement by rotation. **Remuneration last drawn**: She has received remuneration in terms of approval given by the Members of the Company. During the financial year ended March 31, 2026 she has received remuneration amounting to ₹ 1.35 Cr. **Remuneration sought to be paid**: She is entitled for remuneration in terms of approval given by the Members of the Company.	**Term**: The Board at its meeting held on April 30, 2026 has approved and recommended to the members for approval of the appointment of Dr. Shekhar Chintamani Mande as an Independent Director for a term of 5 (five) years with effect from July 2, 2026 to July 1, 2031. **Remuneration last drawn**: Not applicable **Remuneration sought to be paid**: Dr. Mande will be entitled for remuneration by way of commission, as payable to other Independent Directors of the Company. He will not be entitled for any stock option pursuant to Employees Stock Option Schemes of the Company. The Members of the Company had earlier approved for payment of remuneration by way of commission to its Independent Directors (whether existing or future), collectively up to 1% of the net profits of the Company every year, computed in the manner referred to in Section 198 of the Act, in addition to the payment of sitting fees and reimbursement of expenses, if any, to the Directors for attending the meetings of the Board of Directors or Committees thereof. Effective April 1, 2026, each Independent Directors are being entitled for remuneration by way of commission @₹ 40 lakhs per annum proportionate to their tenure as on Independent Director in addition to the sitting fees of Rs. 1 Lakh for each Board and Board Committee meetings being attended by each Independent Director.	**Term**: The Board at its meeting held on April 30, 2026 has approved and recommended to the members for approval of the appointment of Mrs. Sutapa Banerjee as an Independent Director for a term of 5 (five) years with effect from July 2, 2026 to July 1, 2031. **Remuneration last drawn**: Not applicable **Remuneration sought to be paid**: Mrs. Banerjee will be entitled for remuneration by way of commission, as payable to other Independent Directors of the Company. She will not be entitled for any stock option pursuant to Employees Stock Option Schemes of the Company. The Members of the Company had earlier approved for payment of remuneration by way of commission to its Independent Directors (whether existing or future), collectively up to 1% of the net profits of the Company every year, computed in the manner referred to in Section 198 of the Act, in addition to the payment of sitting fees and reimbursement of expenses, if any, to the Directors for attending the meetings of the Board of Directors or Committees thereof. Effective April 1, 2026, each Independent Directors are being entitled for remuneration by way of commission @₹ 40 lakhs per annum proportionate to their tenure as on Independent Director in addition to the sitting fees of Rs. 1 Lakh for each Board and Board Committee meetings being attended by each Independent Director.

[1]*Additional details are given in the Report on Corporate Governance forming part of this Integrated Report.*

Regd. Office:
Laurus Enclave, Plot Office 01, E. Bonangi Village,
Parawada Mandal, Dist. Anakapalli,
Andhra Pradesh – 531 021

Corporate Office:
Plot No.103, Road No.1, Jubilee Hills,
Hyderabad, Telangana - 500 033
Website: www.lauruslabs.com
email: secretarial@lauruslabs.com

Place: Hyderabad
Date: April 30, 2026

By order of the Board of Directors
For **Laurus Labs Limited**

Sd/-

G Venkateswar Reddy
Company Secretary
ICSI Membership No. F7016

21st AGM: Information at a glance

Time and date of 21st AGM	Thursday July 2, 2026 at 3:00 p.m. (IST)
Mode	Video conference and other audio-visual means
Helpline number for VC participation	+91-22-4886 7000 and +91-22-2499 7000
Cut-off date for e-voting	Thursday, June 25, 2026
E-voting start time and date	Monday, June 29, 2026 at 9:00 a.m. IST
E-voting end time and date	Wednesday, July 1, 2026 at 5:00 p.m. IST
E-voting website of NSDL	https://www.evoting.nsdl.com/
Webcast and transcripts	https://www.lauruslabs.com/financials.html
Name, address and contact details of e-voting service provider	**Contact details:** National Securities Depository Limited, 4th Floor, A Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013, India **Contact person:** Mr. Amit Vishal, Vice President Ms. Pallavi Mhatre, Deputy Vice President Email: evoting@nsdl.com Phone No.: +91-22-48867000 and +91-22-24997000
Name, address and contact details of Registrar and Transfer Agent ("RTA")	**Contact details:** KFin Technologies Limited Selenium Building, Tower B, Plot No. 31-32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana - 500032. Tel: +91-40-6716 2222; Toll Free No.: 1-800-3454-001 Fax: +91-40-2300 1153 Email: einward.ris@kfintech.com; Website: https://www.kfintech.com **Contact person:** Mr. P. Nageswara Rao, Senior Manager Email: nageswararao.p@kfintech.com Phone No.: +91 40 6716 1526
Name and contact details of the Scrutiniser	Mr. Y Ravi Prasada Reddy, Proprietor of M/s RPR & Associates, Practising Company Secretaries Email: yravifcs@gmail.com
Name, address and contact details of the Company	Laurus Labs Limited Plot No.103, Road No.1, Jubilee Hills, Hyderabad 500 033, Telangana, India Tel-91-40-6659 4333, Email: secretarial@lauruslabs.com; Website: https://www.lauruslabs.com/

Unit Wise Key Performance Indicator FY 2025-26

Material Topic	Key Performance Indicators (KPIs)	Unit 1	Unit 2	Unit 3	Unit 4
Energy Consumed (Values in GJ)	Non-renewable	192,916	632,917	2,160,289	1,652,236
	Renewable	35,953	25,784	33,351	21,692
GHG Emissions (Values in CO_2 equivalent)	Scope 1	2,880	44,630	184,407	139,160
	Scope 2	35,552	32,379	50,977	37,501
	Scope 3				
Water (Values in m3) Consumption	Withdrawal	256,618	245,803	630,271	372,706
	Discharged	182,322	44,473	249,347	73,326
Hazardous waste (Values in tonnes)	HW - Landfillable	415	0	764	3053
	HW - Incinerable	313	185	658	212
	HW - Recyclable	104	202	149	46
	HW - Utilizable	7,270	14	10,733	7,948
	Bio-medical waste	0	5	5	0
	E-waste	2	0	0	1
	Non-HW				
Materials (tonnes/annum)	Total Recycled Input material	44,124	7,996	63,183	23,265
	Raw Materials used	259	18,210	74,438	57,202
	Associated Materials used	3	1	15	5
	Semi-manufactured Materials used	57,770	6,168	48,274	6,381
	Packaging Materials used	431	2,644	498	201
Air Emissions (Tonnes)	Particulate Matter	0.0	59.8	17.5	47.2
	SO_2	0.0	206.0	50.3	234.5
	NOx	0.3	144.6	34.2	101.2
	Others (Including Hazardous Air Emissions, POP, and VOC)	152.4	50.8	107.0	57.7
Workplace safety (numbers)	Fatality	0	0	0	0
	Near miss incidents	39	7	272	75
	Absenteeism rate	0	0	0	0
	LTIFR	0	0	0	0
Ethics and Compliance (No.)	Complaints received	0	0	0	0
	Grievances reported	0	0	0	0
	Whistle blower cases	0	0	0	0
	Corruption cases	0	0	0	0
	IT related incidents/ Data breach	0	0	0	0
	POSH related complaints	0	0	0	0
	Human rights violations	0	0	0	0
Workforce (numbers)	Permanent Employee Count	1,154	1,350	1,314	902
	Temporary Workforce	1,558	1,113	1,729	1,292

Unit 5	Unit 6	LL R&D	Unit 8	RO	HO	Total
52,989	115,077	36,062	17,743	1,452	1,596	4,863,277
-	-	594	-	-	-	117,375
3,553	1,209	749	1,175	0	0	377,764
5,755	20,318	5,706	1,042	286	315	189,832
						589,356
33,215	93,097	26,411	4,927	0	0	1,663,049
13,567	35,524	17,520	-	0	0	616,079
0	2,211	0	0	0	0	6,444
65	243	1	0	0	0	1,676
1	81	1	0	0	0	582
654	4,252	0	0	0	0	30,873
0	0	1	0	0	0	11
1	2	0	0	0	0	5
						11,034
-	10,151	-	-	-	-	148,718
858	262	106	-	-	-	151,335
0	4	2	-	-	-	29
1,080	44,732	327	-	-	-	164,731
8	117	1	-	-	-	3,899
15.8	0.2	0.0	0.0	0.0	0.0	140.6
44.9	0.0	0.0	0.0	0.0	0.0	535.7
17.0	0.8	0.0	0.0	0.0	0.0	298.0
27.1	39.7	0.0	0.0	0.0	0.0	434.7
0	0	0	0	0	0	0
8	27	0	0	0	0	428
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
245	446	1,383	16	60	187	7,057
227	544	181	37	45	47	6,773

GRI Index

Statement of use	[Name of organization] has reported the information cited in this GRI content index for the period [reporting period start and end dates] with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	Section/Sub-Section	Page No.
GRI 2: General Disclosures 2021	2-1 Organizational details	Who we are, BRSR	6-11, 14-15, 157
	2-2 Entities included in the organization's sustainability reporting	About the report, BRSR	2,157, 159
	2-3 Reporting period, frequency and contact point	About the report, BRSR	2, 157
	2-4 Restatements of information	About the report, BRSR	2
	2-5 External assurance	About the report, BRSR	2-3, 157
	2-6 Activities, value chain and other business relationships	About the report, How we create Value, Engaging with stakeholders	2, 14-15, 42-49
	2-7 Employees	BRSR, Employee section	58-65, 158
	2-8 Workers who are not employees	About the board, BRSR	58-65, 158
	2-9 Governance structure and composition	About the board, Board's report,	86-93, 110-111
		Report on corporate governance	131-133
	2-10 Nomination and selection of the highest governance body	About the board	86-93
	2-11 Chair of the highest governance body	About the board	86-93
	2-12 Role of the highest governance body in overseeing the management of impacts	About the board	86-93
	2-13 Delegation of responsibility for managing impacts	Management Team	94-97
	2-14 Role of the highest governance body in sustainability reporting	Management Team	94-97
	2-15 Conflicts of interest	BRSR	165-166
	2-16 Communication of critical concerns	Governance approach	84-85
	2-17 Collective knowledge of the highest governance body	About the board	86-93
	2-18 Evaluation of the performance of the highest governance body	Board's report	111
	2-19 Remuneration policies	Board's report	111
	2-20 Process to determine remuneration	Board's report	111
	2-21 Annual total compensation ratio	Board's Report, BRSR	125, 176
	2-22 Statement on sustainable development strategy	Chairman's statement	16-17
	2-23 Policy commitments	Human rights and fair labour practices, Governance Approach, BRSR	58-65, 84-89
	2-24 Embedding policy commitments	Report of Corporate Governance	131-156
	2-25 Processes to remediate negative impacts	Risk Management, BRSR	50-53, 160-161
	2-26 Mechanisms for seeking advice and raising concerns	BRSR	187
	2-27 Compliance with laws and regulations	Boards report, BRSR	86-89, 107-116
	2-28 Membership associations	BRSR, Financial Statement	185
	2-29 Approach to stakeholder engagement	Engaging with stakeholders	46-49
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality	42-49
	3-2 List of material topics	Materiality	42-49
	3-3 Management of material topics	Materiality	42-49
GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	Annual Report	14-15
	201-2 Financial implications and other risks and opportunities due to climate change	Risk Management	50-53
	201-3 Defined benefit plan obligations and other retirement plans	BRSR, Financial Statement	168-169, 242-244

GRI STANDARD	DISCLOSURE	Section/Sub-Section	Page No.
GRI 202: Market Presence	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	BRSR	176
	202-2 Proportion of senior management hired from the local community	BRSR	186
GRI 204: Procurement Practices	204-1 Proportion of spending on local suppliers	BRSR	186
GRI 205: Anti-corruption	205-1 Operations assessed for risks related to corruption	BRSR	165
	205-2 Communication and training about anti-corruption policies and procedures	BRSR	165
	205-3 Confirmed incidents of corruption and actions taken	ESG Unit wise KPIs	352-353
GRI 301: Materials GRI 302: Energy	301-1 Materials used by weight and volume	ESG Unit wise KPIs	352-353
	302-1 Energy consumption within the organization	BRSR	178
	302-3 Energy intensity	BRSR	178
	302-4 Reduction of energy consumption	BRSR	178
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	BRSR	179, 182-183
	303-2 Management of water discharge-related impacts	BRSR	179, 182-183
	303-3 Total water withdrawal by source	BRSR	179, 182-183
	303-4 Water discharge	BRSR	179
	303-5 Water consumption	BRSR	179
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	BRSR	180
	305-2 Energy indirect (Scope 2) GHG emissions	BRSR	180
	305-3 Other indirect (Scope 3) GHG emissions	BRSR	183
	305-4 GHG emissions intensity	BRSR	180, 183
	305-5 Reduction of GHG emissions	BRSR	180
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	BRSR	180
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management	78, 181
	306-2 Management of significant waste-related impacts	BRSR	181
	306-3 Waste generated	BRSR	181
	306-4 Waste diverted from disposal	BRSR	181
	306-5 Waste directed to disposal	BRSR	181
GRI 308: Supplier Environmental Assessment	308-1 New suppliers that were screened using environmental criteria	Suppliers	72-73
GRI 401: Employment	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	BRSR	168
	401-3 Parental leave	BRSR	169
GRI 403:	403-1 Occupational health and safety management system	Employees, BRSR	58-59, 170-171
Occupational Health	403-2 Hazard identification, risk assessment, and incident investigation	Employees, BRSR	170-171
and Safety 2018	403-4 Worker participation, consultation, and communication on occupational health and safety	BRSR	170
	403-5 Worker training on occupational health and safety	BRSR	170
	403-6 Promotion of worker health	Employees, BRSR	170-171
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	BRSR	171-172
	403-8 Workers covered by an occupational health and safety management system	BRSR	170-171
	403-9 Work-related injuries	BRSR	171
	403-10 Work-related ill health	BRSR	171

GRI STANDARD	DISCLOSURE	Section/Sub-Section	Page No.
GRI 404: Training and Education	404-1 Average hours of training per year per employee	BRSR	170
	404-2 Programs for upgrading employee skills and transition assistance programs	BRSR	170
	404-3 Percentage of employees receiving regular performance and career development reviews	BRSR	170
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	Board of directors, BRSR	90-93, 158
	405-2 Ratio of basic salary and remuneration of women to men	BRSR	176
GRI 406: Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	BRSR	177
GRI 407: Freedom of Association and Collective Bargaining	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	BRSR	170
GRI 408: Child Labor	408-1 Operations and suppliers at significant risk for incidents of child labor	BRSR	177-178
GRI 409: Forced or Compulsory Labor	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	BRSR	177-178
GRI 411: Rights of Indigenous Peoples	411-1 Incidents of violations involving rights of indigenous peoples	BRSR	177
GRI 412: Human Rights Assessment	412-1 Operations that have been subject to human rights reviews or impact assessments	Human rights and ethical labour practices, BRSR	65, 175-177
	412-2 Employee training on human rights policies and procedures	BRSR	175
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Human rights and ethical labour practices	65
GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	Communities	66-69
	413-2 Operations with significant actual and potential negative impacts on local communities	Communities	66-69
GRI 414: Supplier Social Assessment	414-1 New suppliers that were screened using social criteria	Suppliers	72-73
	414-2 Negative social impacts in the supply chain and actions taken	Suppliers	72-73
GRI 416: Customer Health and Safety	416-1 Assessment of the health and safety impacts of product and service categories	Quality and Compliance, Customers, BRSR	36-37, 70-71, 167-168
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Quality and Compliance, Customers, BRSR	36-37, 70-71, 167-168
GRI 417: Marketing	417-1 Requirements for product and service information and labeling	Customers, BRSR	70-71, 188
and Labeling	417-2 Incidents of non-compliance concerning product and service information and labeling	Quality and Compliance, Customers, BRSR	36-37, 70-71, 188
GRI 418: Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	BRSR	188

Glossary of Terms

Glossary of Terms	
ABRA	Activity Based Risk Assessment
Act	The Companies Act, 2013
ADC	Antibody-Drug Conjugates
AGM	Annual General Meeting
AGR	All Glass Line Reactors
ANDA	Abbreviated New Drug Application
ANVISA	Agência Nacional de Vigilância Sanitária
API	Active Pharmaceutical Ingredient
ARV's	Anti-retroviral
BRSR	Business Responsibility and Sustainability Report
CAGR	Compound Annual Growth Rate
Capex	Capital Expenditure
CAR-T	Chimeric Antigen Receptors
CDMO	Contract development and manufacturing Outsourcing
CDSL	Central Depository Services (India) Limited
CEO	Chief Executive Officer
CFO	Chief Financial Officer
cGMP	Current Good Manufacturing Practice
CGT	Cell and Gene therapy
CIN	Corporate Identification Number
CMO	Contract Manufacturing Organisation
CNS	Central Nervous System
CO_2	Carbon Dioxide
CoC	Code of Conduct
CRAMs	Contract Research and Manufacturing
CRDMO	Contract Research, Development, and Manufacturing Organization
CSR	Corporate Social Responsibility
DCGI	Drug Controller General of India
DIN	Director Identification Number
DJSI	Dow Jones Sustainability Index
DMF	Drug Master Files
DNA	Deoxyribonucleic Acid
DP	Drug Product
DS	Drug Substance
EBITDA	Earnings before Interest, Tax, Depreciation and Amortization
EHS	Environmental, Health & Safety
EIR	Establishment Inspection Report
EMA	European Medicines Agency
EPS	Earnings Per Share
ESG	Environment, Social and Governance
ESOP	Employee Stock Option
FDF	Finished Dosage Formulations
FVTOCI	Fair value through other comprehensive income
FVTPL	Fair value through profit or loss
FY	Financial Year
GBP	Great Britain Pound
GDUFA	Generic Drug User Fee Act
Generics	Affordable medicines
GHG	Greenhouse Gas
GJ	Giga Joules
GRI	Global Reporting Initiative
GST	Goods and Services Tax
HAZOP	Hazard Operability
HIV	Human Immunodeficiency Virus
HPAPIs	Highly Potent Active Pharmaceutical Ingredient
IBEF	India Brand Equity Foundation
ICAI	Institute of Chartered Accountants of India
ICRISAT	The International Crops Research Institute for the Semi-Arid Tropics

Glossary of Terms	
ID	Independent Directors
IEPF	Investors Education and Protection fund
IMS	Integrated Management System
Ind AS	Indian Accounting Standards
IP	Intellectual Property
IPCC	Intergovernmental Panel on Climate Change
JV	Joint Venture
KFDA	Korea Food and Drug Administration
KL	Kilo Litre
KMP	Key Managerial Personnel
KPI	Key Performance Indicators
KSM	Key Starting Materials
LDP	Leadership Development Program
LODR	Listing Obligations and Disclosure Requirements
MCA	Ministry of Corporate Affairs
MDP	Management Development Program
MHRA	Medicines and Healthcare products Regulatory Agency
MSCI	Morgan Stanley Capital International
MSME	Micro, Small & Medium Enterprises
MW	Megawatt
NCEs	New Chemical Entities
NDA	New Drug Application
NEDs	Non-Executive and Independent Directors
NGRBC	National Guidelines on Responsible Business Conduct
NGO	Non-Governmental Organisation
NPPP	National Pharmaceutical Pricing Policy
NSDL	National Securities Depository Limited
OAVM	Other audio-visual means
ODF	Oral Dispersible Film
OSD	Oral Solid Dose
PBT	Profit before tax
PMDA	Pharmaceuticals and Medical Devices Agency
PPIs	Proton Pump Inhibitors
QMS	Quality Management System
R&D	Research & Development
RCP 4.5	Representative Concentration Pathway 4.5
ROCE	Return on Capital Employed
ROE	Return on Equity
ROW	Rest of World
RPT	Related Party Transaction
RTA	Registrar and Transfer Agent
SBTi	Science Based Targets initiative
SEBI	Securities and Exchange Board of India
SEZ	Special Economic Zone
SMB	Simultated Moving Bed
SOP	Standard Operating Procedure
SSP 2	Secondary Spontaneous Pneumothorax 2
TGA	Therapeutic Goods Administration
TTD	Tirumala Tirupati Devasthanams
UDIN	Unique Document Identification Number
UNGC	United Nations Global Compact
UN SDGs	United Nations' Sustainable Development Goals
US FDA	US Food & Drug Administration
USD	US Dollar
VC	Video Conference
VFD	Variable Frequency Drive
WHO	World Health Organization
WOS	Wholly Owned Subsidiary
ZLD	Zero Liquid Discharge

Corporate Information

Board of Directors

Dr. Ravindranath Kancherla

Non-Executive Chairman and
Independent Director

Dr. Satyanarayana Chava

Executive Director and CEO

Mr. V V Ravi Kumar

Executive Director and CFO

Dr. C V Lakshmana Rao

Executive Director

Mr. Krishna Chaitanya Chava

Executive Director

Mrs. Soumya Chava

Executive Director

Mrs. Aruna Bhinge

Independent Director

Dr. Rajesh Koshy Chandy

Independent Director

Mr. Karnam Sekar

Independent Director

Mr. Ramesh Subrahmanian

Independent Director

Auditors

M/s. Deloitte Haskins & Sells LLP

Chartered Accountants
Meenakshi Pride Rock Tower III
[Block – M], 8th & 9th Floors,
Survey No. 23, Gachibowli,
Serilingampally Municipality,
Ranga Reddy District,
Hyderabad-500032 Telangana, India

Bankers

State Bank of India

Bank of Bahrain & Kuwait B.S.C.

CITI Bank NA

HDFC Bank Limited

J.P. Morgan Chase Bank N.A.

RBL Bank Limited

Axis Bank Limited

MUFG Bank Limited

Export Import Bank of India

Registered Office

Laurus Enclave, Plot Office 01,
Edulapakabonangi Village,
Parawada Mandal,
Visakhapatnam, Anakapalli,
Andhra Pradesh, 531021

Corporate Office

Plot No. 103, Road No. 1, Jubilee Hills
Hyderabad - 500 033,
Telangana, India.

Manufacturing Facilities

Unit 1

Plot No. 21, J N Pharma City,
Parawada Village and Mandal,
JN Pharma City, Parawada Industrial Area,
Anakapalli, Andhra Pradesh, 531021

Unit 2

APSEZ, Unit-2, Plot No. 19, 20 and 21,
Gurajapalem Village, Rambilli Mandal,
Atchutapuram APSEZ, Anakapalli,
Andhra Pradesh, 531011

Unit 3

Plot No. 18, J N Pharma City,
Parawada Village and Mandal,
JN Pharmacity, Parawada Industrial Area,
Anakapalli, Andhra Pradesh, 531021

Unit 4

Plot No. 25, 25A To 25 K,
APSEZ Denotified Area, Lalamkoduru Village,
Rambilli Mandal, Atchutapuram APSEZ,
Anakapalli, Andhra Pradesh, 531011

Unit 5

Plot No. 102 and 103,
Visakha Pharmacity Limited SEZ,
Lemarthi Village, Parawada Industrial Area,
Anakapalli, Andhra Pradesh, 531019

Unit 6

Plot No. 22 D and 22 E,
Denotified Area APSEZ,
Gurajapalem and Lalamkodur Villages,
Rambilli Mandal, Atchutapuram APSEZ,
Anakapalli, Andhra Pradesh, 531011

Unit 8

Plot No. 18B, APSEZ De-Notified Area,
Moturupalem, Pudi and Gurajapalem Villages,
Rambilli Mandal, Anakapalli – 531 011
Andhra Pradesh, India.

Research & Development Centre (R&D)

Plot No. DS 1&2, IKP Knowledge Park,
Genome Valley, Shamirpet Mandal,
Turkapally, Medchal- Malkajgiri ,
Telangana, 500101

Subsidiaries

Laurus Bio Private Limited
Registered Office and LB-1 Facility:

Plot No. 204 & 237,
Bommasandra-Jigani Link Road,
KIADB Industrial Area,
Bangalore-560105 Karnataka, India

LB-2 Facility:

Plot No. 114, Vasanthanarasapura, 2nd Phase,
Industrial Area, Yalladadllu, Kora Hobli,
Tumakuru Taluk, Karnataka, India, 572102

Laurus Synthesis Private Limited

Registered Office

01st Floor, Laurus Enclave, Plot Office 01,
E. Bonangi Village, Parawada Mandal,
Anakapalli District – 531021,
Visakhapatnam, Andhra Pradesh, India

Unit-1:

Plot No. 74B, Jawaharlal Nehru Pharma
City, Parawada, Visakhapatnam – 531 021,
Andhra Pradesh, India

Unit-2:

Plot No. 18A1, APSEZ De-Notified Area,
Gurajapalem Village, Rambilli Mandal,
Anakapalli - 531 011 Andhra Pradesh, India.

Unit-4:

Plot No. 18A1, APSEZ De-Notified Area,
Moturupalem, Rambilli Mandal,
Anakapalli – 531 011 Andhra Pradesh, India.

Research & Development Centre (R&D)

Plot No. DS15, IKP Knowledge Park,
Kolthur Shamirpet Medchal,
Telangana - 500 101

Sriam Labs Private Limited

Registered Office

03rd Floor, Laurus Enclave, Plot Office 01,
E. Bonangi Village, Parawada Mandal,
Anakapalli District – 531021, Visakhapatnam,
Andhra Pradesh, India

Unit

Sy No. 505, Padamati Somaram Road,
Bibinagar (Village & Mandal), Yadadri
Bhuvanagiri District, Telangana-508126

Laurus Specialty Chemicals Private Limited

Registered Office

2nd Floor, Serene Chambers, Road No. 7,
Banjara Hills, Hyderabad – 500 034,
Telangana, India

Laurus Holdings Limited

Unit 32, City Business Centre, Hyde Street,
Winchester Hants, United Kingdom,
SO23 7TA

Laurus Generics SA (Pty) Ltd.

Building 8 Healthcare Park, Woodlands Drive,
Woodmead Gauteng, 2191

Step-down Subsidiaries

Laurus Generics Inc.

200 Bellevue Parkway, Suite 210 Wilmington,
County of New Castle, United States of
America, 19809

Laurus Generics GmbH

C/o. Alfred E. Tiefenbacher Van-Der-Smissen-
Strasse 1 Hamburg, DE, 22767

Associate Companies

Immunoadoptive Cell Therapy Private Limited

Registered Office, Corporate Office & Unit:

CM-05, SINE Office, 3rd Floor,
CSRE Building, IIT Bombay, Powai,
Mumbai City, Maharashtra, India, 400076

Laboratory:

1st Floor, Plot No. R-977,
TTC Industrial Area, MIDC, Rabale,
Navi Mumbai – 400701, Maharashtra

Ethan Energy India Private Limited

9th Floor, My Home Twitza, Plot No. 30/A,
TSIIC Hyderabad Knowledge City,
Raidurg, Hyderabad, Telangana,
India, 500081

KRKA Pharma Private Limited

2nd Floor, Serene Chambers, Road No. 7,
Banjara Hills, Hyderabad, Telangana, 500034

Kurnool Renewables Private Limited

P.No. 1202 D.No. 8-2-293/82/A, SL Jubilee,
Jubilee Hills, Hyderabad, Shaikpet,
Telangana, India, 500033

LAURUS Labs
Chemistry for Better Living

Corporate Office

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Hyderabad - 500 033, Telangana, India.
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