Granules Life Sciences Private Limited
Balance sheet as at March 31, 2025
(All amounts are in Indian Rupees Millions except share data and unless otherwise stated)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
Assets			
Non-current assets			
Property, plant and equipment	3A	2,410.60	559.76
Capital work-in-progress	3A	3,034.25	1,372.00
Intangible assets	3B	2.12	-
Financial assets			
(i) Other financial assets	4	23.23	7.72
Income tax assets (net)		1.00	0.36
Other non-current assets	5A	347.16	333.69
Total non-current assets		**5,818.36**	**2,273.53**
Current assets			
Inventories	6	76.60	4.88
Financial assets			
(i) Trade receivables	7A	620.28	0.27
(ii) Cash and cash equivalents	7B	176.71	180.55
(iii) Bank balances other than cash and cash equivalents stated above	7B	26.05	-
(iv) Other financial assets	7C	2.87	0.09
Other current assets	5B	482.83	151.03
Total current assets		**1,385.34**	**336.82**
Total assets		**7,203.70**	**2,610.35**
Equity and liabilities			
Equity			
Equity share capital	8	3,300.00	2,250.00
Other equity	9	31.90	(23.35)
Total equity		**3,331.90**	**2,226.65**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	10	3,115.11	189.63
Provisions	11A	2.05	0.09
Deferred tax liabilities (net)	12	9.28	-
Total non-current liabilities		**3,126.44**	**189.72**
Current liabilities			
Financial liabilities			
(i)Trade Payables			
(a) Total outstanding dues of micro enterprises and small enterprises		3.81	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	13A	215.99	4.61
(ii) Other financial liabilities	13B	513.27	187.37
Other current liabilities	14	7.24	2.00
Provisions	11B	5.05	-
Total current liabilities		**745.36**	**193.98**
Total liabilities		**3,871.80**	**383.70**
Total equity and liabilities		**7,203.70**	**2,610.35**
Material accounting policies	2		

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

As per our report of even date attached

for S.R. Batliboi and Associates LLP
Chartered Accountants
Firm registration number: 101049W/E300004

for and on behalf of the Board of Directors of
Granules Life Sciences Private Limited
CIN : U24290TG2020PTC146042

Navneet Kabra
Partner
Membership No : 102328

Dr. Krishna Prasad Chigurupati
Director
DIN : 00020180

Umadevi Chigurupati
Director
DIN : 00737689

Mukesh Surana
Chief Financial Officer

Chaitanya Tummala
Company Secretary

Place: Hyderabad
Date: May 28, 2025

Place: Hyderabad
Date: May 28, 2025

Granules Life Sciences Private Limited
Statement of profit and loss for the year ended March 31, 2025
(All amounts are in Indian Rupees Millions except share data and unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
Income			
Revenue from operations	15	621.23	0.24
Other income	16	7.52	1.07
Total income		**628.75**	**1.31**
Expenses			
Cost of materials consumed	17	333.63	0.49
Changes in inventories of work-in-progress and finished goods	18	(14.48)	(0.26)
Employee benefits expense	19	65.53	2.30
Finance costs	20	1.53	-
Depreciation and amortisation expense	21	39.23	0.71
Other expenses	22	138.57	1.26
Total expenses		**564.01**	**4.50**
Profit/(loss) before tax		**64.74**	**(3.19)**
Tax expense/(credit)	23		
(i) Current tax		0.28	-
(ii) Deferred tax		9.27	-
Total tax expense		**9.55**	**-**
Profit/(loss) for the year		**55.19**	**(3.19)**
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss			
Re-measurement gains on defined benefit plan		0.07	-
Income tax relating to items that will not be reclassified to profit or loss		(0.01)	-
Net other comprehensive income not to be reclassified to profit or loss		**0.06**	**-**
Other comprehensive income for the year		**0.06**	**-**
Total comprehensive income/(loss) for the year		**55.25**	**(3.19)**
Earnings per share:			
Equity shares of par value of Rs. 10 each	24		
Basic (Rs.)		0.02	(0.00)
Diluted (Rs.)		0.02	(0.00)
Material accounting policies	2		

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

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Date: May 28, 2025

Granules Life Sciences Private Limited
Statement of changes in equity for the year ended March 31, 2025
(All amounts are in Indian Rupees Millions except share data and unless otherwise stated)

Equity share capital

Particulars	Balance at the beginning of the year	Shares issued during the year	Balance at the end of the year
March 31, 2025	2,250.00	1,050.00	3,300.00
March 31, 2024	600.00	1,650.00	2,250.00

Other equity

Particulars	Reserves and Surplus	Other comprehensive income	Total other equity
	Retained earnings	Remeasurements of defined benefit plans	
Balance as at the beginning of the previous year	**(7.41)**	**-**	**(7.41)**
Total comprehensive income for the year			
Loss for the year	(3.19)	-	(3.19)
Transaction cost in relation to issue of equity shares	(12.75)	-	(12.75)
Balance at the end of the previous year	**(23.35)**	**-**	**(23.35)**
Total comprehensive income for the year			-
Profit for the year	55.19	-	55.19
Other comprehensive income (net of tax)	-	0.06	0.06
Balance at the end of the current year	**31.84**	**0.06**	**31.90**

Nature and purpose of reserves
Retained earnings
The amount that can be distributed by the Company as dividends to its equity shareholders

Remeasurements of defined benefit plans (refer note - 26)
Remeasurements of defined benefit plans comprises actuarial gains and losses and return on plan assets.

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

As per our report of even date attached

for S.R. Batliboi and Associates LLP
Chartered Accountants
Firm registration number: 101049W/E300004

Navneet Kabra
Partner
Membership No : 102328

Place: Hyderabad
Date: May 28, 2025

for and on behalf of the Board of Directors of
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Company Secretary

Place: Hyderabad
Date: May 28, 2025

Granules Life Sciences Private Limited
Statement of cash flows for the year ended March 31, 2025
(All amounts are in Indian Rupees Millions except share data and unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Cash flow from operating activities		
Profit before tax	**64.74**	**(3.19)**
Adjustments for :		
Depreciation and amortisation expense	39.23	0.71
Interest income	(7.52)	(1.07)
Net gain on foreign exchange fluctuations (unrealised)	1.65	-
Operating profit before working capital changes	**98.10**	**(3.55)**
Movements in working capital:		
Increase in trade receivables	(614.71)	(0.27)
Increase in inventories	(71.72)	(4.88)
Increase in other assets	(420.12)	(153.69)
Increase in trade payables, other liabilities and provisions	235.77	(5.51)
Cash generated from operations	**(772.68)**	**(167.90)**
Direct taxes paid (net of refunds)	(0.92)	(0.43)
Net cash flow used in operating activities	**(773.60)**	**(168.33)**
Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets, including capital work-in-progress, capital advances and capital creditors	(3,061.47)	(1,558.66)
Movement in other bank balances	(35.00)	(2.50)
Interest received	6.54	0.98
Net cash flow used in investing activities	**(3,089.93)**	**(1,560.18)**
Cash flow from financing activities		
Proceeds from issuance of shares	1,050.00	1,650.00
Proceeds from non-current borrowings	2,938.29	189.63
Finance costs paid	(128.60)	(0.93)
Net cash flow generated from financing activities	**3,859.69**	**1,838.70**
Net increase/(decrease) in cash and cash equivalents	**(3.84)**	**110.19**
Cash and cash equivalents at the beginning of the year	180.55	70.36
Cash and cash equivalents at the end of the year	176.71	180.55
Components of cash and cash equivalents:		
Cash on hand	0.02	0.02
Balances with banks		
On current accounts	25.60	30.16
On deposit accounts	151.09	150.37
Total cash and cash equivalents (Refer Note - 7B)	176.71	180.55

Changes in liabilities arising from financing activities	**Borrowings - Non Current (Refer note 10)**
Opening as on March 31, 2023	-
Additions	189.63
Finance costs*	0.93
Finance costs paid	(0.93)
Closing as on March 31, 2024	**189.63**
Additions	2,938.29
Finance costs*	128.60
Finance costs paid	(128.60)
Effect of changes in foreign exchange rates	(12.81)
Closing as on March 31, 2025	**3,115.11**

*Capitalized as a project cost during the year

The above cash flow statement has been prepared under the “Indirect Method” as set out in the Indian Accounting Standard (Ind AS-7) - "Statement of Cash Flows".
The accompanying notes are an integral part of the financial statements.
As per our report of even date attached

for S.R. Batliboi and Associates LLP
Chartered Accountants
Firm registration number: 101049W/E300004

Navneet Kabra
Partner
Membership No : 102328

Place: Hyderabad
Date: May 28, 2025

for and on behalf of the Board of Directors of
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Company Secretary

Place: Hyderabad
Date: May 28, 2025

1 Company overview

1.1 Reporting entity

Granules Life Sciences Private Limited ("Granules" or "the Company") is a company domiciled in India with its registered office situated at 15th floor, Granules Tower, Kondapur, Hyderabad, Telangana. The Company has been incorporated under the provisions of Companies Act . The Company is primarily involved in the manufacturing and selling of Pharmaceutical Formulation intermediates (PFIs) and Finished Dosages (FDs).

1.2 Basis of preparation of financial statements

a) Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 (the 'Act') and other relevant provisions of the Act and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (as amended from time to time).

These financial statements have been prepared for the Company as a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, March 31, 2025. These financial statements were approved for issuance by the Company's Board of Directors on May 28, 2025.

The financial statements are presented in INR and all values are rounded to the nearest millions, except when otherwise indicated.

Details of the Company's material accounting policies are included in Note 2.

b) Current versus non-current classification

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle.

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 12 months as its operating cycle.

c) Functional and presentation currency

These financial statements are presented in Indian rupees (₹), which is also the functional currency of the Company.

d) Basis of measurement

These financial statements have been prepared on the historical cost basis, except for the following items:
• Certain financial assets and liabilities are measured at fair value or amortised cost.
• Net defined benefit assets/(liability) are measured at fair value of plan assets, less present value of defined benefit obligations.

e) Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. 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.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

• Note 1.2(c) - Assessment of functional currency;
• Note 2(a), 29 and 30 - Financial instruments;

Assumptions and estimation of uncertainities

Information about assumptions and estimation of uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2025 is included in the following notes:

• Note 26 - Measurement of defined benefit obligations : key actuarial assumptions.
• Note 2(d) - Useful lives of property, plant and equipment;
• Note 2(e) - Useful lives of Intangible assets;
• Note 7A - Provision for loss allowance on trade receivables
• Note 2(g)(ii) - Impairment of financial assets

f) Measurement of fair values

Accounting policies and disclosures require measurement of fair value for both financial and non-financial assets. 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 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 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.

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.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

• Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
• Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
• Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

• Note 29 and 30 – financial instruments.

2 Material accounting policies

a. Financial instruments

i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are initially measured at fair values except for trade receivable which are initially measured at transaction price. Transaction costs that are directly attributable to the acquistion or issue of financial assets and liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets or financial liability.

ii. Classification and subsequent measurement

Financial assets
On initial recognition, a financial asset is classified and, measured at
• amortised cost;
• Fair value through other comprehensive income ('FVOCI') – debt investment;
• FVOCI – equity investment; or
• Fair value through profit and loss ('FVTPL')

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

• the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
• the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

• the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
• the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment’s fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to statement of profit and loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to statement of profit and loss.

Financial liabilities: classification, subsequent measurement and gains and losses
Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

iii. Derecognition

Financial assets
The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities
The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in statement of profit and loss.

iv Offsetting
Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

v Derivative financial instruments and hedge accounting

Derivative financial instruments are used to mitigate the risk of changes in exchange rates on foreign currency exposures. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in statement of profit and loss.

At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in fair values of the hedged item and hedging instrument are expected to offset each other.

Derivative financial instruments

For the purpose of hedge accounting, hedges are classified as:

Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.

Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

Fair value hedges:

The Company uses derivative forward contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which derivative contract is entered into and are subsequently re measured at fair value at the end of each reporting period.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to standalone statement of profit and loss.

Hedge accounting is discontinued when the Company revokes the hedge relationship, the hedging instrument or hedged item expire or sold, terminated, or exercised or no longer meets the criteria for hedge accounting.

b. 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. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

c. Foreign currency

Transactions in foreign currencies are initially recorded at spot rates at the date the transaction first qualifies for recognition.

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

Transactions in foreign currency are translated at the exchange rates prevailing on the date of the transactions. Monetary assets and liabilities denominated in foreign currency are restated at the prevailing year end rates. The resultant gain/loss upon such restatement along with the gain/loss on account of foreign currency transactions are accounted in the Statement of Profit and Loss, except exchange differences arising from the translation of the qualifying cash flow hedges to the extent that the hedges are effective which are recognised in OCI.

d. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item or property, plant and equipment comprises its purchase price, import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. 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. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to its working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property plant and equipment is recognised in statement of profit and loss.

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work-in-progress. Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date are recognised as capital advance under "non-current assets".

ii. Subsequent expenditure

Subsequent expenditure related to an item of tangible fixed asset is capitalised only if it increases the future benefits from the existing assets beyond its previously assessed standards of performance.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method.

Asset Class	**Useful Life**
Freehold buildings	30 years
Plant and equipment	7.5-25 years
Furniture and fittings	10 years
Office equipments	3-5 years
Data processing equipments	3-6 years

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.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed off).

e. Intangible assets

Internally generated: Research and development

Expenditure on research activities is recognised in statement of profit and loss as incurred.
Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in statement of profit and loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses.

Others

Other intangible assets are initially measured at cost. Subsequently, such intangible assets are measured at cost less accumulated amortization and any accumulated impairment losses.

i. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

ii. Amortisation

Other intangible assets are amortised on a straight line basis over the estimated useful life

Computer software	10 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

f. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the monthly moving weighted average method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of fixed production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory include estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Company's business and markets. The Company considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

g. Impairment

i. Financial assets (other than at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, 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 is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months 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 assumes that the credit risk on a financial asset has increased significantly if it is more than the 270 days over and above the usual credit period.
The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held).

Evidence that a financial asset is credit impaired includes the following observable data:
-significant financial difficulty of the borrower or issuer;
-a breach of contract such as a default or being past due over a reasonable period of credit
-the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
-it is probable that the borrower will enter bankruptcy or other financial reorganisation;

In case of investments, the company reviews its carrying value of investments carried at cost annually, or more frequently, when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

ii. Non financial assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

h. Employee benefits

i. Defined contribution plans

The Company makes specified monthly contribution towards employee provident fund to Government administered provident fund scheme, which is a defined contribution scheme. The Company's contribution is recognised as an expense in the statement of profit and loss during the period in which the employee renders the related service. The Company has no further obligations beyond its monthly contributions.

ii. Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. 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 and loss in subsequent periods.

Past service costs are recognised in statement of profit and 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 nonroutine settlements; and
• Net interest expense or income

When the benefits of a plan are changed or curtailed, the resulting change in the benefit that relates to the past service ('past service cost') or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Company recognises the gains and losses on the settlement of a defined benefit plan when settlement occurs.

iii. Compensated Absence Policy

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or encash the leaves during the period of employment or retirement or at termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognises accumulated compensated absences based on actuarial valuation using the projected unit credit method. Non-accumulating compensated absences are recognised in the period in which the absences occur.

iv. Other long-term employee benefits

The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary as at March 31st every year using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

v. Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

i. Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities and contingent assets

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements. A contingent asset is disclosed where an inflow of economic benefits is probable. Contingent assets are assessed continually and, if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

j. Earnings per share ('EPS')

The earnings considered in ascertaining the Company's Earnings Per Share (EPS) comprise net profit after tax (and includes the post-tax effect of any extra ordinary items). The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year. Dilutive potential equity shares are deemed to be converted as of the beginning of the year, unless they have been issued at a later date. The number of shares used for computing the diluted EPS is the weighted average number of shares outstanding during the year after considering the dilutive potential equity shares.

k. Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Director of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the Chief Operating Decision Maker (CODM). All operating segments' operating results are reviewed regularly by the CODM to make decisions about resources to be allocated to the segments and assess their performance.

The Company operates in one reportable business segment i.e. "Pharmaceuticals".

l. Revenue

i. Sale of goods

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.

Revenue from sale of goods is recognised when a promise in a customer contract(performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the delivery and acceptance terms agreed with the customers. The amount of revenue to be recognised is based on the consideration expected to be received in exchange for goods, excluding trade discounts, volume discounts, sales returns and any taxes or duties collected on behalf of the government which are levied on sales such as GST where applicable. Any additional amounts based on terms of agreement entered into with customers, is recognised in the period when the collectability becomes probable and a reliable measure of the same is available.

Revenue is recognised upon transfer of promised products or services to customer in an amount that reflect the consideration which the Company expects to receive in exchange for those products or services.

Revenue will be recognised for these contracts to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognised will not occur. As a consequence, for those contracts for which the Company is unable to make a reasonable estimate of return, revenue is expected to be recognised sooner than when the return period lapses or a reasonable estimate can be made. A refund liability and an asset for recovery is recognised for these contracts and presented separately in the balance sheet.

Revenue excludes taxes collected from customers.

ii. Sales return allowances

The Company accounts for sales return by recording an allowance for sales return concurrent with the recognition of revenue at the time of a product sale. The allowance is based on Company's estimate of expected sales returns. The estimate of sales return is determined primarily by the Company's historical experience in the markets in which the Company operates.

iii. Export incentives

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.

iv. Interest income or expense

Interest income or expense is recognised using the effective interest method on time proportion method.

m. Contract Balances

i. Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

ii. Trade receivable

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (a) Financial instruments – initial recognition and subsequent measurement.

iii. Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

n. Income tax

Income tax comprises current and deferred income tax. Income tax expense is recognised in statement of profit and loss or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current tax for current year and prior periods is recognised at the amount expected to be paid or recovered from the tax authorities, using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when:

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred income tax assets and liabilities are measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or substantive enactment date. A deferred income tax assets is recognised to the extent it is probable that future taxable income will be available against which the deductible temporary timing differences and tax losses can be utilised.

Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

o. Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

p. 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. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 01, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any impact in its financial statements.

(i) Ind AS 117 Insurance Contracts

The Ministry of Corporate Affairs (MCA) notified the Ind AS 117, Insurance Contracts, vide notification dated 12 August 2024, under the Companies (Indian Accounting Standards) Amendment Rules, 2024, which is effective from annual reporting periods beginning on or after April 01, 2024.

Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. Ind AS 117 is based on a general model, supplemented by:

• A specific adaptation for contracts with direct participation features (the variable fee approach)
• A simplified approach (the premium allocation approach) mainly for short-duration contracts

The application of Ind AS 117 does not have material impact on the Company's separate financial statements as the Company has not entered any contracts in the nature of insurance contracts covered under Ind AS 117.

(ii) Amendments to Ind AS 116 Leases – Lease Liability in a Sale and Leaseback

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amend Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback.

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment is effective for annual reporting periods beginning on or after April 01, 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.

The amendments do not have a material impact on the Company's financial statements.

(All amounts are in Indian Rupees Millions except share data and unless otherwise stated)

3A. Property, plant and equipment and capital work-in-progress - Reconciliation of carrying amount

Particulars	Freehold land	Freehold buildings	Plant and equipment	Data processing equipments	Office equipment	Furniture and fittings	Total
Gross Block							
At March 31, 2023	**253.15**	**-**	**-**	**-**	**-**	**-**	**253.15**
Additions	9.90	95.93	201.49	-	-	-	**307.32**
Disposals	-	-	-	-	-	-	-
At March 31, 2024	**263.05**	**95.93**	**201.49**				**560.47**
Additions	-	818.70	962.56	15.09	87.41	6.31	1,890.07
Disposals	-	-	-	-	(0.01)	-	(0.01)
At March 31, 2025	**263.05**	**914.63**	**1,164.05**	**15.09**	**87.40**	**6.31**	**2,450.53**
Accumulated depreciation							
At March 31, 2023	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation for the year	-	0.13	0.58	-	-	-	0.71
Disposals	-	-	-	-	-	-	-
At March 31, 2024	**-**	**0.13**	**0.58**	**-**	**-**	**-**	**0.71**
Depreciation for the year	-	4.36	32.60	0.37	1.84	0.05	39.22
Disposals	-	-	-	-	(0.00)	-	(0.00)
At March 31, 2025	**-**	**4.49**	**33.18**	**0.37**	**1.84**	**0.05**	**39.93**
Net Block							
At March 31, 2024	263.05	95.80	200.91	-	-	-	559.76
At March 31, 2025	**263.05**	**910.14**	**1,130.87**	**14.72**	**85.56**	**6.26**	**2,410.60**

Capital work-in-progress

At March 31, 2024	1,372.00
At March 31, 2025	**3,034.25**

Capital work -in -Progress- Movement

Particulars	March 31, 2025	March 31, 2024
Balance at the beginning of the year	1,372.00	193.23
Additions*	3,552.32	1,486.09
Capitalised during the year	(1,890.07)	(307.32)
Balance at the end	**3,034.25**	**1,372.00**

*Includes finance cost capitalized amounting to Rs. 128.60 millions (March 31, 2024: Rs. 0.93 millions)

Ageing Schedule for Capital work -in -Progress as below

Particulars	Capital work-in-progress	Amount in Capital work-in-Progress for a period of				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
March 31, 2025	Projects in progress	2,791.88	242.04	0.33	-	3,034.25
	Total	**2,791.88**	**242.04**	**0.33**	-	**3,034.25**
March 31, 2024	Projects in progress	1,371.67	0.33	-	-	1,372.00
	Total	**1,371.67**	**0.33**	-	-	**1,372.00**

i) There is no project which is temporarily suspended.
ii) Project execution plans are modulated basis capacity requirement assessment on an annual basis and all the projects are executed as per rolling plans.
iii) Projects in progress are neither overdue nor exceeds its cost when compared to its original plan during the current or previous year.
iv) For details of security on certain property, plant and equipment, refer note 10.
v) For contractual commitments - refer note 25.
vi) The Company has not revalued its property, plant and equipment during the current or previous year.

3B. Intangible assets - Reconciliation of carrying amount

Particulars	Software	Total
Gross Block		
At March 31, 2023	**-**	**-**
Additions	-	-
Disposals	-	-
At March 31, 2024	**-**	**-**
Additions	2.13	2.13
Disposals	-	-
At March 31, 2025	**2.13**	**2.13**
Accumulated amortisation		
At March 31, 2023	**-**	**-**
Amortisation for the year	-	-
Disposals	-	-
At March 31, 2024	**-**	**-**
Amortisation for the year	0.01	0.01
Disposals	-	-
At March 31, 2025	**0.01**	**0.01**
Net Block		
At March 31, 2024	-	-
At March 31, 2025	**2.12**	**2.12**

(All amounts are in Indian Rupees Millions except share data and unless otherwise stated)

4. Financial Assets-Non Current
4. Other financial assets (Unsecured, considered good)

Particulars	As at March 31, 2025	As at March 31, 2024
Deposits with remaining maturity more than 12 months	10.00	2.50
Security deposits	13.23	5.22
Total	**23.23**	**7.72**

5. Other assets
5A. Non-current (Unsecured, considered good)

Particulars	As at March 31, 2025	As at March 31, 2024
Capital advances	267.20	333.69
Balance with government authorities	79.96	-
Total	**347.16**	**333.69**

5B. Current (Unsecured, considered good)

Particulars	As at March 31, 2025	As at March 31, 2024
Balance with government authorities	461.60	135.12
Prepaid expenses	17.58	8.71
Advance to suppliers	3.65	7.20
Total	**482.83**	**151.03**

6. Inventories (at lower of cost and net realisable value)

Particulars	As at March 31, 2025	As at March 31, 2024
Raw materials*	44.12	2.73
Packing materials	5.12	0.06
Work-in-progress	12.10	0.01
Finished goods	2.64	0.25
Stores, spares and consumables	12.62	1.83
Total	**76.60**	**4.88**

*includes raw materials-in-transit Rs. 5.46 million (March 31, 2024 - Nil)

i) For details of inventories hypothecated against borrowings refer note 10.

7.Financial Assets
7A. Trade receivables (Unsecured)

Particulars		As at March 31, 2025	As at March 31, 2024
(a) Considered good		620.28	0.27
Less : Allowance for doubtful trade receivables/credit loss		-	-
	(A)	**620.28**	**0.27**
(b) Significant increase in credit risk		-	-
(c) Credit impaired		-	-
Less : Allowance for doubtful trade receivables/credit loss		-	-
	(B)	-	-
Total	**(C=A+B)**	**620.28**	**0.27**

Refer note 28 for trade receivables due from related parties.
Trade receivables are non-interest bearing and are generally with credit period upto 180 days from the date of invoice or bill of lading date.
The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in Note 30.
For receivables secured against borrowings, refer note 10.

Ageing Schedule for Trade receivables as below

As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment						
	Not Due	< 6 months	6 months -1 year	1-2 Years	2-3 years	> 3 years	Total
(i) Undisputed Trade receivables - considered good	592.37	27.91	-	-	-	-	620.28
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total	**592.37**	**27.91**	-	-	-	-	**620.28**

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment						
	Not Due	< 6 months	6 months -1 year	1-2 Years	2-3 years	> 3 years	Total
(i) Undisputed Trade receivables - considered good	0.27	-	-	-	-	-	0.27
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total	**0.27**	-	-	-	-	-	**0.27**

(All amounts are in Indian Rupees Millions except share data and unless otherwise stated)

7B. Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Cash on hand	0.02	0.02
Balance with banks:		
On current accounts	25.60	30.16
Deposits with original maturity of less than 3 months	151.09	150.37
Total	**176.71**	**180.55**
Bank balances other than cash and cash equivalents stated above		
Deposits with remaining maturity for less than 12 months	26.05	-
Total	**26.05**	**-**

7C. Other financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Interest accrued but not due on deposits	-	0.07
Advance to employees	0.37	0.02
Deposits with remaining maturity for less than 12 months	2.50	-
Total	**2.87**	**0.09**

8. Share capital

Particulars	As at March 31, 2025	As at March 31, 2024
Authorized		
350,000,000 (March 31, 2024 : 250,000,000) equity shares of Rs.10/- each	3,500.00	2,500.00
Issued, subscribed and fully paid up		
330,000,000 fully paid up equity shares of Rs.10/- each (March 31, 2024 : 225,000,000 equity shares of Rs.10/- each)	3,300.00	2,250.00

8.1 Reconciliation of shares outstanding at the beginning and at the end of the year

Equity Shares	As at March 31, 2025		As at March 31, 2024	
	No.	Rs.	No.	Rs.
At the beginning of the year	22,50,00,000	2,250.00	6,00,00,000	600.00
Add: Shares issued during the year	10,50,00,000	1,050.00	16,50,00,000	1,650.00
Outstanding at the end of the year	**33,00,00,000**	**3,300.00**	**22,50,00,000**	**2,250.00**

8.2 Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares dividends in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

8.3 Details of shareholders holding more than 5% equity shares in the Company

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	% holding	No. of shares	% holding
Granules India Limited	33,00,00,000	100%	22,50,00,000	100%

8.4 Shares held by Promoters

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	% holding	No. of shares	% holding
Granules India Limited	33,00,00,000	100%	22,50,00,000	100%

8.5 There are no shares issued pursuant to contract without payment being received in cash or by way of bonus shares during the period of five years immediately preceding the reporting date.

9. Other equity
(Refer disclosure of other equity in Statement of changes in equity)

10. Non-current financial liabilities
10. Borrowings

Particulars	Non-current portion		Current maturities	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Loans from banks	3,115.11	189.63	-	-
Total	**3,115.11**	**189.63**	**-**	**-**

The details of secured loans are as under:

Name of the bank/financial insitutions	Outstanding as on March 31, 2025	Outstanding as on March 31, 2024	Sanction Amount	No of Installments	Rate of Interest
State Bank of India (INR) (Refer note (i) and (ii))	2,127.92	189.63	4,000.00	28 structured quarterly installments commencing from June-26	3 months MCLR+ 0.20% p.a
State Bank of India (USD) (Refer note (i) and (ii))	987.19	-			6 months SOFR+1.60% p.a

i) All secured term loans are secured by a paripassu first charge on the property, plant and equipment of present and future of the Company and a paripassu second charge of the current assets of present and future of the Company.

ii) The Company has not defaulted on payment of principal and interest thereon on above term loans.

(All amounts are in Indian Rupees Millions except share data and unless otherwise stated)

11. Provisions
11A. Non-current

Particulars	As at March 31, 2025	As at March 31, 2024
Gratuity (refer note 26)	2.05	0.09
Total	**2.05**	**0.09**

11B. Current

Particulars	As at March 31, 2025	As at March 31, 2024
Gratuity (refer note 26)	0.01	-
Compensated absences	5.04	-
Total	**5.05**	-

***Details of movement in provision for Compensated absences are as follows:**

	As at March 31, 2025	As at March 31, 2024
Balance as at beginning of the year	-	-
Provision made during the year, net of reversals	5.04	-
Provision used during the year	-	-
Balance as at end of the year	**5.04**	-

12. Deferred tax liability (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax liability		
Property, plant and equipment and intangible assets	24.10	-
Gross deferred tax liability	**24.10**	-
Deferred tax assets		
Employee benefit obligations	1.22	-
Business loss and unabsorbed depreciation	12.81	-
Preliminary expenses	0.79	
Gross deferred tax assets	**14.82**	-
Deferred tax liability (net)	**9.28**	-

(refer note 23 for movement in deferred tax balances)

Granules Life Sciences Private Limited
Notes to financial statements for the year ended March 31, 2025
(All amounts are in Indian Rupees Millions except share data and unless otherwise stated)

13. Current financial liabilities

13A. Trade payables

Particulars	As at March 31, 2025	As at March 31, 2024
Trade payables {refer note (b) below}		
Total outstanding dues of micro enterprises and small enterprises {refer note (a) below}	3.81	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	215.99	4.61
Total	**219.80**	**4.61**

Note (a) :

	As at March 31, 2025	As at March 31, 2024
i)The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	3.81	-
Interest due on the above	-	-
ii)The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Development Act (MSMED), 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iii)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 the MSMED Act, 2006.	-	-
iv)The amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
v)The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

The list of undertakings covered under MSMED was determined by the Company on the basis of information available with the Company and has been relied upon by the auditors.

Note (b) :

The Company's exposure to currency and liquidity risks related to trade payables is dislclosed in Note 30.

Refer Note 28 for trade payable to related parties.

Note (c) :

Ageing Schedule for Trade payables as below:

As on March 31, 2025

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 Years	> 3 years	Total
i) MSME	3.81	-	-	-	3.81
ii) Others	215.25	0.74	-	-	215.99
iii) Disputed dues-MSME	-	-	-	-	-
iv) Disputed dues-others	-	-	-	-	-
Total	**219.06**	**0.74**	-	-	**219.80**

As on March 31, 2024

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 Years	> 3 years	Total
i) MSME		-	-	-	-
ii) Others	4.61	-	-	-	4.61
iii) Disputed dues-MSME	-	-	-	-	-
iv) Disputed dues-others	-	-	-	-	-
Total	**4.61**	-	-	-	**4.61**

13B.Other financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Capital creditors	484.46	186.58
Employee benefits payable	9.48	0.79
Derivative liabilities (refer note 30)	19.33	-
Total	**513.27**	**187.37**

14.Other current liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory liabilities	7.24	2.00
Total	**7.24**	**2.00**

(All amounts are in Indian Rupees Millions except share data and unless otherwise stated)

15. Revenue from contracts with customers

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Sale of products	621.21	0.24
Other operating revenue*	0.02	-
Total	**621.23**	**0.24**

*includes sale of scrap

The operations of the Company are limited to one segment viz. pharmaceuticals products. Revenue from contract with customers is from sale of manufactured goods. Sale of products are made at a point in time and revenue is recognised upon satisfaction of the performance obligations which is typically upon dispatch / delivery. The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established. There is no significant financing component as the credit period provided by the Company is not significant.

Reconciliation of Revenue recognised with contract price

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Revenue as per the contracted price	621.23	0.24
Adjusted for :		
Less : Sales returns	-	-
Less : Rebates, fees and discounts	-	-
Total revenue from contracts with customers	**621.23**	**0.24**

The following table shows the distribution of the Company's revenue by Region-wise, based on the location of the customers:

Region	For the Year ended March 31, 2025	For the Year ended March 31, 2024
North America	620.50	-
India	0.73	0.24
Total revenue from contracts with customers	**621.23**	**0.24**

Timing of revenue recognition	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Goods transferred at a point in time	621.23	0.24
Total	**621.23**	**0.24**

16. Other income

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Interest income on deposits with banks	7.52	1.07
Total	**7.52**	**1.07**

17. Cost of materials consumed

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Inventory at the beginning of the year	2.79	-
Add: Purchases	380.08	3.28
	382.87	**3.28**
Less: Inventory at the end of the year	49.24	2.79
Cost of materials consumed	**333.63**	**0.49**

(All amounts are in Indian Rupees Millions except share data and unless otherwise stated)

18. Changes in inventory of work-in-progress and finished goods

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Inventories at the end of the year		
Finished goods	2.64	0.25
Work-in-progress	12.10	0.01
	14.74	**0.26**
Inventories at the beginning of the year		
Finished goods	0.25	-
Work-in-progress	0.01	-
	0.26	**-**
Total	**(14.48)**	**(0.26)**

19. Employee benefits expense

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Salaries, wages and bonus (refer note 26(b))	58.65	1.92
Contribution to provident and other funds (refer note 26(a))	3.50	-
Staff welfare expenses	3.38	0.38
Total	**65.53**	**2.30**

20. Finance costs

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Bank charges	1.53	**-**
Total	**1.53**	**-**

21. Depreciation and amortisation

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Depreciation (refer note 3A)	39.22	0.71
Amortisation (refer note 3B)	0.01	-
Total	**39.23**	**0.71**

22. Other expenses

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Consumption of stores and spares	8.02	-
Power and fuel	21.66	0.02
Effluent treatment expenses	1.72	-
Analytical fees	2.76	-
Other manufacturing expenses	2.71	-
Repairs and maintenance		
Plant and machinery	8.26	-
Buildings	1.24	0.02
Others	5.75	-
Rates and taxes	7.92	-
Printing & stationery	2.62	0.15
Insurance	4.81	0.01
Remuneration to statutory auditors (refer note 27)	1.03	0.50
Carriage outwards and clearing charges	47.79	-
Business promotion expense	0.02	-
Communication expenses	0.76	-
Consultancy charges	2.06	0.08
Travelling and conveyance	4.87	-
Foreign exchange loss (net)	7.63	-
Miscellaneous expenses	6.94	0.48
Total	**138.57**	**1.26**

(All amounts are in Indian Rupees Millions except share data and unless otherwise stated)

23. Tax expense

(a) Tax expense:

Amount recognised in statement of profit and loss

Particulars	For the Year ended March 31, 2025	For the year ended March 31, 2024
Current tax	0.28	-
Deferred tax	9.27	-
Total tax expense recognised in statement of profit and loss	**9.55**	**-**

Note : The Company elected to exercise the option permitted under section 115BAB of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

Income tax recognised in other comprehensive income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
On re-measurement of defined benefit liability	(0.01)	-
Total	**(0.01)**	**-**

(b) Reconciliation of effective tax rate:

Particulars	For the Year ended March 31, 2025	For the year ended March 31, 2024
Profit before tax (A)	64.74	(3.19)
Enacted tax rate in India (B)	17.16%	17.16%
Expected tax expenses (C = A*B)	11.11	(0.55)
Differential tax rate for other income	-	0.09
Unrecognised deferred tax assets	-	0.46
Unrecognised deferred tax assets of previous year	(1.84)	-
Others	0.28	-
Tax expense	**9.55**	**-**
Effective tax rate	**14.76%**	**0.00%**

Movement in temporary differences:

Particulars	Balance as at April 1, 2024	Recognised in statement of profit or loss during the previous year	Recognised in OCI during the previous year	Balance as at March 31, 2025
On account of depreciation and amortization	-	(24.10)	-	(24.10)
On account of employee benefits	-	1.23	(0.01)	1.22
On account of others	-	13.60	-	13.60
Total	-	**(9.27)**	**(0.01)**	**(9.28)**

Deffered tax assets were not created in previous year. Accordingly, movement in temporary differences for the previous year is not applicable

24. Earning per equity share (EPS)

Particulars	For the Year ended March 31, 2025	For the year ended March 31, 2024
Earnings		
Profit for the year	55.19	(3.19)
Weighted average shares used for computing of basic EPS	2,580.55	1,396.46
Earnings per share		
- Basic (in INR)	0.02	(0.00)
- Diluted (in INR)	0.02	(0.00)

Granules Life Sciences Private Limited
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(All amounts are in Indian Rupees Millions except share data and unless otherwise stated)

25. Contingent liabilities and commitments

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Contingent liabilities:		
Claims arising from disputes not acknowledged as debts	Nil	Nil

Particulars	As at March 31, 2025	As at March 31, 2024
(ii)Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances	1,145.04	680.68

26. Employee benefits
a) Defined contribution plan

Particulars	March 31, 2025	March 31, 2024
Contribution to provident fund	3.41	-
Contribution to employee state insurance	0.09	-
Total	**3.50**	-

b)The Company has a defined benefit gratuity plan as per the Payment of Gratuity Act, 1972. Under this legislation, employee who has completed five years of service is entitled to specific benefit. The level of benefit provided depends on the employee's length of service and salary at retirement/termination age.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

Particulars	Defined benefit obligation	Net defined benefit (asset)/liability
Balance as on March 31, 2023	-	-
Current service cost	0.09	0.09
Interest expense	-	-
Amount recognised in Statement of profit and loss	**0.09**	**0.09**
Remeasurements:		
Actuarial loss arising from:		
Demographic assumptions	-	-
Financial assumptions	-	-
Experience adjustment	-	-
Amount recognised in other comprehensive income	-	-
Benefits paid	-	-
Balance as at March 31, 2024	**0.09**	**0.09**
Current service cost	2.03	2.03
Interest expense	0.01	0.01
Amount recognised in Statement of profit and loss	**2.04**	**2.04**
Remeasurements:		
Actuarial (gain)/loss arising from:		
Demographic assumptions	-	-
Financial assumptions	0.04	0.04
Experience adjustment	(0.11)	(0.11)
Amount recognised in other comprehensive income	**(0.07)**	**(0.07)**
Benefits paid	-	-
Balance as at March 31, 2025	**2.06**	**2.06**

Particulars	As at March 31, 2025	As at March 31, 2024
Non-current	2.05	0.09
Current	0.01	0.00

(All amounts are in Indian Rupees Millions except share data and unless otherwise stated)

	2.06	**0.09**

(i) The assumptions used for gratuity valuation are as below:

Particulars	For the Year ended March 31, 2025	For the year ended March 31, 2024
Interest rate	7.04%	7.25%
Discount rate	7.04%	7.25%
Salary increase	8% to 10.0%	8% to 10.0%
Attrition rate	15.00%	15.00%
Retirement age - Years	60	60

Assumptions regarding future mortality experience are set in accordance with published statistics and mortality tables.
The weighted average duration of the defined benefit obligation was 10.00 years (March 31, 2024: 11.00 years)
The defined benefit plan expose the Company to actuarial risks, such as longevity and interest rate risk.

(ii) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions are as below:

Particulars	For the Year ended March 31, 2025		For the year ended March 31, 2024	
	Increase	Decrease	Increase	Decrease
Discount rate	(0.17)	0.19	(0.01)	0.01
Salary increase	0.20	(0.18)	0.01	(0.01)
Attrition rate	(0.08)	0.08	(0.00)	0.00

Sensitivity of significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of defined benefit obligation by one percentage, keeping all other actuarial assumptions constant. Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumption shown.

Maturity profile of defined benefit obligation

Particulars	For the Year ended March 31, 2025	For the year ended March 31, 2024
1st Following year	0.01	0.00
2nd Following year	0.01	0.00
3rd Following year	0.01	0.00
4th Following year	0.14	0.00
5th Following year	0.42	0.02
After 5 years	3.67	0.19

(All amounts are in Indian Rupees Millions except share data and unless otherwise stated)

27. Remuneration to statutory auditors

Particulars	For the Year ended March 31, 2025	For the year ended March 31, 2024
As Auditor (excluding applicable taxes)		
Statutory audit	1.00	0.50
Reimbursement of expenses	0.03	-
Total	**1.03**	**0.50**

28. Related party disclosures

28A. Names of related parties and description of relationship

Name of the related party	Relationship
1.Granules India Limited	Holding company
2. Granules Consumer Health, Inc	Entities under common control of Holding company
3. Product Armor Packaging Private Limited	Enterprises over which key management personnel - directors or their relatives exercise significant influence
Key managerial personnel	
Directors	
Dr. Krishna Prasad Chigurupati	Director
Ms. Priyanka Chigurupati (upto March 30, 2024)	Director
Mrs. Uma Devi Chigurupati (from March 30, 2024)	Director
Mr. Rajiv Pritidas Kakodkar (from March 30, 2024)	Director
Others	
Mr. Mukesh Surana (from March 30, 2024)	Chief Financial Officer
Mrs. Chaitanya Tummala (from March 26, 2025)	Company Secretary

28B. Transactions during the year

Particulars	March 31, 2025	March 31, 2024
a) Holding company		
i) Granules India Limited		
Issue of equity share capital	1,050.00	1,650.00
Purchases of goods	222.31	1.44
Purchase of property, plant and equipment	48.12	-
Reimbursements	104.14	-
Corporate guarantee	3.75	189.63
Services received	1.47	1.58
b) Entities under common control of Holding company		
i) Granules Consumer Health, Inc		
Sale of products	620.50	-
c) Transactions with enterprises over which key management personnel - directors or their relatives exercise significant influence		
i) Product Armor Packaging Private Limited		
Purchases of goods	0.05	-

28C. Closing Balance

Particulars	March 31, 2025	March 31, 2024
a) Holding company		
i) Granules India Limited		
Equity share capital	3,300.00	2,250.00
Trade payables	182.29	3.14
Corporate guarantee	-	189.63
Other receivables	104.14	
Other payables	1.59	-
b) Entities under common control of Holding company		
i) Granules Consumer Health, Inc		
Trade Receivables*	619.78	-

*Foreign currency balances included above have been shown at restated values arrived by using the closing exchange rates

(All amounts are in Indian Rupees Millions except share data and unless otherwise stated)

29. Fair Values

The management assessed that cash and cash equivalents, trade receivables, borrowings, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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.

Fair Valuation measurement hierarchy

The following table shows the carrying amounts and fair values of financial assets and liabilities including their levels of fair value hierarchy:

Particulars	As at March 31, 2025						
	Carrying amount				Fair Value		
	Mandatorily at fair value through profit and loss (FVTPL)	Fair value through other comprehensive income (FVOCI)	Assets/ liabilities at amortised cost method	Total carrying amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
i) Financial assets							
a) Financial assets not measured at fair value							
Other non current financial assets	-	-	23.23	23.23	-	-	-
Trade receivables	-	-	620.28	620.28	-	-	-
Cash and cash equivalents	-	-	176.71	176.71	-	-	-
Bank balances other than cash and cash equivalents	-	-	26.05	26.05	-	-	-
Other current financial assets	-	-	2.87	2.87	-	-	-
	-	-	**849.14**	**849.14**	-	-	-
ii) Financial liabilities							
a) Financial liabilities not measured at fair value							
Non-current borrowings	-	-	3,115.11	3,115.11	-	-	-
Trade payables	-	-	219.80	219.80	-	-	-
Other current financial liabilities	-	-	513.27	513.27	-	-	-
	-	-	**3,848.18**	**3,848.18**	-	-	-

Particulars	As at March 31, 2024						
	Carrying amount				Fair Value		
	Mandatorily at fair value through profit and loss (FVTPL)	Fair value through other comprehensive income (FVOCI)	Assets/ liabilities at amortised cost method	Total carrying amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
i) Financial assets							
a) Financial assets not measured at fair value							
Cash and cash equivalents	-	-	180.55	180.55	-	-	-
Other non current financial assets	-	-	7.72	7.72			
Trade receivables	-	-	0.27	0.27	-	-	-
Other current financial assets	-	-	0.09	0.09	-	-	-
	-	-	**188.63**	**188.63**	-	-	-
ii) Financial liabilities							
a) Financial liabilities not measured at fair value							
Non-current borrowings	-	-	189.63	189.63	-	-	-
Trade payables	-	-	4.61	4.61	-	-	-
Other current financial liabilities	-	-	187.37	187.37	-	-	-
	-	-	**381.61**	**381.61**	-	-	-

(All amounts are in Indian Rupees Millions except share data and unless otherwise stated)

30. Financial risk management

Framework

The Company is exposed primarily to Credit Risk, Liquidity Risk and Market risk (fluctuations in foreign currency exchange rates and interest rate), 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.

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 analyzing 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, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk, except for trade receivables.

Ind AS requires expected credit losses to be measured through a loss allowance. 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. Company’s exposure to single customer contributes 100% of outstanding trade receivable as of March 31, 2025.

Before accepting any new customer, the Company uses an external/internal credit scoring system to assess the potential customer's credit quality and defines credit limits of customer. Limits and scoring attributed to customers are reviewed at periodic intervals. 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.

Credit risk on financial assets, except trade receivables is limited as the company generally transacts with banks and financial institutions with high credit rating assigned by international and domestic credit rating agencies.

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 facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of March 31, 2025:

Particulars	Carrying value	Less than 1 year	1-2 years	2-5 years	>5 years	Total
Non current borrowings	3,115.11	-	200.00	1,000.00	1,915.11	3,115.11
Trade payables	219.80	219.80	-	-	-	219.80
Other financial liabilities	513.27	513.27	-	-	-	513.27

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of March 31, 2024:

Particulars	Carrying value	Less than 1 year	1-2 years	2-5 years	>5 years	Total
Non current borrowings*	189.63	-	-	189.63	-	189.63
Trade payables	4.61	4.61	-	-	-	4.61
Other financial liabilities	187.37	187.37	-	-	-	187.37

*Excluding interest as borrowings are subject to floating interest rate

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 Company’s exposure to market risk is primarily on account of foreign currency exchange rate risk.

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.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Company’s profit after tax and equity is affected through the impact on borrowings, as follows:

Particulars	Change in basis points	March 31, 2025	March 31, 2024
INR - Borrowings	+100	(17.63)	(1.57)
	-100	17.63	1.57
USD - Borrowings	+100	(8.18)	-
	-100	8.18	-

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 USD/EURO against the functional currencies of the Company.

The year end foreign currency exposures are as under -

(All amounts are in Indian Rupees Millions)

Particulars	March 31, 2025		
	USD	EURO	Others
Assets			
Trade receivables	619.78	-	-
Total	**619.78**	**-**	**-**
Liabilities			
Non current borrowings	987.19	-	-
Trade payables	3.11	-	-
Other financial liabilities	55.51	151.85	-
Total	**1,045.81**	**151.85**	**-**

Particulars	March 31, 2024		
	USD	EURO	Others
Liabilities			
Other financial liabilities	0.59	36.04	-
Total	**0.59**	**36.04**	**-**

Sensitivity analysis:

The following tables demonstrate the sensitivity to a reasonably possible change in US Dollars (USD) and Euro exchange rates, with all other variables held constant. The impact on the Company's profit after tax and equity is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

Particulars	Change in rate	USD	EURO
March 31, 2025	1%	-3.53	-1.26
	-1%	3.53	1.26
March 31, 2024	1%	0.00	0.30
	-1%	(0.00)	(0.30)

Commodity rate risk

Exposure to market risk with respect to commodity prices primarily arises from the Company's purchases and sales of active pharmaceutical ingredients, including the raw material components for such active pharmaceutical ingredients. These are commodity products, whose prices may fluctuate significantly over short periods of time. The prices of the Company's raw materials generally actuate in line with commodity cycles, although the prices of raw materials used in the Company's active pharmaceutical ingredients business are generally more volatile. The 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, 2025, the Company had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

Fair value hedges

(i) Impact of hedging activities:

The Company uses foreign exchange forward contracts to hedge against the foreign currency risk of non current borrowings (hedged item). Such derivative financial instruments are governed by the Company's policies approved by the Board of Directors, which provide written principles on the use of such instruments consistent with the Company's risk management strategy. As the value of the derivative instrument generally changes in response to the value of the hedged item, the economic relationship is established.

Disclosure of effects of hedge accounting in the Company's balance sheet

The Company is holding the following foreign exchange forward contracts

Particulars	Nominal Amount	Carrying Amount		Maturity	Hedge Ratio*	Forward Rate (INR/USD)
		Assets	Liabilities			
As at March 31, 2025						
Foreign exchange forward contracts (refer note 13B)	987.19	-	19.33	Jul-25	1:1	87.76
As at March 31, 2024						
Foreign exchange forward contracts	-	-	-	-	-	-

*The foreign currency forward contracts are denominated in the same currency as the hedged item, therefore hedge ratio of 1:1.

Hedge effectiveness is determined at the inception of hedge relationship and through periodic prospective effectiveness assessment to ensure that an economic relationship exists between the hedged item and hedging instruments. It is calculated by comparing changes in fair value of the hedged item, with the changes in fair value of the hedging instrument.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing.

(All amounts are in Indian Rupees Millions except share data and unless otherwise stated)

31. Segment reporting

A. Basis for segmentation

The operations of the Company are limited to one segment viz. Pharmaceutical products including ingredients and intermediaries. The products being sold under this segment are of similar nature and comprises of pharmaceutical products only. The Company's Chief Operating Decision Maker (CODM) reviews the internal management reports prepared based on aggregation of financial information of the Company on a periodic basis, for the purpose of allocation of resources and evaluation of performance. Accordingly, management has identified pharmaceutical segment as the only operating segment for the Company.

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

Revenue from single external customer does not exceed 10% of Company's total revenue from operations during the current or previous year.

The Company is engaged in the manufacture of Pharmaceuticals, which in the context of Ind AS 108 is considered only business segment.

Particulars	March 31, 2025			March 31, 2024		
	Outside India	Within India	Total	Outside India	Within India	Total
Revenue from operations	620.50	0.73	621.23	-	0.24	0.24
Non-current assets (refer note i)	-	5,794.14	5,794.14	-	2,265.45	2,265.45

Note:

i) Non-current assets for this purpose consist of property, plant and equipment, capital work in progress, intangible assets and other non-current assets.

32. 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 equity. Net debt consists of borrowings including interest accrued on borrowings, less cash and cash equivalents and other bank balances.

Particulars	March 31, 2025	March 31, 2024
Borrowings	3,115.11	189.63
Less: cash and cash equivalents and other bank balances	(202.76)	(180.55)
Net debt	**2,912.35**	**9.08**
Equity	3,300.00	2,250.00
Other equity	31.90	(23.35)
Total equity	**3,331.90**	**2,226.65**
Capital gearing ratio	0.87	0.00

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.

Granules Life Sciences Private Limited
Notes to financial statements for the year ended March 31, 2025
(All amounts are in Indian Rupees Millions except share data and unless otherwise stated)

33. Financial Ratios

Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	% Variance	Reason for variance
Current Ratio	1,385.34	745.36	1.86	1.74	7%	NA
Debt Equity Ratio	3,115.11	3,331.90	0.93	0.09	998%	Ratios are not comparable as the current financial year is first full year of operations
Debt Service Coverage Ratio	64.74	128.60	0.50	-3.42	115%	
Return on Equity Ratio	55.19	2,779.28	0.02	(0.00)	963%	
Inventory Turnover Ratio	621.23	40.74	15.25	0.05	30906%	
Trade Receivables Turnover Ratio	621.23	310.28	2.00	0.89	125%	
Trade Payables Turnover Ratio	380.08	112.21	3.39	0.71	376%	
Net capital turnover ratio	621.23	639.98	0.97	0.00	57673%	
Net profit ratio	55.19	621.23	0.09	(13.29)	101%	
Return on Capital employed	64.74	4,258.72	0.02	(0.00)	900%	
Return on investment	7.52	171.25	0.04	0.01	518%	

Basis for Calculating above Ratios as below

1. Current Ratio	Current Assets/Current liabilities
2. Debt -Equity Ratio	Total borrowing (current + non current)/Shareholder's Equity
3. Debt Service Coverage Ratio	Earnings available for debt service /Debt Service
4. Return on equity	Net Profit after Tax/Average Shareholder's Equity
5. Inventory Turnover Ratio	Revenue from operations/Average Inventory
6. Trade Receivables Turnover Ratio	Revenue from operations/Average Trade Receivable
7. Trade Payables Turnover Ratio	Net Purchases/Average Trade Payables
8. Net Capital Turnover Ratio	Revenue from operations/Working Capital (Current assets less Current liabilities)
9. Net Profit Ratio	Net profit after tax /Revenue from operations
10. Return on Capital Employed	Earnings before interest and Tax/Average Capital Employed (Total assets less Current liabilities less cash and cash equivalents plus current borrowings)
11. Return on investment	Interest generated from Invested funds/ Average invested funds in treasury investments

34. Other Statutory information
i) There are no proceedings initiated or pending against the company as at March 31, 2025, under Prohibition of Benami Property Transaction Act, 1988 (As
ii)The Company does not have any transactions with companies struck off as per Section 248 of the Companies Act, 2013 and Section 560 of the Companies Act,
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)
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
viii) The Company 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.
ix) The Company has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act for the above transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).
x) Title deeds of all immovable properties were held in the name of the Company.

35. Subsequent event
No significant subsequent events have been observed till May 28, 2025 which may require any additional disclosure or an adjustment to the financial statements.

As per our report of even date attached

for S.R. Batliboi and Associates LLP
Chartered Accountants
Firm registration number: 101049W/E300004

Navneet Kabra
Partner
Membership No : 102328

Place: Hyderabad
Date: May 28, 2025

for and on behalf of the Board of Directors of
Granules Life Sciences Private Limited
CIN : U24290TG2020PTC146042

Dr. Krishna Prasad Chigurupati
Director
DIN : 00020180

Umadevi Chigurupati
Director
DIN : 00737689

Mukesh Surana
Chief Financial Officer

Chaitanya Tummala
Company Secretary

Place: Hyderabad
Date: May 28, 2025