Granules Pharmaceuticals Inc.
Consolidated Balance Sheet as at March 31, 2026
(All amounts are in USD thousands except share data and unless otherwise stated)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Property, plant and equipment	3A	52,080	52,921
Capital work-in-progress	3B	5,707	2,023
Other intangible assets	3C	17,909	20,349
Intangible assets under development	3D	201	202
Right-of-use assets	3E	5,379	6,110
Financial assets			
(i) Investments	4A	-	2,482
(iii) Other financial asset	4D	91	91
Deferred tax assets(net)	19	-	911
Income tax assets(net)		2,683	-
Other non-current assets	5A	818	106
Total non-current assets		**84,868**	**85,195**
Current assets			
Inventories	5C	1,33,328	1,06,133
Financial assets			
(i) Trade receivables	4B	42,211	46,631
(ii) Cash and cash equivalents	4C	25,480	10,234
(iii) Bank balances other than Cash and cash equivalents as stated above	4C	-	12,832
Other current assets	5B	2,145	1,651
Total current assets		**2,03,164**	**1,77,481**
Total assets		**2,88,032**	**2,62,676**
Equity and liabilities			
Equity			
Equity share capital	6	4	4
Other equity	7	1,60,997	1,23,326
Total equity		**1,61,001**	**1,23,330**
Liabilities			
Non-current liabilities			
Deferred tax liabilities (net)	19	1,680	-
Financial liabilities			
(i) Lease liabilities	3E	5,720	6,372
Total non-current liabilities		**7,400**	**6,372**
Current liabilities			
Financial liabilities			
(i) Borrowings	8A	640	19,716
(ii) Lease liabilities	3E	652	610
(iii) Trade payables	8B	1,12,855	1,05,381
(iv) Other financial liabilities	8C	5,373	6,188
Other current liabilities	9	111	500
Current tax liabilities		-	579
Total current liabilities		**1,19,631**	**1,32,974**
Total equity and liabilities		**2,88,032**	**2,62,676**

Material accounting policies 2

The accompanying notes are an integral part of the Consolidated Financial Statements

Granules Pharmaceuticals Inc.
Consolidated Statement of Profit and Loss for the year ended March 31, 2026
(All amounts are in USD thousands except share data and unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
Revenue from operations	10	4,13,684	3,46,304
Other income	11	579	1,536
Total income		**4,14,263**	**3,47,840**
Expenses			
Cost of materials consumed	12	2,75,838	2,13,610
Changes in inventory of work-in-progress and finished goods	13	(25,421)	8,136
Employee benefits expense	14	35,979	32,037
Depreciation and Amortisation	15	9,000	8,778
Finance costs	16	4,734	4,624
Impairment of financial assets	4B	453	114
Other expenses	17	66,681	55,130
Total expenses		**3,67,264**	**3,22,429**
Profit before exceptional items		**46,999**	**25,411**
Exceptional Items	18	198	-
Profit before tax		**47,197**	**25,411**
Tax expense			
(i) Current tax	19	6,935	8,803
(ii) Deferred tax	19	2,591	(3,485)
Tax expense		**9,526**	**5,318**
Profit for the year		**37,671**	**20,093**
Other comprehensive income (OCI)			
Items that will be reclassified to profit or loss		-	-
Items that will not reclassified subsequently to profit or loss		-	-
Other comprehensive income for the year		**-**	**-**
Total comprehensive income for the year		**37,671**	**20,093**
Earnings per share:			
Equity shares of par value of USD 1 each	20		
Basic EPS (In USD)		8,974	4,807
Diluted EPS (In USD)		8,974	4,807
Material accounting policies	2		
The accompanying notes are an integral part of these Consolidated Financial Statements			

Granules Pharmaceuticals Inc.
Consolidated Statement of Changes in Equity for the year ended March 31, 2026
(All amounts are in USD thousands except share data and unless otherwise stated)

Equity share capital (refer note 6)

Particulars	Balance at the beginning of the year	Shares issued during the year	Shares bought back during the year	Balance at the end of the year
March 31, 2026	**4**	**-**	**-**	**4**
March 31, 2025	4	-	-	4

Other Equity (refer note 7)

Particulars	Reserves and Surplus				Total other Equity
	Securities Premium	Common control capital reserve (refer note 23)	Employee Stock Option Outstanding	Retained Earnings	
Balance at the beginning of the previous year	**81,079**	**70**	**668**	**22,084**	**1,03,901**
Settlement of employee stock options (refer note 22)	-	-	(668)	-	(668)
Profit for the year	-	-	-	20,093	20,093
Balance at the end of the previous year	**81,079**	**70**	**-**	**42,177**	**1,23,326**
Profit for the year	-	-	-	37,671	37,671
Balance at the end of the current year	**81,079**	**70**	**-**	**79,848**	**1,60,997**

The accompanying notes are an integral part of these Consolidated Financial Statements

Granules Pharmaceuticals Inc.
Statement of Cash Flow for the year ended March 31, 2026
(All amounts are in USD thousands except share data and unless otherwise stated)

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
Cash flow from/ (used in) operating activities			
Net profit before tax		**47,197**	**25,411**
Adjustments for:			
Depreciation and amortisation		9,000	8,778
Bad debts written off		405	-
Impairment of financial assets		453	114
Loss on sale/(disposal) of property, plant and equipment (net)		314	77
Unrealised foreign exchange loss/(gain)		135	(135)
Gain on sale of investment		(2,958)	-
Finance cost		4,734	4,624
Settlement of employee stock options		-	(668)
Interest income		(290)	-
Operating profit before working capital changes		**58,990**	**38,201**
Movements in working capital:			
(Increase)/decrease in trade receivables		3,562	(7,720)
(Increase)/decrease in inventories		(27,195)	8,844
(Increase)/decrease in other financial and non financial assets		(494)	1,590
Increase/(decrease) in trade payables and other financial & non financial liabilities		6,111	(20,579)
Cash generated from operations		**40,974**	**20,336**
Direct taxes paid (net of refunds)		(10,197)	(6,271)
Net cash flow generated in operating activities	**(A)**	**30,777**	**14,065**
Cash flow (used in)/ from investing activities			
Purchase of property, plant and equipment and intangible assets, including capital work-in-progress, intangible assets under development, capital advances and capital creditors		(7,855)	(3,859)
Proceeds from sale of property, plant & equipment		57	21
Proceeds of sale of investments		3,700	-
Movement in other bank balances		12,697	(12,697)
Interest received		290	-
Net cash flow (used in)/from investing activities	**(B)**	**8,889**	**(16,535)**
Cash flow (used in)/ from financing activities			
Proceeds from/(repayment of) current borrowings		(18,642)	1,282
Repayment of lease liabilities (including related interest)		(948)	(924)
Finance cost paid		(4,830)	(3,833)
Net cash flow (used in)/ from financing activities	**(C)**	**(24,420)**	**(3,475)**
Net increase in cash and cash equivalents	**(A) + (B) + (C)**	**15,246**	**(5,945)**
Cash and cash equivalents at the beginning of the year		10,234	16,179
Cash and cash equivalents at the end of the year		**25,480**	**10,234**
Components of cash and cash equivalents:			
Balances with banks			
In current accounts		25,480	10,234
Total cash and cash equivalents (Refer note 4C)		**25,480**	**10,234**

Granules Pharmaceuticals Inc.

Statement of Cash Flow for the year ended March 31, 2026

(All amounts are in USD thousands except share data and unless otherwise stated)

Changes in liabilities arising from financing activities	Lease liabilites	Borrowings excluding interest (Refer note 8A)	Finance cost
Opening as on March 31, 2024	**7,539**	**18,000**	**10**
Proceeds from borrowing during the year (net)	-	1,282	-
Finance cost	367	-	4,257
Payment of lease liabilities	-924	-	
Finance cost paid	-	-	(3,833)
Closing as on March 31, 2025	**6,982**	**19,282**	**434**
Repayment of borrowing during the year (net)	-	(18,642)	-
Finance cost	338	-	4,396
Payment of lease liabilities	-948	-	-
Finance cost paid	-	-	(4,830)
Closing as on March 31, 2026	**6,372**	**640**	**-**

The above statement of cash flow 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 these Consolidated Financial Statements

Granules Pharmaceuticals Inc.
Notes to Consolidated Financial Statements for the year ended March 31, 2026
(All amounts are in USD thousands except share data and unless otherwise stated)

1 Group overview

1.1 Reporting entity

The Consolidated financial statements relate to Granules Pharmaceuticals, Inc ("GPI" or the "Company"), and its wholly owned subsidiary Granules Consumer Health ("GCH"). The Company and its subsidiary constitute the Group.

GPI is domiciled in United States of America (USA), with its registered office situated at Delaware, USA. The Company has been incorporated on October 20, 2014. The company is wholly owned subsidiary of Granules India Limited ('GIL'), a Company incorporated in India. The Company is primarily involved in Research & Development and manufacturing and selling of Finished Dosages (FDs).

GCH is also domiciled in USA. GCH has been incorporated on June 15, 2021 as a wholly owned subsidiary of GUSA in Delaware, USA. GCH primarily focuses on marketing over-the-counter (OTC) medications to retailers. GCH opened a packaging facility which is FDA approved in Manassas, Virginia to support its business.

1.2 Basis of preparation of Consolidated Financial Statements

a) Statement of compliance

The Consolidated financial statements have been prepared in conformity with the group accounting policies of Granules India Limited ('GIL') which are 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.

These Consolidated financial statements have been prepared for the Group as a going concern on the basis of relevant Ind AS that are effective at the Group's annual reporting date, March 31, 2026. The Consolidated financial statements were authorised for issuance by the Company's Board of Directors on April 27, 2026.

The Consolidate Financial Statements are presented in USD and all values are rounded to the nearest thousands, except when otherwise indicated.

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

b) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

c) Basis for Consolidation

Subsidiaries

Subsidiaries are all entities that are controlled by the Company. Control exists when the Company is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The financial statements of subsidiaries are included in these Consolidated Financial Statements from the date that control commences until the date that control ceases. For the purpose of preparing these Consolidated Financial Statements, the accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Company.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in full while preparing these Consolidate Financial Statements.

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in full while preparing these Consolidated Financial Statements.

d) Functional and presentation currency

The currency of the primary economic environment in which the Group generates and expends Cash is U.S. Dollar (USD). Hence, the functional currency of the Group is determined as USD. These Consolidate Financial Statements are presented in USD. All amounts have been rounded-off to the nearest thousands, unless otherwise indicated.

e) Basis of measurement

These Consolidated 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.

f) Use of estimates and judgements

The preparation of the consolidated 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 Conoslidated 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 Consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Consolidated financial statements.

Judgements

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

• Note 1.2 (d) - Assessment of functional currency;
• Note 2 (a) - Financial instruments;
• Note 19 - Provision for income taxes, duties/tax contingencies and Evaluation of Recoverability of deferred tax assets.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2026 is included in the following notes:

• Note 2 (g) & 21 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
• Note2(e) - Provision for inventories.
• Note 2(c) - Useful lives of property, plant and equipment.
• Note 2(d) - Useful lives of Intangible assets.
•Note 2(f) - Measurement of recoverable amount of cash generated units; impairment of tangible and intangible assets.

g) Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group 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 2 (a) (i) – financial instruments.

2 Significant 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 Group becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are initially measured at fair values. Transaction costs that are directly attributable to the acquisition 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;
— FVOCI – debt investment;
— FVOCI – equity investment; or
— FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group 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 Group 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 Group 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.
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. Other 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 Group 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 Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group 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 Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.
The Group 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 Group 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. 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 Group's cash management. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Cash dividend to equity holders

The Company recognises a liability to make cash to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. A corresponding amount is recognised directly in equity. Interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

b. Foreign Currency

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.

c. 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.

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.

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. Freehold land is not depreciated. The estimated useful life of assets is given below:

Class of asset	Useful life
Building	30 years
Lease hold improvements	11 years
Plant and machinery and R&D equipment	3-20 years
Office equipment	5 years
Data processing equipment	3-6 years
Furniture and fixtures	10 years
Vehicles	5-8 years

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 (up to) the date on which asset is ready for use (disposed off).

iv. Capital advances

Advances paid towards acquisition of tangible fixed assets outstanding at each balance sheet date are shown under other non-current assets

d. Intangible assets

i. Initial recognition

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 Group 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.

ii. Subsequent expenditure

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

iii. Amortisation

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

Class of asset	Useful life
Computer software	5-10 years
Marketing rights	15 years
Technical knowhow	10 years
Product and other related intangibles	8-15 years

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

e. 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.

f. Impairment

i. Impairment of financial assets

The Group 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 Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and 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 Group 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.

ii. Impairment of 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.

g. Provisions

General:

A provision is recognised if, as a result of a past event, the Group 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 consolidated 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 Group 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 Group recognises any impairment loss on the assets associated with that contract.

h. Employee Benefits

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. Earnings Per Share ('EPS')

The earnings considered in ascertaining the Group's Earnings Per Share (EPS) comprise net profit after tax. 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.

j. Segment Reporting

An operating segment is a component of the Group 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 Group'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 Chairperson and Managing Director of the Group 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 Group operates in one reportable business segment i.e. "Pharmaceuticals".

k. Revenue

i. Sale of goods

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 applicable 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.

ii. Sales return allowances

The Group 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 Group's estimate of expected sales returns. The estimate of sales return is determined primarily by the Group's historical experience in the markets in which the Group operates.

iii. Interest income or expense

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

iv. Dividend income

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

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

m. Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- The contract involves use of an identified asset whether specified expilicity or implicity
- The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use;
- The Group has right to direct the use of the asset by either having right to operate the asset or the Group having designed the asset in a way that predetermines how and for what purpose it will be used.

As Lessee

The Group's lease asset classes primarily consist of leases for buildings and plant and machinery. The Group, at the inception of a contract, assesses whether the contract is a lease or not. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

The Group elected to use the following practical expedients on initial application:

- Applied a single discount with similar characteristics.
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in Ind AS 116. At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of buildings in which it is a lessee, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right- of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the Statement of Profit and Loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the date, discounted using the Group's incremental borrowing rate. The lease liability is commencement subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in Statement of Profit and Loss.
Lease payments included in the measurement of the lease liability comprise the following:
- Fixed payments including in-substance fixed payments
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date
- Amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Group and its associate is reasonably certain to exercise, lease payments in optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'financial liabilities' in the statement of financial position.

Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that The have a lease term of 12 months or less and leases for which the underlying asset is of low value. The Group recognises the lease payments associated with these leases as an expense in the Statement of Profit or Loss over the lease term.

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 Consolidated financial statements except when:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill;

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.

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

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Group has no impact of these amendments in its classification criteria of current and non-current liabilities.

2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its Consolidated financial statements.

3. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its Consolidated financial statements.

Granules Pharmaceuticals Inc.
Notes to Consolidated Financial Statements for the year ended March 31, 2026
(All amounts are in USD thousands except share data and unless otherwise stated)

3A. Property, Plant and Equipment - Reconciliation of carrying amount

Particulars	Freehold land	Freehold buildings	Leasehold Improvements	Plant and machinery	Data processing equipment	Office equipment	R&D Equipment	Furniture and fittings	Vehicles	Total
Gross carrying amount										
At March 31, 2024	**2,609**	**19,691**	**7,842**	**27,828**	**800**	**453**	**192**	**497**	**88**	**60,000**
Additions	-	420	333	5,831	308	77	373	77	-	7,419
Disposals	-	-	-	(146)	-	-	-	-	-	(146)
At March 31, 2025	**2,609**	**20,111**	**8,175**	**33,513**	**1,108**	**530**	**565**	**574**	**88**	**67,273**
Additions	-	1,863	157	1,287	48	-	12	50	-	3,417
Disposals	-	-	-	(1,604)	(30)	(3)	(36)	(52)	-	(1,725)
At March 31, 2026	**2,609**	**21,974**	**8,332**	**33,196**	**1,126**	**527**	**541**	**572**	**88**	**68,965**
Accumulated Depreciation										
At March 31, 2024	**-**	**3,097**	**608**	**6,212**	**440**	**103**	**104**	**193**	**85**	**10,842**
Depreciation for the year	-	655	734	1,875	132	101	12	47	2	3,558
Disposals	-	-	-	(48)	-	-	-	-	-	(48)
At March 31, 2025	**-**	**3,752**	**1,342**	**8,039**	**572**	**204**	**116**	**240**	**87**	**14,352**
Depreciation for the year	-	678	776	2,072	164	108	35	52	1	3,886
Disposals	-	-	-	(1,254)	(29)	(3)	(16)	(51)	-	(1,353)
At March 31, 2026	**-**	**4,430**	**2,118**	**8,857**	**707**	**309**	**135**	**241**	**88**	**16,885**
Net carrying amount										
At March 31, 2025	**2,609**	**16,359**	**6,833**	**25,474**	**536**	**326**	**449**	**334**	**1**	**52,921**
At March 31, 2026	**2,609**	**17,544**	**6,214**	**24,339**	**419**	**218**	**406**	**331**	**-**	**52,080**

i) The Group has not revalued its property, plant and equipment during the current or previous year.
ii) For contractual commitments refer note 21.

3B. Capital work -in-Progress

At March 31, 2026	**5,707**
At March 31, 2025	**2,023**

Movement during the year

At March 31, 2024	**5,922**
Additions during the year	3,520
Captializations during the year	(7,419)
At March 31, 2025	**2,023**
Additions during the year	7,101
Captializations during the year	(3,417)
At March 31, 2026	**5,707**

(All amounts are in USD thousands except share data and unless otherwise stated)

Ageing Schedule for Capital work -in-Progress as below

Particulars	March 31, 2026					March 31, 2025				
	Less than 1 year	1-2 years	2-3 years	>3 years	Total	Less than 1 year	1-2 years	2-3 years	>3 years	Total
Projects in Progress	5,530	177	-	-	**5,707**	587	1,380	56	-	**2,023**
Total	**5,530**	**177**	**-**	**-**	**5,707**	**587**	**1,380**	**56**	**-**	**2,023**

i) Projects in progress are neither overdue nor exceeds its cost when compared to its original plan during the current or previous year.
ii) For contractual commitments refer note 21.

3C. Intangible assets - Reconciliation of carrying amount

Particulars	Software	Marketing Rights	Techincal know how	Product and other related intangibles	Total
Gross carrying amount					
At March 31, 2024	**522**	**950**	**4**	**41,924**	**43,400**
Additions	682	-	-	1,063	1,745
Disposals	-	-	-	-	-
At March 31, 2025	**1,204**	**950**	**4**	**42,987**	**45,145**
Additions	205	-	-	1,740	1,945
Disposals	-	-	-	-	-
At March 31, 2026	**1,409**	**950**	**4**	**44,727**	**47,090**
Accumulated amortisation					
At March 31, 2024	**174**	**670**	**4**	**19,462**	**20,310**
Amortisation for the year	174	20	-	4,292	4,486
Disposals	-	-	-	-	-
At March 31, 2025	**348**	**690**	**4**	**23,754**	**24,796**
Amortisation for the year	287	20	-	4,078	4,385
Disposals	-	-	-	-	-
At March 31, 2026	**635**	**710**	**4**	**27,832**	**29,181**
Net carrying amount					
At March 31, 2025	**856**	**260**	**-**	**19,233**	**20,349**
At March 31, 2026	**774**	**240**	**-**	**16,895**	**17,909**

i) The Group has not revalued its intangible assets during the current or previous year.

(All amounts are in USD thousands except share data and unless otherwise stated)

3D. Intangibles under development

At March 31, 2024	**1,292**
Additions during the year	655
Captializations during the year	(1,745)
At March 31, 2025	**202**
Additions during the year	1,944
Captializations during the year	(1,945)
At March 31, 2026	**201**

Ageing Schedule for Intangible under development as below

Particulars	**March 31, 2026**					**March 31, 2025**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in Progress	201	-	-	-	**201**	22	-	180	-	**202**
Total	**201**	**-**	**-**	**-**	**201**	**22**	**-**	**180**	**-**	**202**

i) Projects in progress are neither overdue nor exceeds its cost when compared to its original plan during the current or previous year.
ii) For contractual commitments refer note 21.

3E. Leases
Right-of-use assets

Particulars	**March 31, 2026**	**March 31, 2025**
Gross carrying amount		
Opening balance	8,317	8,317
Additions	-	-
Disposals	-	-
Closing balance	**8,317**	**8,317**
Accumulated Depreciation		
Opening balance	2,207	1,473
Depreciation for the year	730	734
Closing balance	**2,937**	**2,207**
Net carrying amount	**5,380**	**6,110**

(All amounts are in USD thousands except share data and unless otherwise stated)

Lease liabilities

The following is the break up of current and non current lease liabilities

Particulars	**March 31, 2026**	**March 31, 2025**
Non-current lease liabilities	5,720	6,372
Current lease liabilities	652	610
Total	**6,372**	**6,982**

The following is the movement in lease liabilities :

Particulars	**Amount**
Balance as at March 31, 2024	**7,539**
Additions	-
Deletions	-
Finance cost incurred during the year	367
Payments of lease liabilities	(924)
Balance as at March 31, 2025	**6,982**
Additions	-
Deletions	-
Finance cost incurred during the year	338
Payments of lease liabilities	(948)
Balance as at March 31, 2026	**6,372**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis.

Particulars	**March 31, 2026**	**March 31, 2025**
Less than one year	972	948
One to five years	3,790	3,781
More than five years	3,012	3,993
	7,774	**8,722**

i. The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

ii. The effective interest rate for lease liabilities is 5%, with maturity between 2027-2034

Amounts recognised in statement of profit and loss related to leases

Particulars	**March 31, 2026**	**March 31, 2025**
Depreciation expenses of right-of-use assets	730	734
Interest expense on lease liabilities	338	367
Expenses relating to short term leases (refer note 17)	772	559
Total amount recognized in Statement of profit and loss	**1,840**	**1,660**

Granules Pharmaceuticals Inc.
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(All amounts are in USD thousands except share data and unless otherwise stated)

4. Financial Assets

4A. Investments - Non-current

Particulars	March 31, 2026	March 31, 2025
In Unquoted equity shares - Others (Fair Value through OCI)		
In US Pharma Limited - Nil (March 31, 2025: 410.52 equity shares)	-	2,482
Total	**-**	**2,482**
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate value of unquoted investments	-	2,482

4B. Trade receivables

Particulars	March 31, 2026	March 31, 2025
(a) Considered good	42,193	46,001
(b) Significant increase in credit risk	18	630
(c) Credit impaired	469	16
	42,680	**46,647**
Allowance for expected credit losses	(469)	(16)
Total	**42,211**	**46,631**

Trade receivables are non-interest bearing and are generally on terms of less than 1 year.
Refer note 22 for trade receivables from related parties
The Group's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in Note 25.

Details of changes in allowance for credit losses :

Particulars	March 31, 2026	March 31, 2025
Balance at the beginning of the year	16	206
Provision made during the year, net of reversals	453	(190)
Total	**469**	**16**

4C. Cash and cash equivalents

Particulars	March 31, 2026	March 31, 2025
Balance with banks:		
In current accounts	25,480	10,234
Total	**25,480**	**10,234**

Particulars	March 31, 2026	March 31, 2025
Bank balances other than Cash and cash equivalents as stated above		
Balances in escrow account	-	12,832
Total	**-**	**12,832**

4D. Other financial assets - Non current

Particulars	March 31, 2026	March 31, 2025
Security deposits	91	91
Total	**91**	**91**

5. Other assets

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

Particulars	March 31, 2026	March 31, 2025
Capital advances	818	106
Total	**818**	**106**

5B. Other current assets (Unsecured, considered good)

Particulars	March 31, 2026	March 31, 2025
Prepaid expenses	1,659	1,323
Advance to suppliers	486	328
Total	**2,145**	**1,651**

5C. Inventories (at lower of cost or net realisable value)

Particulars	March 31, 2026	March 31, 2025
Raw materials [includes goods-in-transit USD 418 thousands (March 31, 2025 - USD 166 thousands)]	13,371	9,185
Packing materials [includes goods-in-transit USD 71 thousands (March 31, 2025 - USD 257 thousands)]	2,510	4,922
Work-in-Progress	4,067	5,597
Finished goods [includes finished goods-in-transit USD 41,880 thousands (March 31, 2025 - USD 32,759 thousands)]	1,13,380	86,429
Total	**1,33,328**	**1,06,133**

Granules Pharmaceuticals Inc.
Notes to Consolidated Financial Statements for the year ended March 31, 2026
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6. Share capital

6A Equity Share Capital

Particulars	March 31, 2026	March 31, 2025
Authorized share capital		
10,000 equity shares of USD 1 each (March 31, 2025: 10,000 equity shares of USD 1 each)	10	10
	10	**10**
Issued, subscribed and fully paid up		
4,198 fully paid up equity shares of USD 1 each (March 31, 2025 : 4,180 equity shares of USD 1 each)	4	4
Total issued, subscribed and fully paid-up share capital	**4**	**4**

6B Reconciliation of shares outstanding

Particulars	March 31, 2026		March 31, 2025	
	No.	**USD**	**No.**	**USD**
At the beginning of the year	4,180	4	4,180	4
Add: Shares issued during the year (refer note 23)	18	-	-	-
Number of shares at the end of the year	**4,198**	**4**	**4,180**	**4**

6C Terms/rights attached to equity shares

(i) The Company has only one class of equity shares having a par value of USD 1 per share.
(ii) Each holder of equity shares is entitled to one vote per share.
(iii) The Company has not declared any dividend during the year ended March 31, 2026 and March 31, 2025.
(iv) 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.

6D Details of shareholders holding more than 5% equity shares in the Company

Particulars	March 31, 2026		March 31, 2025	
	Numbers	**% holding**	**Numbers**	**% holding**
Granules India Limited	4,198	100%	4,180	100%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

7. Other equity

Attributable to owners:
Securities premium reserve
Securities premium represents premium received on issue of shares. (Refer statement of changes in equity)
Retained earnings
The amount that can be distributed by the Group as dividends to its equity shareholders (Refer statement of changes in equity)

Particulars	March 31, 2026	March 31, 2025
Securities Premium	81,079	81,079
Common control capital reserve	70	70
Retained earnings	79,848	42,177
Total	**1,60,997**	**1,23,326**

Granules Pharmaceuticals Inc.
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8. Financial liabilities
8A. Current borrowings

Particulars	March 31, 2026	March 31, 2025
Loan from bank/ financial institutions (Unsecured)	-	4,041
Loan from bank/ financial institutions (Secured)	-	15,393
Credit card payable (Unsecured)	640	282
Total	**640**	**19,716**

Note:
Loan from bank/ financial institutions (Unsecured)
i) Under a line of credit agreement (the "agreement") with a bank, the Group has available facility of USD 4,000 thousands.
ii) The interest rate as per the agreement was stipulated at 1.05% plus the applicable reference rate per annum - 5.3% to 5.4% (March 31, 2025 - 5.7% to 5.8%)
iii) This borrowing was repayable on demand
iv) Refer to note 25 for liquidity risk and interest rate risk.
Loan from bank/ financial institutions (Secured)
i) Under a line of credit agreement (the "agreement") with a bank, the Group has available facility of USD 15,000 thousands.
ii) This borrowing was repayable on demand.
iii) The interest rate as per the agreement was stipulated at 0.90% plus the applicable compounded reference rate - 5.2% to 5.4% (March 31, 2025 - 5.87% to 6.5%)
iv) Borrowing is secured with corporate guarantee given by Granules India Limited, holding Company.
iv) Refer to note 25 for liquidity risk and interest rate risk.
Credit card payable
i) Credit card payables do not carry any interest and are repayable on a monthly basis

8B. Trade payables

Particulars	March 31, 2026	March 31, 2025
Trade payables (refer below)	1,12,855	1,05,381
Total	**1,12,855**	**1,05,381**

The Group's exposure to currency and liquidity risks related to trade payables is disclosed in Note 25.
Refer note 22 for trade payables to related parties.

8C. Other financial liabilities

Particulars	March 31, 2026	March 31, 2025
Salaries & bonus payable	5,054	4,120
Capital creditors	159	-
Others	160	2,068
Total	**5,373**	**6,188**

9. Other current liabilities

Particulars	March 31, 2026	March 31, 2025
Payroll taxes	111	212
Contract liabilities (refer note 10)	-	56
Witholding tax	-	232
Total	**111**	**500**

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10. Revenue from operations

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of products	4,13,684	3,46,304
Total	**4,13,684**	**3,46,304**

The operations of the Group are limited to one segment viz. pharmaceuticals products. Revenue from contract with customers is from sale of manufactured goods. Sale of goods are made at a point in time and revenue is recognised upon satisfaction of the performance obligations which is typically upon dispatch / delivery.

The Group 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 Group is not significant.

Variable components such as chargebacks, rebates, discounts, returns and other related charges continues to be recognised as deductions from revenue in compliance with Ind AS 115.

Refer Note 22 for transactions with related parties

Reconciliation of Revenue recognised with contract price

	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue as per the contracted price	9,31,446	6,93,863
Adjusted for :		
Chargebacks	(4,20,870)	(2,75,692)
Rebates, fees and discounts	(94,911)	(69,281)
Sales returns	(1,981)	(2,586)
Total revenue from contracts with customers	**4,13,684**	**3,46,304**

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

Revenue from sale of products is recognised at point in time as the goods are transferred.

Region	For the year ended March 31, 2026	For the year ended March 31, 2025
United States of America	4,01,873	3,38,893
Canada	4,157	2,002
Beligum	931	1,355
India	6,374	3,928
Switzerland	349	126
Total revenue from contracts with customers	**4,13,684**	**3,46,304**

Details of contract balances:

Particulars	March 31, 2026	March 31, 2025
Trade receivables (refer note 4B)	42,211	46,631

Details of contract liabilities:

Particulars	March 31, 2026	March 31, 2025
Contract liabilities (refer note 9)	-	56
	-	**56**

The Contract liabilities primarily relate to advance consideration received from customers for sale of products, for which revenue is recorded at a point in time. The amount of USD 56 thousands (March 31, 2025: USD 123 thousands) included in contract liabilities as at March 31, 2025 has been recognised as revenue during the current year.

11. Other income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income	290	-
Sales commission	-	1,113
Foreign exchange gain	-	135
Insurance claims	-	51
Subsidy income	-	106
Others	289	131
Total	**579**	**1,536**

(All amounts are in USD thousands except share data and unless otherwise stated)

12. Cost of materials consumed

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventory at the beginning of the year	14,107	14,815
Add: Purchases	2,77,612	2,12,902
	2,91,719	**2,27,717**
Less: Inventory at the end of the year	(15,881)	(14,107)
Total	**2,75,838**	**2,13,610**

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at the end of the year (A)		
Finished goods	1,13,380	86,429
Work-in-progress	4,067	5,597
	1,17,447	**92,026**
Inventories at the beginning of the year (B)		
Finished goods	86,429	96,544
Work-in-progress	5,597	3,618
	92,026	**1,00,162**
Changes in inventory of work-in-progress and finished goods (B- A)	**(25,421)**	**8,136**

14. Employee benefit expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus	35,507	31,700
Staff welfare expenses	472	337
Total	**35,979**	**32,037**

15. Depreciation and amortisation

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation	4,615	4,292
Amortisation	4,385	4,486
Total	**9,000**	**8,778**

16. Finance costs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on working capital	698	1,079
Interest on lease liabilities	338	367
Other borrowing costs	3,641	3,135
Bank charges	57	43
Total	**4,734**	**4,624**

(All amounts are in USD thousands except share data and unless otherwise stated)

17. Other expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Carriage outwards and clearing charges	14,570	13,887
Research and development expenses*	9,915	7,707
Conversion charges	4,346	3,398
Repairs and maintenance:		
- Plant and machinery	2,241	1,543
- Buildings	444	259
- Office maintenance	119	116
- Others	2,361	2,066
Consultancy charges	5,374	5,165
Technical and Manufacturing know how fees (refer note 22)	6,361	4,325
Rent (refer note 3E)	772	559
Management Support Services (refer note 22)	4,771	3,244
Insurance	2,865	2,621
Consumables and lab chemicals	2,350	2,040
Business promotion and other commercial expenses	1,950	2,158
Sales commission	804	802
Rates and taxes	2,057	1,804
Power and fuel	1,236	978
Effluent treatment expenses	795	649
Membership & Subscription expenses	796	534
Travelling and conveyance	699	581
Communication expenses	149	120
Foreign Exchange loss/(gain)	135	-
Printing and stationery	66	55
Donations	250	-
Remuneration to auditors	72	77
Bad debts written off	405	-
Loss on sale/disposal of property, plant and equipment	314	77
Miscellaneous expenses	464	365
Total	**66,681**	**55,130**

*** Details of research and development expenses incurred during the year is given below:**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Capital	-	-
Revenue (included above)		
Cost of materials consumed	880	1,021
Employee benefit expenses	3,611	3,464
Other expenses		
- Analytical fees	1,430	376
- ANDA filing fees	1,002	574
- Other research and development expenses	2,992	2,272
Total	**9,915**	**7,707**

18. Exceptional items

Exceptional items (net) comprise:

(a) USD 2,760 thousand for settlements of certain ongoing litigations of Granules Pharmaceuticals Inc.("GPI") which were disclosed as contingent liabilities till March 31, 2025 as the outcome of the litigations was uncertain and possible outflow of resources could not be reliably measured; and

(b) The Group had invested USD 5,482 thousands in US Pharma Ltd. Subsequently, during the year ended March 31, 2020, the Group had written down the value of investment by USD 3,000 thousands. During the year, the Group has disposed the investment and has recorded a gain of USD 2,958 thousands representing the difference between the total consideration of USD 5,440 thousands (comprising of USD 3,700 thousand in cash and USD 1,740 thousnads of product related intangible) and the carrying value of the investment.

(All amounts are in USD thousands except share data and unless otherwise stated)

19. Tax expense

19A Income tax expense:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current Tax	6,935	8,802
Deferred Tax	2,591	(3,484)
Total tax expense recognised in statement of profit & loss account	**9,526**	**5,318**

19B Reconciliation of income tax expense and the accounting profit multiplied by Group's domestic tax rate:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax	**47,197**	**25,411**
Income tax expense calculated at 21%	9,913	5,337
State taxes	1,420	732
Reversal of valuation allowance on deferred tax assets on fair value changes in investment	(707)	-
Effect of tax incentives and concessions (research and development and other allowances)	(772)	(735)
Adjustment of tax in respect of prior years	(238)	(14)
Others	(90)	(2)
Income tax expense recognised in statement of profit and loss	**9,526**	**5,318**

The tax rate used for March 31, 2026 reconciliation above is the corporate federal tax rate of 21% payable by corporate entities in US on taxable profits under US Tax Laws.

19C Movement in deferred tax balances for the year ended March 31, 2026

Particulars	As at April 01, 2025	Recognised in profit and Loss	As at March 31, 2026
Tax effect of items constituting deferred tax liabilities			
Property, Plant and Equipment	(4,130)	(785)	(4,915)
Intangible Assets	(4,551)	941	(3,610)
Forex gain/loss	(32)	32	-
	(8,713)	**188**	**(8,525)**
Tax effect of items constituting deferred tax assets			
Employee Benefits	709	645	1,354
Provisions	2,252	784	3,036
Deferred income	14	(14)	-
Carryforward Tax Loss	1,071	(1,039)	32
IRC 267 Disallowance	1,024	(866)	158
163j Interest Expense	569	(569)	-
IRC 174 Cost	3,018	(1,713)	1,305
Leases	228	8	236
Inventory - UNICAP 263A	739	(15)	724
	9,624	**(2,779)**	**6,845**
Net Deferred tax liabilities	**911**	**(2,591)**	**(1,680)**

(All amounts are in USD thousands except share data and unless otherwise stated)

19C Movement in deferred tax balances for the year ended March 31, 2025

Particulars	As at April 01, 2024	Recognised in profit and Loss	As at March 31, 2025
Tax effect of items constituting deferred tax liabilities			
Property, Plant and Equipment	(4,065)	(65)	(4,130)
Intangible Assets	(5,574)	1,023	(4,551)
Forex gain/loss	-	(32)	(32)
	(9,639)	**926**	**(8,713)**
Tax effect of items constituting deferred tax assets			
Employee Benefits	672	37	709
Provisions	1,801	451	2,252
Deferred income	31	(17)	14
Carryforward tax loss	891	180	1,071
IRC 267 Disallowance	-	1,024	1,024
163j Interest Expense	-	569	569
IRC 174 Cost	1,951	1,067	3,018
Leases	175	53	228
Inventory - UNICAP 263A	1,545	(806)	739
	7,066	**2,558**	**9,624**
Net Deferred tax liabilities	**(2,573)**	**3,484**	**911**

20. Earning per equity share

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit for the year	**37,671**	**20,093**
Weighted average number of shares for computing of basic EPS	4,198	4,180
Add: Effect of dilution	-	-
Weighted average number of shares for computing diluted EPS	4,198	4,180
Earnings per share		
- Basic (in USD)	8,974	4,807
- Diluted (in USD)	8,974	4,807

21. Contingent liabilities and commitments

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) Contingent liabilities:		
Claims against the Group not acknowledged as debts	Nil	Nil

The Group has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Group has reviewed and ensured that there are no material foreseeable losses on such long term contracts which needs to be provided for in the books of account.

(ii) Commitments

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances	3,345	2,357

Open litigations as of March 31, 2026:

RMRx LLC, filed a legal case against Granules Consumer Health LLC, by claiming a breach of contract in Superior Court of New Jersey, Bergen Country. Currently the case discovery is completed and depositions are in progress.

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22. Related party disclosures

i) List of related parties and relationship:

Name of the related party	**Relationship**
Granules India Limited	Holding Company
Granules Consumer Health, Inc.	Subsidiary Company
Granules Europe Limited (till March 18, 2025)	Subsidiary of the Holding Company
Granules Life Sciences Private Limited	Subsidiary of the Holding Company
Senn Chemicals AG (w.e.f April 10, 2025)	Subsidiary of the Holding Company
Product Armor Packaging Private Limited	Enterprises over which key management personnel or their relatives exercise significant influence
Key managerial personnel:	
Ms. Priyanka Chigurupati	Director
Mr. Harsha Chigurupati	Director
Mr. Vijay Ramanavarapu	Director
Mr. Kamal Mandan	Director and Chief Financial Officer
Mr. Arun Sawhney	Director

ii) Transactions during the year:

Particulars	**For the year ended March 31, 2026**	**For the year ended March 31, 2025**
i) Granules India Limited		
Purchase of goods	2,00,896	1,64,141
Sales commission	-	1,113
Corporate Guarantee commission	-	32
Cross charge	174	80
Reimbursement of expenses	238	190
Recovery of expenses	472	1,946
Sale of Goods	6,331	3,646
Technical and Manufacturing know how fees	6,361	4,325
Management Support Services	4,771	3,244
ii) Granules Europe Limited		
Reimbursement of expenses	-	89
iii) Granules Life Sciences Private Limited		
Purchase of goods	22,610	7,252
Sale of goods	44	-
Recovery of expenses	17	-
iv) Senn Chemicals AG		
Short term advance given	2,838	-
Short term advance received	15,535	-
Interest on short term advance	255	-
v) Product Armor Packaging Private Limited		
Purchase of goods	671	652
b) Transactions with key managerial personnel or their relatives		
i) Mr. Kamal Mandan		
Remuneration paid including bonus	619	556
ii) Mr. Vijay Ramanavarapu		
Remuneration paid including bonus	789	635
iii) Ms. Priyanka Chigurupati		
Settlement of employee stock options	-	668

(All amounts are in USD thousands except share data and unless otherwise stated)

iii) Closing balance:

Particulars	**For the year ended March 31, 2026**	**For the year ended March 31, 2025**
i) Granules India Limited		
Trade Payables	82,962	82,871
Other payables	1,163	190
Trade receivables	2,550	3,206
Other receivables	-	682
Corporate guarentee received	-	15,000
iv) Granules Life Sciences Private Limited		
Trade Payables	15,463	7,252
Trade receivables	60	-
v) Product Armor Packaging Private Limited		
Trade Payables	102	205

23. Common Control Business Combiantion

Granules USA Inc., USA (GUSA) was a subsidiary of Granules India Limited ("the Parent"), which was primarily engaged in the trading of pharmaceutical products was merged into the Company w.e.f April 01, 2025. Accordingly Granules Consumer Health LLC, which was a subsidiary of Granules USA Inc., became a wholly owned subsidiary of the Company. Pursuant to the merger, the Company has issued 18 shares (0.43% of the equity shares of the Company) with face value of USD 1 each to Granules India Limited during the year ended March 31, 2026.

The Group has applied Pooling of Interest method to give effect to this common control busines combination in accordance with Ind AS 103. The difference between the carrying value of net assets acquired (i.e. total assets acquired net of liabilities, secuities premium and retained earnings) amounting to USD 70 thousands and the face value of 18 equity shares issued has been recognised as common control capital reserve.

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24. Fair values

The management assessed that loans, cash and cash equivalents, borrowings, trade payables and other current 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:

As at March 31, 2026

Particulars	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 measured at fair value through OCI							
Non-current investments	-	-	-	-	-	-	-
b) Financial assets not measured at fair value							
Trade receivables	-	-	42,211	42,211	-	-	-
Cash and cash equivalents	-	-	25,480	25,480	-	-	-
Other non current financial assets	-	-	91	91	-	-	-
	-	**-**	**67,782**	**67,782**	**-**	**-**	**-**
ii) Financial liabilities							
a) Financial liabilities not measured at fair value							
Current borrowings	-	-	640	640	-	-	-
Trade payables	-	-	1,12,855	1,12,855	-	-	-
Other current financial liabilities	-	-	5,373	5,373	-	-	-
	-	**-**	**1,18,868**	**1,18,868**	**-**	**-**	**-**

As at March 31, 2025:

Particulars	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 measured at fair value thorough OCI							
Non-current investments	-	2,482	-	2,482	-	2,482	-
b) Financial assets not measured at fair value							
Trade receivables	-	-	46,631	46,631	-	-	-
Other non current financial assets	-	-	91	91	-	-	-
Cash and cash equivalents	-	-	10,234	10,234	-	-	-
Other bank balances	-	-	12,832	12,832	-	-	-
	-	**2,482**	**69,788**	**72,270**	**-**	**2,482**	**-**
ii) Financial liabilities							
a) Financial liabilities not measured at fair value							
Current borrowings	-	-	19,716	19,716	-	-	-
Trade payables	-	-	1,05,381	1,05,381	-	-	-
Other current financial liabilities	-	-	6,188	6,188	-	-	-
	-	**-**	**1,31,285**	**1,31,285**	**-**	**-**	**-**

(All amounts are in USD thousands except share data and unless otherwise stated)

25. Financial risk management

Framework

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

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by 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, investments, cash and cash equivalents, bank deposits, loans given and other financial assets. None of the financial instruments of the Group 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 Group assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Before accepting any new customer, the Group 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. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The maximum exposure to credit risk as at March 31, 2026 is USD 42,302 thousands (March 31, 2025 is USD 49,204 thousands), being the total of the carrying amount of balances with trade receivables, investments and other financial assets.

Expected credit loss for trade receivables as at March 31, 2026

Particulars	Not due	0-180 days	181 - 365 days	> 365 days	Total
Gross carrying amount of trade receivables	38,913	3,313	149	305	42,680
Expected credit losses (Loss allowance provision)	-	(106)	(103)	(260)	(469)
Net carrying amount of trade receivables	**38,913**	**3,207**	**46**	**45**	**42,211**

Expected credit loss for trade receivables as at March 31, 2025

Particulars	Not due	0-180 days	181 - 365 days	> 365 days	Total
Gross carrying amount of trade receivables	38,137	7,231	958	321	46,647
Expected credit losses (Loss allowance provision)	-	-	-	(16)	(16)
Net carrying amount of trade receivables	**38,137**	**7,231**	**958**	**305**	**46,631**

Liquidity Risk

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

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of March 31, 2026:

Particulars	Carrying value	On demand	Within 1 year	1-5 years	After 5 years	Total
Lease liabilities	6,372	-	972	3,790	3,012	7,774
Current borrowings	640	-	640	-	-	640
Trade payables	1,12,855	-	1,12,855	-	-	1,12,855
Other financial liabilities	5,373	-	5,373	-	-	5,373

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

	Carrying value	On demand	Within 1 year	1-5 years	After 5 years	Total
Lease liabilities	6,982	-	948	3,781	3,993	8,722
Current borrowings	19,716	19,434	282	-	-	19,716
Trade payables	1,05,381	-	1,05,381	-	-	1,05,381
Other financial liabilities	6,188	-	6,188	-	-	6,188

(All amounts are in USD thousands except share data and unless otherwise stated)

Market Risk

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

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. As the Group's debt obligation with fixed interest rates is subject to insignificant change, exposure to the risk of changes in market interest rates are substantially independent of changes in market interest rates. The Group does not have any interest bearing borrowings as at March 31, 2026.

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 Group's profit before tax and equity is affected through the impact on borrowings as follows:

Particulars	Change in basis points	March 31, 2026	March 31, 2025
Impact on profit before tax	+100	-	(190)
	-100	-	190
Impact on equity	+100	-	(150)
	-100	-	150

Foreign Currency exchange rate risk

The Group predominantly deals in US Dollars which is the currency of the country in which it is domiclied. Hence, fluctuation in foreign currency exchange rates has no potential impact on the statement of profit and loss and other comprehensive income and equity, considering the countries and economic environment in which the Group operates.

26. Segment reporting

A. Basis of segmentation

The operations of the Group are limited to one segement viz. Pharmaceutical products includeing ingredients and intermediaries. The products being sold under this segement are of similar nature and comprises of pharmaceutical products only. The Group's Chief Operating Decision Maker (CODM) reviews the internal management reports prepared based on aggregation of financial information of the Group 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 Group.

B. Segment reporting for the Secondary Segment reporting (by geographical segment)

The Group has reportable geographical segements based on location of its customers:
(i) Revenue from customers within USA - Domiciled country
(ii) Revenue from customers outside USA - Other than domiciled country

	As at March 31, 2026			As at March 31, 2025		
	Domiciled Country	Other than Domiciled Country	Total	Domiciled Country	Other than Domiciled Country	Total
Revenue	4,01,873	11,811	**4,13,684**	3,38,893	7,411	**3,46,304**
Non-current assets	82,094	-	**82,094**	81,711	-	**81,711**

Note:

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

(All amounts are in USD thousands except share data and unless otherwise stated)

27. Capital management

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

The Group manages its capital structure in consideration to the changes in economic conditions and the requirements of the financial covenants. The Group monitors capital using a gearing ratio, which is net debt divided by equity. Net debt consists of borrowings including interest accrued on borrowings, less cash and cash equivalents.

Particulars	March 31, 2026	March 31, 2025
Borrowings including interest accrued on borrowings	640	19,716
Less: Cash and cash equivalents	(25,480)	(10,234)
Net debt	**(24,840)**	**9,482**
Equity	4	4
Other equity	1,60,997	1,23,326
Total equity	**1,61,001**	**1,23,330**
Net debt to equity ratio	**(0.15)**	**0.08**

28. Subsequent events

No significant subsequent events have been observed till April 27, 2026 which may require any disclosure or an adjustment to the Consolidated financial statements.