Torrent Pharmaceuticals Limited
Integrated Annual Report 2024-25

Reliable. Responsible. Resilient.

About Torrent Pharma

Torrent Pharmaceuticals Limited is the flagship Company of Torrent Group. We have established ourselves as one of the leading players in the Indian Pharmaceutical industry with a formidable presence in India as well as international markets. With a commitment to providing affordable and high-quality medicines, we are the pioneers in initiating the concept of niche marketing in India and are ranked amongst the leaders in Cardiovascular (CV), Central Nervous System (CNS), Vitamins Minerals Nutrients (VMN) and Gastro-Intestinal (GI) therapeutic segments. We are also present in diabetology, cosmo-dermatology, pain management, anti-infective and gynaecology segments.

Scip Codes:
BSE: 500420
NSE: TORNTPHARM

₹1,092 billion
Market Capitalisation
(As at 31st March, 2025)

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Reliable. Responsible. Resilient.

With over five decades of experience in the pharmaceutical industry, we have cultivated a reputation of being **Reliable, Responsible and Resilient.** These core values are not just principles we uphold — they are evident in our consistent performance and unwavering commitment to excellence. We take pride in the trust and confidence our stakeholders place in us, reflecting our dedication to quality and integrity.

Our commitment to **reliable** healthcare solutions is evident in our unwavering quality standards and consumer trust. From world-class research centre and cutting-edge cGMP-certified manufacturing facilities to robust distribution networks, we ensure that high-quality, safe, and effective medicines reach patients. We cultivate trust through transparent communication, patient-centred care, and consistent ethical practices, earning the confidence of patients, providers, and partners. With a growing presence in diverse regional and international markets, our expanded reach enables more people to access high-quality affordable healthcare solutions.

As a **responsible** corporate, we are committed to upholding our environmental, ethical, and social obligations. We invest in renewable energy sources and sustainable manufacturing practices that align with global sustainability goals. Upholding the highest ethical standards, we ensure transparent governance practices, rigorous compliance with global regulatory norms, and proactive pharmacovigilance. Our social impact programmes spanning across health and hygiene, education, and social care and concern are aligned to our principle 'Happiness for all'. All these elements are unified within a powerful ESG framework, transparent disclosures, and active stakeholders' engagement.

We are **resilient** in our ability to adapt to dynamic external environments, market fluctuations, and technological breakthroughs underscore our enduring strength. Our robust risk-management framework enables us to navigate through regulatory changes, address environmental risks and respond to business uncertainties while our flexible business model positions us to seize new opportunities in emerging markets and therapeutic areas. This agility not only secures stable returns for investors but also ensures we meet shifting market needs and evolving regulations. We continuously invest in our people, processes, and technology to build a resilient organisation capable of withstanding and thriving amidst adversity.

By weaving reliability, responsibility and resilience into our DNA, we continuously adapt to the ever-evolving healthcare landscape, overcoming challenges with innovation and agility. Together, these principles guide us in our mission to deliver world class products through unwavering dedication and excellence.

Approach to Reporting

We are pleased to present our fifth Integrated Annual Report for the financial year 2024-25. This report provides a comprehensive overview of our financial and non-financial performance and understanding of our strategy, business model, risks and opportunities, and provides insights into environmental stewardship, social responsibility efforts, and governance practices. By taking an integrated approach, we aim to create long-term value for all our stakeholders.

Reporting Framework and Guidelines

This integrated report has been prepared in alignment with the Integrated Reporting <IR> Framework of the International Integrated Reporting Council (IIRC) (now consolidated into IFRS Foundation). This report is aligned with the standards of Global Reporting Initiatives (GRI) and the United Nations Sustainable Development Goals (UN SDGs).

The financial and statutory information presented in the report is in line with the requirements of the Companies Act, 2013 (and the rules made thereunder); the Indian Accounting Standards; the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; Secretarial Standards issued by the Institute of Company Secretaries of India; National Guidelines on Responsible Business Conduct (NGRBC); and other applicable laws and regulations.

Reporting Period

(GRI 2-3)

1st April, 2024 to 31st March, 2025

Reporting Scope and Boundary

(GRI 2-2)

This report predominantly covers information with respect to our Company's global operations, including the subsidiaries.
Any specific exclusions are provided in respective sections.

Responsibility Statement

(GRI 2-14)

The Board has taken careful consideration to ensure the accuracy and completeness of the content of this Integrated Annual Report.
In preparing this report, the respective functions and business units have worked diligently. The Board acknowledges their efforts in providing accurate and relevant information to create a reliable representation of our Company's performance.

Restatements of Information

(GRI 2-4)

Restatements of information wherever applicable have been clearly stated in the relevant sections followed by explanation.

Assurance

(GRI 2-5)

The non-financial information has been independently assured by Grant Thornton Bharat LLP. The statement of the assurances is available on page 365.

Feedback

(GRI 2-3)

Our Company is open to hearing your feedback, concerns and suggestions on this Integrated Annual Report to enrich future reporting initiatives.
We thank our readers for their valuable time and interest.

Write to us at: **investorservices@torrentpharma.com**

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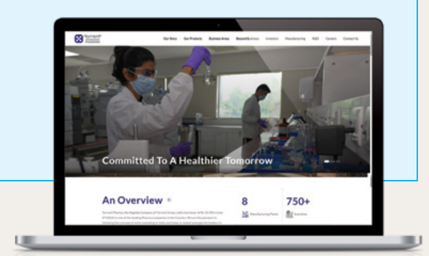


Report Navigation

Throughout our Integrated Report, we use the following icons to show the connectivity between our strategic objectives, key material topics, stakeholders and the value we create through various capitals.

Stakeholders

Engaging with diverse stakeholders is fundamental to our Company's long-term success. Meaningful interactions help align business priorities with the expectations of:

- Patients
- Channel partners
- Employees
- Suppliers
- Industry association
- Healthcare professionals
- Communities
- Investors and shareholders
- Government and regulators

Strategic Themes

We continue to strengthen our strategic focus through six core themes that guide our actions across the short, medium, and long term.

- ST-1 Improve Market Share in Core Markets
- ST-2 Invest in Tomorrow's Growth Engines
- ST-3 Operational Excellence
- ST-4 Engaged and Empowered Stakeholders
- ST-5 Deploy Digital Technologies
- ST-6 Responsible Actions

Key Material Topics

Our material matters represent the key priorities that underpin our resilience and drive long-term value creation.

- M1 Product quality and safety
- M2 Innovation – strengthening R&D pipeline
- M3 Water and wastewater management
- M4 Energy efficiency and renewable energy
- M5 Employee engagement, safety and well-being
- M6 Equality
- M7 Ethics and business integrity
- M8 Adherence to laws

Value Creation through Capitals

Our approach to sustainable growth is built on leveraging key capitals:

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

UN SDGs Alignment*

We align our business priorities with the United Nations Sustainable Development Goals (UN SDGs), contributing to global efforts toward sustainable development.

*For reference purpose only

FY 2024-25 Highlights

Competitive Position across Markets

7th
in the Indian Pharmaceutical Market

1st
Rank among Indian pharmaceutical players in Brazil

1st
Rank among Indian pharmaceutical players in Germany

Economic

₹11,516 crores
Revenue
7% ↑

₹3,721 crores
Operating EBITDA
10% ↑

32.3%
Operating EBITDA margin
90 bps ↑

₹1,911 crores
PAT
15% ↑

31%
RoCE
300 bps ↑

0.23
Debt-to-equity ratio

↑ Y-o-Y

Environment

13.1%
Reduction in non-renewable energy (Fuel & power) consumption from 2023-24

32.4%
Reduction in carbon footprint (Scope 1 & 2) from base year 2019-20

41.5%
Share of renewable energy in total energy consumption

8.15 MW
Solar energy capacity installed

1,916 tonnes
Hazardous waste recycled

Social

1,250+
New employees onboarded

11.4%
Gender diversity

6.50+ lakhs
Manhours of training

120+
Women employees onboarded

2.50+ lakhs OPDs
Carried out across the healthcare centres under UNM Foundation

Governance

4 out of 7
Board members are Independent Directors

2
Women directors in Board

100%
Compliance to Code of Conduct, resulting in zero conflict of interest

About Us

With a simple and unique sense of purpose, 'Happiness for all', our founder, the Late Shri U. N. Mehta, ventured out on his own by focusing on niche marketing and founded Trinity Laboratories in 1959, which was later renamed Torrent Pharmaceuticals Limited.

We are one of the leading players in the Indian Pharmaceutical sector with a strong presence in branded generic, generic and consumer healthcare products and are one of the top 100 companies by market capitalisation listed on the NSE and BSE. Torrent has a network of 8 world-class manufacturing sites and a research centre. With leading brands in various therapeutic segments, our products have proved to be efficient and effective in areas of Cardiovascular, CNS, Gastro-Intestinal, Diabetology, VMN, Anti-Infective and Pain Management solutions. We also have a strong international presence across more than 50 countries with substantial presence in Brazil, Germany and the US. Our diverse and talented team of over 17,000 employees spread in over 15 countries is our greatest strength. We have adhered to our ethos of ***Not just healthcare but lifecare*** in all aspects.

Business Segments

We operate in two key business segments — Branded Generics (BGx) and Generics (Gx). Each segment plays a pivotal role in our growth strategy, catering to diverse therapeutic needs across different regions.

Branded Generics (BGx)

Focuses on manufacturing, marketing and distributing affordable alternatives to off-patented drugs under our own brand names.

Key Markets	Therapeutic Segments
India, Brazil, Select Emerging Markets	Cardiovascular, CNS, Gastrointestinal, VMN and more

Generics (Gx)

Specialises in manufacturing generic pharmaceutical products after patent exclusivity expires, focusing on markets with regulatory approval for generics.

Key Markets	Therapeutic Segments
US, Europe (Germany), UK, Emerging Markets	Generic drugs for various therapeutic categories depending on regulatory approvals

REVENUE CONTRIBUTION BY BUSINESS SEGMENT IN 2024-25 (%)

Branded Generics (BGx)	74
Generics (Gx)	26

Inspired by Purpose, Driven by Values

Our purpose embodies a simple yet powerful philosophy – 'Happiness for All'. This commitment goes beyond delivering world-class products and services; it defines our approach to healthcare, ensuring that we make a meaningful difference in the lives of customers, employees and communities. Our core values serve as the foundation of our success and drive our legacy of excellence in the pharmaceutical industry.

Vision

To become the most respected pharma company.

Mission

We commit ourselves to total customer care by delivering world-class products and services.

Our Core Values

Our core values serve as the foundation and guiding principles, leading to longevity and success in the pharmaceutical industry.

Integrity

When Truth is Paramount:

Thoughts and actions entail always doing the right thing and, in all circumstances, whether or not anyone is watching.

This requires inner courage and conviction, no matter what the consequences are. It is honouring one's commitments and being accountable for one's actions, end-to-end.

Passion for Excellence

When Best is not Enough:

Passion for excellence means not doing extraordinary things but doing ordinary things in all pursuits exceedingly well. Passion and excellence are forces that fuel each other on the exclusive path to leadership.

As we are what we repeatedly do, excellence then is not an act but a habit.

Participative Decision-making

Involvement that Engenders Effectiveness:

An ideal organisation facilitates participation and involvement of each of its members in various decision-making processes, thus ensuring their commitment to such decisions as well as its outcome. It provides a platform for seeking and nurturing constructive ideas from individuals, teams and units which eventually yields exceptional results.

Concern for Society and Environment

When Every Smile Matters:

Concern for society and environment is a sense of responsibility and contribution to society that defines its existence. It entails making a difference in the quality of lives and environment surrounding us. It is important to encourage fellow members, on a collective as well as an individual basis, to fulfil the responsibility of leaving behind a world rich in flora and fauna rich in time-tested values and ideals, and above all, rich in social fervour for its future generations.

Fairness with Care

Harnessing Equality:

Fairness and care towards all fellow members are inextricably linked. Weaving the threads of equality, irrespective of caste, creed, religion and gender, into the day-to-day fabric ensures fairness for every individual. Empathic care recognises the needs and aspirations of all. Only such fairness and care eventually lead fellow members to the dawn of eternal success.

Transparency

Openness that Builds Enduring Trust:

Transparency implies openness. It is the opposite of secrecy. It encourages more informed decision-making and aids in creating enduring trust among all stakeholders.

Executive Chairman's Message

Sustained Growth, Resilient Operations

"

As I reflect on the fiscal year 2024-25, I am pleased to report that our focus on strategic investments, and operational efficiencies helped us deliver sustained growth.

SAMIR MEHTA

Executive Chairman

Dear Stakeholders,
Last year witnessed meaningful progress on multiple fronts, driven by successful product launches, strong execution and our continued focus on inorganic and licensing opportunities. Our financial performance reflected this momentum and was further supported by disciplined cost management. These efforts have laid a strong foundation for sustained growth and value creation. Across our markets, we strengthened our leadership in key therapeutic segments with an expanded customer reach.

Macroeconomic Context
The global economy maintained a steady growth trajectory in 2024, expanding by 3.3%. This stability was supported by resilient performance in the United States and select emerging markets, even as parts of Europe and East Asia witnessed weaker output. India remained a bright spot, with the economy growing at an estimated 6.5% in 2024-25. The growth was led by strong domestic demand, improved agricultural output, and sustained momentum in services and manufacturing. Public investment, especially in infrastructure, continued to play a catalytic role, while private sector capex also gained traction.

Looking ahead, India is well-positioned to sustain its growth trajectory, backed by strong fundamentals, continued reforms momentum, and growing integration with global value chains. While external risks persist, the domestic economy is expected to remain resilient and broad-based in its expansion.

Industry Landscape
Global spending on medicines witnessed a steady rise in 2024, reflecting continued investment in innovation, greater access to essential therapies, and the increasing role of specialty care. Growth during the year was supported by sustained demand for chronic and specialty therapies, expanding access in emerging markets, and a strong pipeline of novel treatments, particularly in oncology, immunology, and rare diseases. The broader adoption of biosimilars and further penetration of generics also contributed meaningfully to volume expansion.

In India, the pharmaceutical sector maintained its upward trajectory, reinforcing its position as a global provider of high-quality, affordable medicines. Export performance remained stable, supported by robust demand across regulated and semi-regulated markets. The domestic market demonstrated consistent growth, led by chronic therapies and increasing healthcare awareness across urban and rural populations. Continued investments under the Production Linked Incentive (PLI) scheme, regulatory enhancements, and infrastructure upgrades have collectively laid the foundation for long-term competitiveness.

Delivering Sustained Growth
As I reflect on the fiscal year 2024–25, I am pleased to report that our focus on strategic investments, and operational efficiencies helped us deliver sustained growth. During the year, we acquired of three anti-diabetes brands from Boehringer Ingelheim. Additionally, we signed a licensing agreement with Takeda to commercialise Vonoprazan for gastroesophageal reflux disease. These acquisitions and partnerships make us stronger in Gastro-Intestinal and Anti-Diabetic therapeutic areas.

In terms of financial performance, our consolidated revenue for the year stood at ₹11,516 crores, marking a 7% increase over the previous year's revenue of ₹10,728 crores. This was supported by a 10% rise in Operating EBITDA to ₹3,721 crores. Profit after tax was ₹1,911 crores registering a growth of 15%.

Our growth was primarily driven by strong performance in India, which accounted for 55% of total revenues. Focused investments in chronic and sub-chronic therapies helped us consolidate leadership positions. Our entry and expansion in the consumer health segment added an important new growth driver brands such as Shelcal-500 and Ahaglow, combined with aggressive channel expansion in modern trade, quick commerce, and e-commerce, contributed to broadening our consumer reach and portfolio diversification. The launch of differentiated products, dermatology and hair care products, and innovative formulations in gynaecology and cardiovascular therapies, drove higher-than-market growth. This was complemented by strengthening our field force, which expanded to approximately 6,400 medical representatives, enhancing our outreach and patient engagement in key therapies.

Brazil operations showed resilience and growth, with revenues of ₹1,100 crores, registering 9% growth on a constant currency basis. We lead the branded generics covered market in Brazil and continue to build market share by focusing on launching new products, expanding our field force, and preparing to enter new therapeutic segments. We are now ranked 15th in the overall Brazil pharma market.

In Germany, our revenue grew by 6% to ₹1,139 crores driven by consistent tender wins and a robust pipeline of product launches. We retain the 5th position among generic players and are the leading Indian pharmaceutical company in the market. Cost optimisation efforts and emphasis on specialty and OTC segments are expected to sustain growth momentum despite a competitive environment.

The US market presents ongoing challenges due to pricing pressures. We achieved sales of ₹1,100 crores and maintained a robust product pipeline, with 120 ANDA approvals including 5 tentative approvals, 19 pending ANDAs, and 17 products under development. During the year, we filed 4 new ANDAs.

On the regulatory front, our Indrad and Pithampur facilities received clearance from the USFDA.

Our investment in research and development remained strong, with ₹581 crores spent, accounting for about 5% of revenues. Our focus on complex specialty generics, including oncology and other high-potential segments, along with advancements through our state-of-the-art Bio-Evaluation Centre, continues to drive innovation and build competitive advantage.

Reinforcing our Sustainability Commitments
As a responsible corporate entity, we are committed to embedding sustainability into our business practices. We balance environmental stewardship, social responsibility, and strong governance to create lasting value for our stakeholders and communities.

We actively reduce our environmental footprint by enhancing energy efficiency, increasing renewable energy use and optimising resource efficiency. In FY 2024-25, we achieved a 32% reduction in Scope 1 and 2 emissions compared to the 2019–20 baseline and expanded Scope 3 emissions reporting to improve transparency across our value chain. We also focus on water conservation efforts such as recycling and Zero Liquid Discharge systems, complemented by waste management focused on reduction, reuse, recycling and recovery frameworks.

During the year, we focused on building a future-ready and inclusive workforce by enhancing leadership development, expanding collaborations with leading universities for talent sourcing, and strengthening our onboarding and training frameworks. We continued to invest in upskilling, engagement, and recognition programmes, helping create a culture that supports growth, fairness, and long-term career development.

Our corporate social responsibility philosophy is grounded in positively impacting communities through three key areas: Community Healthcare and Sanitation & Hygiene, Education and Knowledge Enhancement, and Social Care and Concern. In FY 2024-25, we intensified our focus on improving child and adolescent health through preventive healthcare programmes, addressing malnutrition, anaemia, and menstrual hygiene in rural and underserved regions. Through UNM Children's Hospital and primary health centres, we have extended quality healthcare services deep into remote villages, improving access and health outcomes.

All our sustainability efforts are underpinned by a strong governance framework, ensuring ethical conduct, transparency and accountability which enable us to drive responsible growth while contributing positively to society and the environment.

Way Forward
Moving ahead, our focus will be on consolidating and strengthening our leadership position in the branded generic segment by enhancing the productivity of our expanded field force and deepening our market presence in key areas. In India, we will focus on strengthening our leadership in key therapy areas, expanding our consumer health portfolio, and enhancing field force productivity to capture untapped opportunities. Continued investments in new product launches and deeper market penetration will support sustained outperformance relative to the broader market.

In the international markets, we anticipate continued growth in Brazil, driven by recent successful launches and a robust pipeline awaiting regulatory approvals. In Germany, new tender wins are expected to support revenue growth despite some challenges in the OTC segment. The US market remains stable, with a focus on maintaining compliance and a strong product pipeline. Overall, we remain committed to strengthening our global presence through innovation, market expansion, and delivering high-quality healthcare solutions.

We have also made meaningful progress in our sustainability goals over the past couple of years and will continue to reinforce our commitments in the years ahead.

As I conclude, on behalf of the Board, I would like to express our sincere gratitude to our employees, partners, and stakeholders for their continued trust and support as we strive to create enduring value and sustainable growth.

Regards,

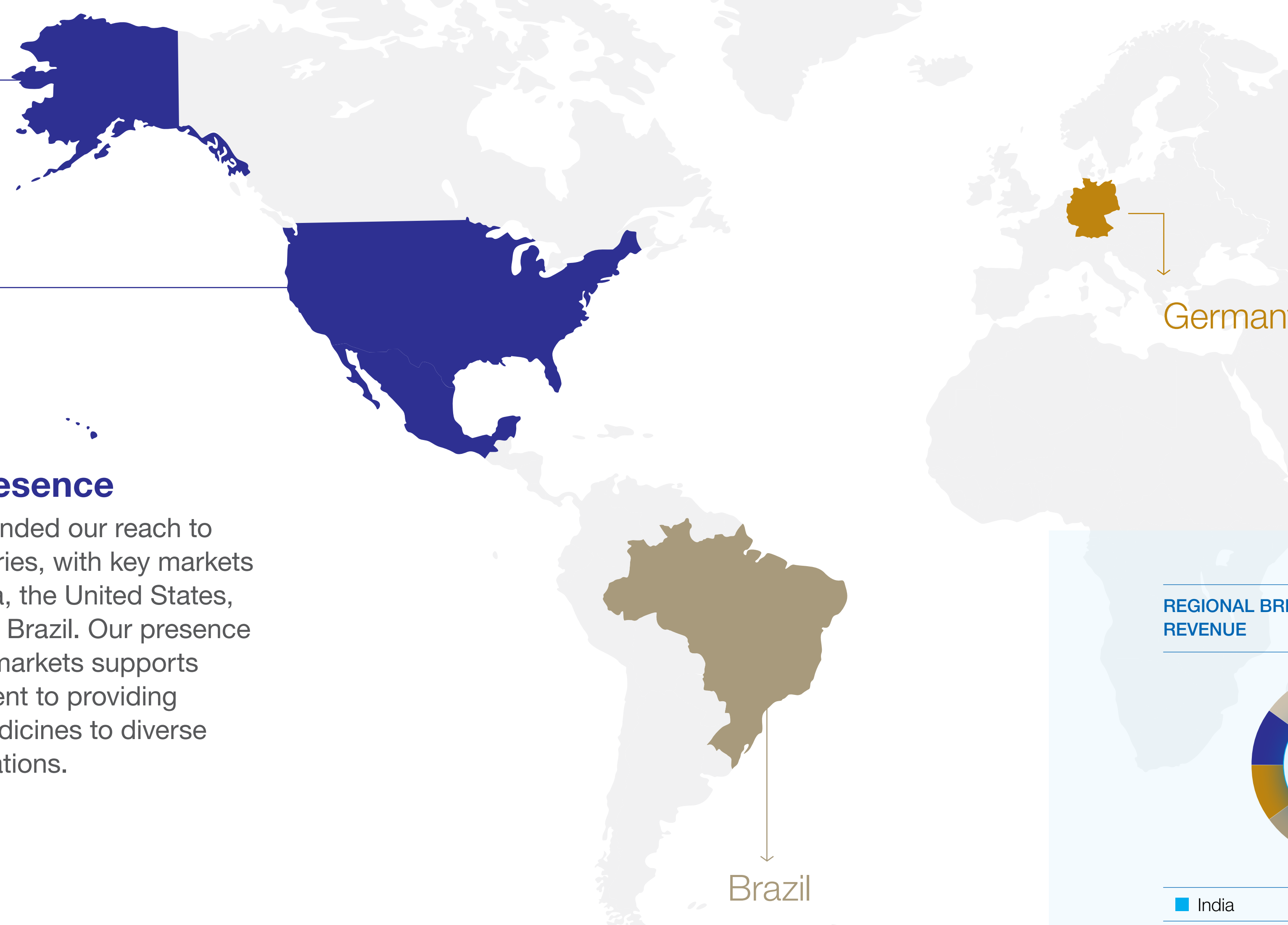
SAMIR MEHTA

Executive Chairman

Geographic Presence

Delivering Excellence Across Borders

Through strategic expansions, we have consistently strengthened our global footprint, establishing a robust manufacturing base in India and extending our commercial presence across the world. Our state-of-the-art manufacturing facilities and R&D centre, combined with an expanding global network, enable us to bring high-quality medicines to diverse markets.

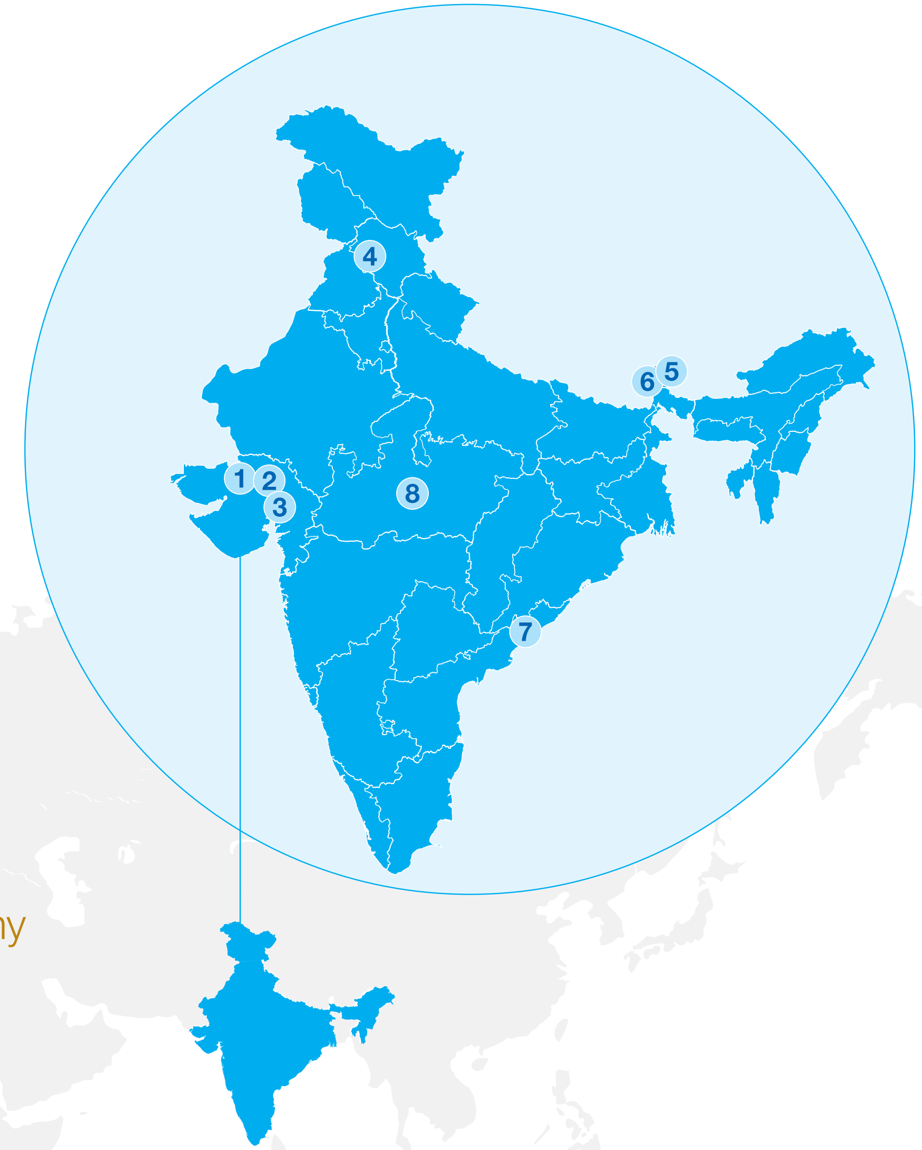


Global Presence

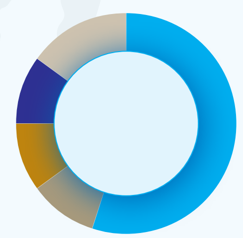
We have expanded our reach to over 50 countries, with key markets including India, the United States, Germany, and Brazil. Our presence in key global markets supports our commitment to providing affordable medicines to diverse patient populations.

50+

Countries commercial presence



REGIONAL BREAKDOWN OF REVENUE (%)



	%
India	55
Brazil	10
Germany	10
United States	10
Others	15

Global Ranking

7th in the Indian pharmaceutical market

1st among Indian pharmaceutical companies in Brazil

5th in the generic pharmaceutical market in Germany

11th among Indian players in the US market

Manufacturing Facilities in India

1. Indrad, Gujarat
2. Dahej, Gujarat
3. Bileshwarpura, Gujarat (New Oncology Facility)
4. Baddi, Himachal Pradesh
5. Sikkim (Unit I & II)
6. Sikkim (Unit III)
7. Vizag, Andhra Pradesh
8. Pithampur, Madhya Pradesh

R&D Facility

1. Bhat, Gujarat

Product Portfolio

Delivering Reliable Care Across Diverse Therapeutic Solutions

India

We are the 7th largest corporate in the Indian pharmaceutical market and have been consistently growing faster than the IPM growth. Torrent is amongst top five companies in key therapy areas such as Cardiac, Gastrointestinal, Central Nervous System (CNS), and Cosmeceutical Dermatology.

In the combined chronic and sub-chronic therapy segments, which contribute around 76% of our total India sales, we rank as the 6th largest player. Our portfolio includes 21 brands listed among the Top 500 brands in the Indian pharmaceutical market, with 18 mother brands generating annual revenues of over ₹100 crores each.

With a multi-divisional structure, we maintain a wide reach, covering more than 200,000 healthcare professionals across India and ensuring strong market engagement.

Cardiac

2nd

in the Cardiac therapy with 7% market share

Leadership, with **18%** market share, in the **Anti Anginal** segment through brand Nikoran

Amongst Top 5

in Anti-Hypertensives, Lipid Lowering Therapy, Platelet Aggregation Inhibitors, Antithrombotic agents

Key Brands

Nikoran
- No. 1 Nicorandil brand with strong equity in anti-angina segment
- Pioneers in establishing the concept of potassium channel openers in Angina management

Nebicard
- Leadership position for more than 10 years
- Pioneers in establishing the concept of nitric oxide (NO) donating property
- Created competitive advantage by offering the widest range in Nebivolol

Deplatt
- Pioneer in launching Clopidogrel in India
- Amongst top 3 players in Clopidogrel ++ market with strong equity in Anti-platelet category

ROZUCOR
- Amongst the top 5 players in the Rosuvastatin Market with strong equity in Lipid Lowering segment
- Widest range in Rosuvastatin

Source - PharmaTrac 2.0 Mar-25

Disclaimer

The products shown in this section are included solely for informational purpose and are neither an advertisement nor are displayed with an intention to endorse, advertise, promote or recommend the use. These products should be consumed strictly under the directions of a Registered Medical Practitioner.

Anti-diabetic

6th

in the Anti-diabetic (w/o Insulin) market

Gained 3 ranks

in the last 2 years

Amongst Top 3

players in categories of

a) SGLT2 with DPP4-i
b) OAD with Gliptin & Sulphonyl urea
c) OAD with SGLT2 & Sulphonyl urea

- Registered higher growth compared to market on both MAT & CAGR basis
- Improved presence in the market with successful launches of Sitagliptin and Linagliptin
- Successfully partnered to co-market and subsequently acquire Empagliflozin brands along with its FDCs from Boehringer Ingelheim

Key Brands

EuRepa
- Eurepa (Repaglinide++) ranked no.1 in prescriptions
- Ranked no.1 player amongst Cardiologists, Diabetologists, Consulting Physicians & Nephrologists

SITAXA
- Sitaxa & Stalix (Sitagliptin++) used in T2DM
- Ranked amongst the Top 3 players among Cardiologists, Diabetologists, Consulting Physicians & Nephrologists
- Torrent is No. 1 (among non-innovator brands) in the Sitagliptin++ market

Linaxa
- Linaxa (Linagliptin++) used in T2DM
- Ranked amongst the Top 3 players among Cardiologists, Diabetologists, Consulting Physicians & Nephrologists
- Torrent is No. 1 (among non-innovator brands) in the Linagliptin++ market

Azulix
- Azulix (Glimepiride++) used in treatment of T2DM
- Featured amongst the Top 10 players in key specialties i.e., among Cardiologists, Diabetologists and Consulting Physicians

Neuro/CNS

3rd

in the Neuro/CNS therapy, growing faster than the market

2nd

in Neuropathy pain & Anxiolytics

Key Brands

Pregalin
- First time launch of SR Formulations
- Pregalin-D: Backed with Indian clinical data
- Strong brand equity amongst Neurologists

Lamitor
- Maintaining leadership since its launch
- Concept Selling through advantage of MUPS technology for patient compliance
- Strong brand equity amongst Neurologists

LACOSAM
- Market leader since launch
- Only brand backed with Indian clinical trial in both tablets & injectables
- Strong brand equity amongst Neurologists & Psychiatrists

Serta
- No. 1 brand in the Sertraline market with growth higher than market
- Strong brand equity amongst both Psychiatrists & Consultant Physicians

Gastrointestinal

4th

in Gastrointestinal (GI) therapy

Pan-India presence with 100% coverage of Gastroenterologists.

Amongst Top 3

players in groups such as PPI + Anti-emetics, PPI + Gastroprokinetic, Enzyme combinations, Pancreatic enzymes & Motility Inhibitors.

- Launched Saroglitazar Magnesium franchise under brand name Vorxar® to augment the Gastroenterology franchise. Saroglitazar Mg is one of the critical treatments for patients with Non-Alcoholic Fatty Liver Disease (NAFLD) & Non-Alcoholic Steatohepatitis (NASH), bridging an unmet healthcare need.
- Launched novel class of drug-PCAB (potassium competitive acid blocker) Vonoprazan under brand name Kabvie in June 2024. Kabvie (Vonoprazan) is now the market leader.

Key Brands

Nexpro

- Ranked 5th amongst all brands in PPI/Combination market & 2nd largest Esomeprazole brand in the Indian Pharma market
- Trusted solution in GERD management

Veloz

- Amongst Top 5 brands in Rabeprazole++ segment
- Ranked no.1 Rabeprazole++ brand among Cardiologists
- Amongst the top 2 players in key specialists i.e. Gastroenterologist, Consultant Physician & General Surgeon

UNIENZYME

- No. 1 Digestive enzyme (solid) brand prescribed by healthcare practitioners in India.
- Unienzyme is ranked no. 1 player in the digestive enzymes (Solids + Liquid) category among Consultant Physicians, General Surgeons & GPs

Vizylac®

Vizylac capsules is the no. 1 prescribed Probiotic brand by healthcare practitioners in India among Consultant Physicians, General Surgeons, Gastroenterologists & GPs.

Pruvict

- First to launch Prucalopride in India and currently is the no. 1 Prucalopride brand in Indian Pharmaceutical market (IPM)
- 5th ranked brand in the entire constipation segment (>350 brands)
- No. 1 prescribed laxative brand by Gastroenterologists

CHC Segment

Launched in April 2024, Shelcal Pro Adult Gummies offers convenient and tasty solutions as a calcium supplement. The gummies have no artificial flavours and are free from sugar and gelatine. Each gummy has 500 mg Calcium and 250 IU Vitamin D3, which fulfils 50% of the RDA (recommended dietary allowance) of Calcium for adults. The product is available across leading online marketplaces and top chemist outlets.

Launched

Shelcal Pro Adult Gummies

No. 1
Calcium brand prescribed by doctors*

No. 1
Digestive Enzyme Solid Brand prescribed by doctors*

No. 1
Moisturising Soap/Bar prescribed by paediatricians*

No. 1
AHA Brand prescribed by dermatologists*

*SMSRC MAT Feb 2025

Brazil

Quality that Proves, Trust that Connects and Care that Transforms

With 3-ANVISA certified manufacturing facilities, we ensure the highest standards of quality and compliance. Our portfolio includes over 70 registered products, featuring leading brands across key therapeutic areas such as Central Nervous System (CNS), Cardiology and Diabetes (C&D).

We are widely recognised by the medical community, with several products leading in prescription volume. Our commitment to scientific excellence is reflected in our digital education platform, TOL (Torrent Online), which delivers up-to-date clinical content to healthcare professionals.

Our commercial reach is robust, with over 320 sales representatives visiting more than 40,000 physicians and 15,000 pharmacies across the country every month.

Service Beyond the Pill: We extend our commitment to patient care through the Torrent Patient Portal – Cuidadoria and the Desvendar Platform, offering personalised guidance and support throughout the treatment journey for Alzheimer's disease and Epilepsy. These initiatives are designed to enhance adherence, empower caregivers, and improve overall outcome.

Neuro/CNS

CNS Portfolio – Strategic Growth, Market Leadership and Specialist Recognition

In Brazil, the Central Nervous System (CNS) market exceeds $3 billion and grows at 5% annually. Torrent Pharma has outperformed the market with 12% growth and a 14% share, leading the covered CNS segment. Our portfolio includes established treatments for depression, Alzheimer's, epilepsy, insomnia, schizophrenia, ADHD-BED, and bipolar disorder, with a recent entry into the high-potential ADHD space.

We have earned strong trust among psychiatrists and neurologists through consistent scientific engagement and medical education, including participation in congresses such as NEUCON and PSYCON. Recognised for salesforce effectiveness, value-added services, and marketing, we are well-positioned as a key player in the CNS segment.

Key Brands

Venlift OD (cloridrato de venlafaxina)

- 1st choice in psychiatry
- Market leading brand in demand and prescription for over 10 years
- Reached 55% market share by volume and 57% in prescription

Lamitor CD (lamotrigina)

- Market leading brand, with 75% market share by volume
- Positioned as a global benchmark following the launch of innovative dispersible tablets

EPÉZ (cloridrato de donepezila)

- Expanded market of Donepezil with affordable alternative to high cost of the innovator product
- Reached 37% market share by volume

Torval CR (valproato de sódio ácido valproico)

- Brand with a unique formulation in the Brazilian market, with 45% of market share by Volume
- An effective drug with less therapeutic variability and lower incidence of side effects

Source - IQVIA, March 2025

Linha C&D

C&D | Cardio – Diabetes

The C&D division focuses on two major public health priorities: cardiology and type 2 diabetes, supported by a broad and expanding portfolio.

In cardiology, our offerings cover dyslipidaemia, hypertension, heart failure, anticoagulation, and antiplatelet therapy. In diabetes care, we continue to strengthen our presence with DPP-4 inhibitors and sulfonylureas.

We operate nationwide with strong commercial coverage, a presence in key POS channels, and access to high-value prescribers, including cardiologists, endocrinologists, and general practitioners.

Our approach includes expanded offerings such as fixed-dose combinations and new SKUs, supported by consistent execution at the point of sale and in medical detailing to drive access, loyalty and rational therapy adoption.

Key Brands

rosucor (rosuvastatina cálcica)

- Market leader with 30% market share.

Indapen SR (indapamida)

- Leader in both sales and prescriptions, with over 60% market share.

NEBLOCK (cloridrato de nebivolol)

- Market leader with 50% market share and most prescribed nebivolol brand.

AZUKON MR (gliclazida)

- Market leader in sulfonylureas, with over 80% market share.
- Most prescribed gliclazide brand, holding 63% prescription share.

OLMECOR (olmesartana medoxomila)

OLMECOR TRIPLO (olmesartana + anlodipino + hidroclorotiazida)

OLMECOR HCT (olmesartana medoxomila + hidroclorotiazida)

- Olmecor is the #2 brand in sales and prescriptions in the olmesartan segment.
- Olmecor triplo reached 28% prescription share and 20% sales market share within the first year.
- The family continues to expand with Olmecor HCT, recently launched.

rosucor EZE (rosuvastatina cálcica + ezetimiba)

- Rosucor EZE is one of our most recent launches and has delivered the strongest launch performance within its first six months, outperforming all peer products in the same period.

TORRENT genéricos

Brazil has approximately 90,000 pharmacies in all states. Historically, we served approximately 18,000 pharmacies with our generics portfolio per month, and today this number has already exceeded 55,000 pharmacies per month. This is one of the strategic pillars of our organic growth.

We achieved 4th position in the ranking of laboratories in the covered market, with strong growth.

We are the absolute leader in the Gliclazide Gx market, with a 39% market share, and occupy the 3rd position in the Venlafaxine, Sertraline and Donepezil markets.
For the future, we are developing our portfolio beyond C&D and CNS to continue serving the Brazilian market with quality and access.

Governance Framework

Robust Governance, Sustainable Growth

At Torrent Pharma, we always believe that the highest level of Corporate Governance practices is prerequisite for a growing sustainable and successful business. The sound governance processes and systems guide the Company on its journey towards continued success. We are always committed to fostering a culture where Transparency, Integrity and Accountability are woven into the fabric of everything that we do. Robust governance processes and systems steer the Company on its path to sustained success. On a continual basis, we also maintain responsive, inclusive, participative, and representative decision-making.

Board of Directors

An empowered Board comprising of a diverse group of experienced leaders steers the strategic direction of the Company while ensuring robust governance practices that are aligned with the principles of integrity, fairness, and stakeholder inclusiveness. Our Board provides oversight on financial performance, risk management, ESG integration, compliance with applicable laws and regulations and ethical conduct.

Board Committees

Board Committees play a pivotal role in assisting the Board in fulfiling its governance responsibilities. The Board operates through 5 Board Committees, each dedicated to overseeing specialised areas of operations and providing recommendations based on expertise, facilitating the informed, timely and independent decision-making and ultimately reinforcing the Company's commitment to transparency, accountability and sustainable value creation.

These Committees assist the Board in dealing with issues with greater efficiency, guide strategic decision-making, assess effectiveness, review corporate performance, advise on risk management strategies, and oversee policy implementation.

Each Committee operates under a defined charter approved by the Board, outlining its roles, responsibilities and composition. The Committees meet at regular intervals and present their observations, recommendations and decisions to the board for its consideration.

Key Committees

- Audit
- Risk Management
- Nomination and Remuneration
- Securities Transfer and Stakeholders Relationship
- Corporate Social Responsibility and Sustainability

Senior Management

Members of the core team/functional heads

Familiarisation Programme

The Company carries out the Familiarisation Programme for its Independent Directors with an objective to provide them with insights into the Company's business model, operations, industry dynamics, regulatory updates and strategic priorities, thereby empowering them to effectively contribute to the Board deliberations. Regular visit to the Company's Manufacturing facilities are organised to enable them to understand the operations of the Company. Regular interaction with senior management and functional heads further supports the familiarisation process.

The details of the Familiarisation Programme for Independent Directors are posted on the website of the Company at www.torrentpharma.com.

GRI 2-9

Governance Framework

At Torrent Pharma, our Governance is underpinned by a comprehensive set of policies which serves as guiding principles that shape ethical culture, decision-making process and risk management practices across the organisation. These policies are aligned with applicable legal and regulatory requirements and global best practices and are periodically reviewed to reflect evolving business needs, stakeholder expectations and regulatory developments.

Key Policies	Role in Effective Governance
Code of Business Conduct	Our Code of Business Conduct ('the Code'), applies to all employees and Board Members of the Company. This Code outlines essential corporate ethical standards that shape our business practices and embody our cherished values. It offers guidance to employees in recognising and addressing significant ethical and legal issues, fostering a culture of honesty and accountability.
Whistleblower Policy	The Company has implemented a 'Whistle-blower Policy' demonstrating our commitment to ethical standards, transparency, and accountability. This policy encourages stakeholders to report any instances of unethical behaviour, suspected fraud, or violations of the Company's Code of Business Conduct that could potentially harm the Company's operations, performance, or reputation.
Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons	The Insider Trading Code is aimed at preventing any insider trading and is applicable to all the designated persons who are expected to have access to Unpublished Price Sensitive Information relating to the Company. Through the Insider Trading Code, the Company lays down the guidelines, which advise on procedures to be followed and disclosure to be made while dealing in the shares of the Company.
Policy on Materiality of and dealing with Related Party Transactions	The Policy of the Company provides the process for the approval of various types of Related Party Transactions (RPTs) and general principles governing RPTs. This brings necessary transparency in the RPTs and ensures that the transactions are fair and in compliance with the applicable laws and regulations.
Policy on determination of Materiality of Events or Information	The Policy on determination of Materiality of Events or Information brings consistency in the disclosure of various events or information to the Stock Exchanges in accordance with the thresholds determined.
Policy on Protection of Women against Sexual Harassment (POSH) at Workplace	In order to ensure a safe and harassment-free workplace for its women employees, the Company has implemented the POSH policy. This policy encourages women employees to pursue their careers without fear of prejudice, gender bias, sexual harassment and/or other implicit or explicit orientations.
Human Rights Policy	The Company has in place the Human Rights Policy which is developed in accordance with the Universal Declaration of Human Rights and United Nations Guiding Principles on Business and Human Rights (UNGP), which include processes of respecting, protecting and remediating human rights issues, including those fundamental conventions identified by the International Labour Organisation (ILO) and principles of National Guidelines on Responsible Business Conduct (NGRBC).

Leadership Team

Leading with Foresight

As a responsible corporate entity, we remain committed to enhancing our governance framework to foster transparency and accountability. Our efforts are aimed at enhancing the principles of ethics and integrity throughout the organisation, thus ensuring sustained excellence in all aspects of our operations.

Sudhir Mehta
Chairman Emeritus

Board Composition as at 20th May, 2025

Samir Mehta
Executive Chairman

Ameera Shah
Independent Director

Nayantara Bali
Independent Director

Manish Choksi
Independent Director

Nikhil Khattau
Independent Director

Jinal Mehta
Non-Executive Director
(w.e.f. 24th May, 2024)

Aman Mehta
Whole-Time Director

GRI 2-9, 405-1

For detailed profile visit
https://www.torrentpharma.com/ourstory/board-of-directors/

Read more

Audit Committee
Nikhil Khattau (Chairperson)
Ameera Shah
Nayantara Bali

Securities Transfer and Stakeholders Relationship Committee
Ameera Shah (Chairperson)
Aman Mehta
Nikhil Khattau

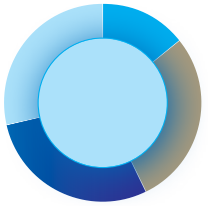
Nomination and Remuneration Committee
Manish Choksi (Chairperson)
Ameera Shah
Nayantara Bali

Risk Management Committee
Nikhil Khattau (Chairperson)
Nayantara Bali
Sudhir Menon (Executive Director (Finance) & Chief Financial Officer)

Corporate Social Responsibility and Sustainability Committee
Nayantara Bali (Chairperson)
Manish Choksi
Nikhil Khattau

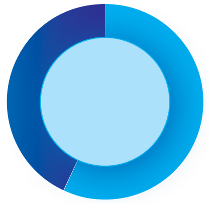
Committee of Directors
Samir Mehta (Chairperson)
Aman Mehta

AGE DIVERSITY



30 to 39 Year	1
40 to 49 Year	2
50 to 59 Year	2
≥ 60 years	2

TENURE



0 to 5 years	4
5+ years	3

SKILL/COMPETENCE MATRIX

Skill/Competence	No. of Directors
Strategic leadership	7
Industry experience	3
Financial expertise	6
Governance, Risks and Compliance	7

4
Independent Directors

2
Female Directors Amongst 7 Directors

Value Creation Model[1]

Inputs

Financial Capital

₹7,591 crores
Net Worth

₹3,026 crores
Borrowings

₹594 crores
Net Capex

Manufactured Capital

8
Manufacturing Units

85 MT
API Capacity

2,500+ crores
Dose Formulation Capacity

Intellectual Capital

800+
Scientists

₹581 crores
R&D Expenditure

Human Capital

17,320
No. of Employees

6.50 lakhs+
Man-hours Training

Social and Relationship Capital

₹48 crores
CSR and Social Donation

7,300+
Vendors

5,800+
Stockists

Natural Capital

878.91 TJ
Energy Consumed

1.105 mn m^3
Water Withdrawal

Value Creation Process

Vision

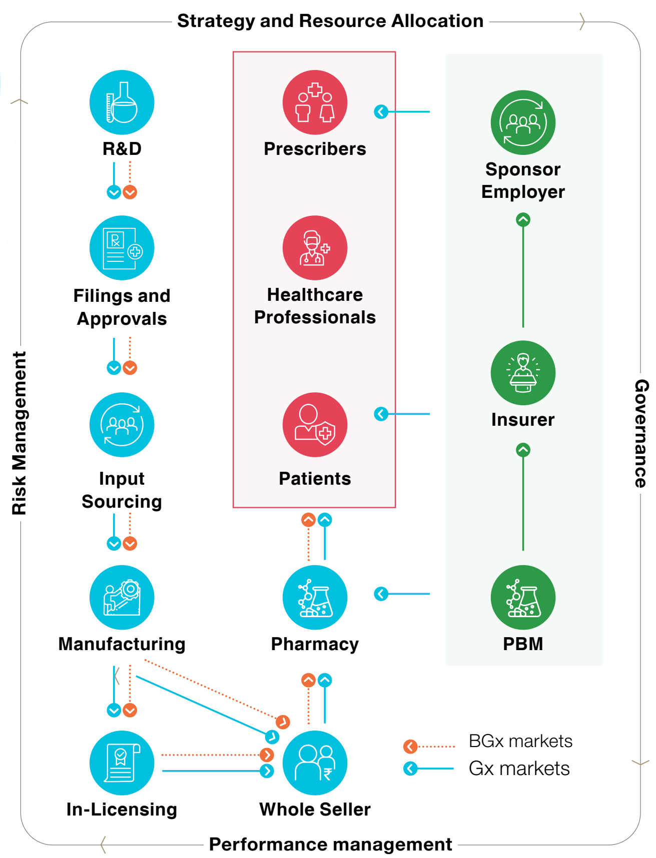
To become the most respected pharma company.

Mission

We commit ourselves to total customer care by delivering world-class products and services.

Values

- Integrity
- Passion for Excellence
- Participative Decision Making
- Concern for Society & Environment
- Fairness with Care
- Transparency



Outputs / Outcome

Outputs	Outcome
₹11,516 crores Revenue **₹3,721 crores** Operating EBITDA **25%** ROE	• Maximising shareholder value • Consistent growth trajectory
2000+ Products registered **60%** Capacity utilisation	• Strong manufacturing capabilities • Competitive product portfolio
122 Filings **5** Patents filed **107** Projects pipeline	• Innovative product development • Increased technological intervention
Zero Fatalities	• Diverse and motivated workforce • Upskilled talent pool
18,000+ Children screened for malnourishment and anaemia	• Enhanced stakeholder relationship • Positive impact on communities
42% Water recycled **68%** Waste recycled	• Robust environmental stewardship • Operational excellence with resource conservation

Stakeholders Impacted

UN SDGs

[1] GRI 2-6

Stakeholder Engagement

Deepening Trust, Strengthening Relationship

We identify our key stakeholders based on their relevance to our operations and their expectations from us, whether it's trust in product quality, transparency in governance or support for community well-being. Through focused and continuous engagement, we gather insights that shape decisions, sharpen priorities, and strengthen accountability across the organisation.

Identifying our Key Stakeholders

We consistently identify and evaluate the stakeholders who are most critical to our operations. This process allows us to understand their expectations and areas of interest. We also assess how our performance and decisions can impact these stakeholders, ensuring we create value for everyone involved.

Stakeholder Engagement and Dialogue

We believe in maintaining open, ongoing conversations with our stakeholders. Our engagement strategy is multi-faceted, allowing us to gather insights through various channels and touchpoints. By adopting this transparent approach, we build strong and lasting relationships with our stakeholders and keep them informed of our plans and their progress. Through regular engagement, we ensure that their voices are heard and that we continue to meet their evolving needs.

Stakeholder Groups	Relevance	Modes of Engagement
Patients	Patients are our products' ultimate customers; our success heavily depends on meeting their expectations. We make it happen by delivering quality products that are accessible and affordable.	• Website • Clinical studies • Pharmacovigilance
Channel Partners	Channel partners play an essential role in the distribution of products across the globe and ensure their seamless accessibility.	• Meetings • Field visits • Digital communication
Suppliers	Our providers of active pharmaceutical ingredients, other input materials, finished products and critical services safeguard continuity of business operations.	• Meetings • Supplier audit • Facility visits

GRI 2-29

Stakeholder Groups	Relevance	Modes of Engagement
Healthcare Professionals	Healthcare professionals allow the Company to fully grasp the evolving needs of patients and put the best foot forward for their benefit.	• Meetings • Conferences • Seminars • Field visits • Continuing medical education (CME) events
Governments and Regulators	Policies and regulatory changes impact operations and provide opportunities. Maintaining rigorous adherence to laws and regulations and espousing ethical conduct is crucial for the Company's long-term viability.	• Meetings • Conferences • Facility visits • Official communications • Statutory publications
Industry Associations	Regular engagements with industry associations help raise awareness about the Company's contributions to society and the economy and provide a public policy advocacy forum.	• Industry conferences • Representations on policy matters
Investors and Shareholders	Investors and shareholders provide financial capital and help provide keen insights into ways and means to improve the Company's activities and operationalise good governance practices.	• Earnings call • Meetings • Investor conferences • Annual General Meeting (AGM) • Website
Communities	Communities provide social licence to operate. We strive to positively impact the local communities where we operate.	• Interactions through CSR initiatives
Employees	Employees are an essential driver of organisational success. We follow a people-first approach and focus on individual growth that will ultimately contribute to the growth of the organisation.	• Senior management interactions • HR communications • Engagement programmes

Capitals

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

Materiality Assessment

Aligning Priorities, Amplifying Impact

At Torrent Pharma, materiality is a lens through which we align our sustainability efforts with what truly matters to our stakeholders and business. By focusing on issues that hold the greatest potential for long-term value creation and impact, we ensure that our strategy is both relevant and responsive.

Our Materiality Assessment Process

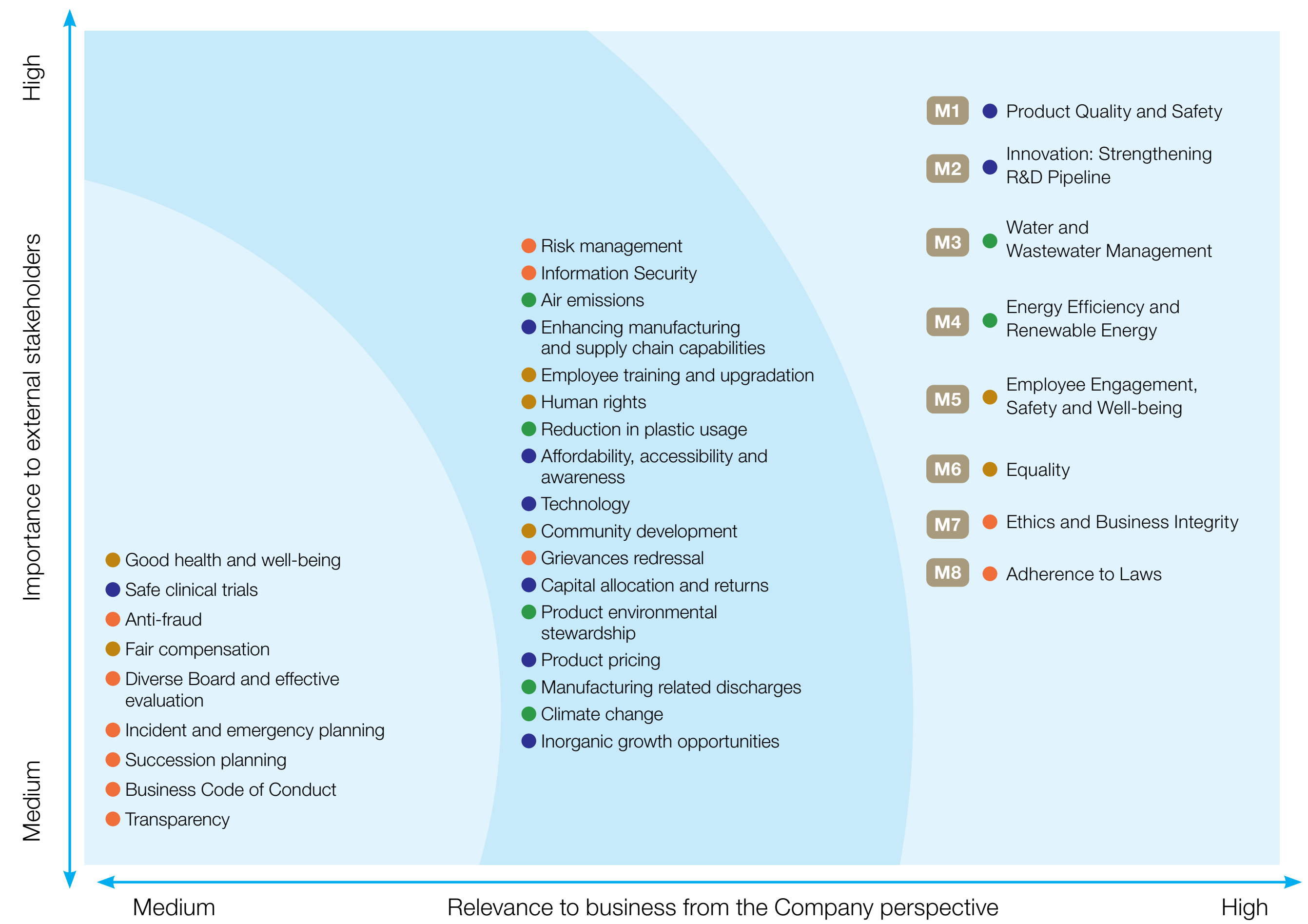
Understanding Global and Industry Priorities
Start with a desk review of global frameworks such as the UN SDGs and sector-specific issues to align them with our business strategy

Identifying and Prioritising Stakeholders
Map and prioritise our stakeholders based on their influence on, and interest in, our operations

Gathering Stakeholders Insights
Conduct interviews with senior leadership and gathered inputs from stakeholders through surveys and consultations

Mapping and Prioritising Issues
Perform a comprehensive analysis to create our materiality matrix, helping us focus on what matters most

Materiality Matrix



Material Topics

	Economic	Environment	Social	Governance
Material Issues	M1 M2	M3 M4	M5 M6	M7 M8
Capital Linkage				
UN SDGs Linkage	9, 12	6, 7, 12	3, 5, 8, 10	16

GRI 3-2

Addressing Material Issues Proactively

Material Topic	Relevant Stakeholders	Associated Risks	Opportunities	Our Approach
M1 **Product Quality and Safety**		Product recalls, regulatory actions loss of trust	Strengthen brand equity, patient trust, regulatory leadership	We maintain stringent quality systems, continuous monitoring, and global compliance protocols.
M2 **Innovation: Strengthening R&D Pipeline**		Pipeline delays, loss of competitiveness	Expand portfolio, enter new markets, first-mover advantage	We focus on novel and complex generics, partnerships, and agile development frameworks.
M3 **Water and Wastewater Management**		Regulatory fines, reputational damage, water scarcity	Continuing license to operate, cost reduction	We adopt ZLD systems, water recycling and monitor consumption across sites.
M4 **Energy Efficiency and Renewable Energy**		Rising energy costs, carbon regulations, climate impact	Cost savings, emission reduction, sustainability leadership	We invest in renewable energy, optimise energy use, and monitor GHG emissions closely.
M5 **Employee Engagement, Safety and Well-being**		Attrition, productivity loss, safety incidents	Higher retention, workplace resilience, employer of choice	We prioritise health and safety, offer growth opportunities, and foster an inclusive culture.
M6 **Equality**		Discrimination claims, workforce disengagement	Diverse talent pool, innovation, reputation	We promote equal opportunity policy, gender equality and diversity.
M7 **Ethics and Business Integrity**		Legal penalties, reputation loss, business disruption	Trust-building, preferred partner status	We uphold a strong Code of Conduct, provide regular ethics training and ensure transparency.
M8 **Adherence to Laws**		Regulatory action, market access risk	Strengthened governance, reduced compliance burden	We imbibe compliance into operations, audit regularly, and update on regulatory changes.

GRI 3-1, 3-2

For more details please refer Question 26 of Section A of Business Responsibility and Sustainability Report (BRSR).

Strategic Priorities

Strengthening Our Core, Shaping a Better Future

At Torrent Pharma, we are committed to delivering differentiated value to our stakeholders through our strategic priorities. These priorities focus on strengthening leadership in core markets while exploring opportunities across emerging geographies and therapies. We are also focused on enhancing competitiveness through operational excellence, digital integration and building a future-ready workforce, while embedding sustainability across our operations.

	ST-1	ST-2	ST-3	ST-4	ST-5	ST-6
	Improve market share in core markets	**Create sustainable and profitable growth by investing in new markets to develop them as tomorrow's growth engines**	**Drive operational excellence through focus on quality, productivity, and cost competitiveness**	**Build engaged and empowered workforce with focus on leadership, innovation, and productivity**	**Deploy digital technologies to drive business model improvements**	**Enhance responsible actions by integrated sustainability across business operations**
Focus Area	• Expand market footprint in key markets - India, Brazil, Germany and US • Amplify new launches • Field force expansion for branded markets, enhancing sales force effectiveness • Enhancing presence in key therapeutic areas	• Strategic expansion in new markets, continuous scanning of global pharma landscape • Incremental capital allocation to identified markets • Launches and filings	• Automating and integrating connected technologies and reducing manual interventions • Optimised R&D efficiency • Build robust supply chain	• Nurture leadership talent with an entrepreneurial mindset through succession planning • Enhance training and development initiatives to ensure continuous learning and skill development	• Invest in technology to establish a sturdy, scalable and accessible framework • Enhance digitalisation in operational excellence	• Adhere to stringent practices aimed at reducing carbon footprint, conserving natural resources, efficient waste management and promoting community well-being
Initiatives KPIs	• Leveraging existing brand equity for new launches and in-licensing collaborations • Launched Sitagliptin & Linagliptin in India post patent expiry and achieved No #1 rank amongst generic players • Launched Empagliflozin through In-licensing • Strengthening CHC portfolio • New filings US – 4, EU – 6, Brazil – 8 • 800+ field force added	• Incorporated subsidiary in Chile • Improved market share in branded generic markets of Philippines, Malaysia, Sri Lanka and Mexico • Expansion in chronic therapeutic areas, with focus on diabetic segment • New filings for ROW – 97	• Designing and implementing tailored digital tool for regulatory practices, will be fully implemented by end of 2025 • Implementing AI tools for quality management systems • Strengthening distribution network and combating counterfeiting	• Inclusion and diversity across leadership levels • Foster innovation while balancing risk taking and productivity • Improved in-clinic effectiveness through a therapeutic focused structure and sales training	• Automated, integrated and digitalised manufacturing, quality, supply chain processes • Use of different data compilation and analytics tools	• Reducing GHG emission in our operations • Improved water recycling • Zero liquid discharge • Waste Recycling through 4R approach • Promoting community well-being through CSR activities Please refer **'Natural Capital' and 'Social and Relationship Capital' section**
Capitals						

For ST1 - please refer **Management Discussion and Analysis section**

Navigating Uncertainties with Resilience

As a pharmaceutical company, we operate in a highly regulated environment with long product development cycles and significant investment risks. Over time, our risk management approach has evolved into an integrated and continuous process, supported by the implementation of an organisation-wide enterprise risk management (ERM) framework. By integrating ERM into strategic decision-making and business operations, we enhance operational resilience. A robust ERM framework supports both innovation and sustainable growth in a highly competitive and regulated industry.

Our Risk Management Process

Risk Identification
Identifying potential events impacting the successful implementation of strategies or the achievement of objectives. Regular discussions with the functional heads to assess and deliberate on potential risks and opportunities arising from the market forces and the political, economic, regulatory, technological, and environmental changes.

Risk Assessment
Perform risk assessment to evaluate the likelihood and potential impact of identified risks on achieving objectives.

Risk Mitigation
A comprehensive risk register is continuously updated to capture new risks, assess their likelihood of occurrence, and determine their possible impacts of internal and external changes. To address the risks, mitigation plans are developed for implementation.

Monitoring
Continuously monitor the risks and the effectiveness of treatments.

Risk Governance Structure

We have adopted a bottom-up and top-down approach to drive effective enterprise risk management. Our risk governance structure consists of:

Board of Directors (BOD)
Ultimate responsibility for overseeing risk governance.

Chief Risk Officer (CRO)
The CRO leads the ERM team, which reports directly to the RMC on implementing mitigation strategies and their impacts.

Risk Management Committee (RMC)
RMC operates directly under the board. The RMC reviews and enhances risk management policies and processes. The RMC also evaluates the potential risks and monitors the progress of mitigation plans.

Business and Functional Heads
Assess and deliberate on potential risks and opportunities and develop appropriate mitigation strategies within their respective areas of responsibility.

ERM Framework

Business activities inherently involve risk-taking, and an integrated risk management framework is necessary to identify, monitor and minimise the adverse impact of risks across business operations consistently, collaboratively and comprehensively. Our risk appetite depends on the acceptable risk level to achieve our business objectives. Risks are broadly categorised as strategic, operational, financial and compliance risks based on their nature, with communication and training being essential components of the framework.

We have implemented the enterprise risk management (ERM) framework through a risk management committee that includes risk owners across our Company, including functional heads, subsidiaries and manufacturing facilities. The ERM framework is integrated into the Company's strategy and performance to ensure they are integral to our decision-making processes.

Aligning ERM with COSO Framework

We have aligned our risk management framework with the globally recognised Committee of Sponsoring Organisations (COSO) framework of the Treadway Commission. This provides us a structured, principles-based approach for identifying, assessing, managing, and monitoring risks across the organisation. This approach empowers us to identify opportunities within our risk appetite, foster resilience and ensures constant improvements.

Key Risks

Please refer to the Management Discussion and Analysis section of the report which details key risks that may impact our operations.

Delivering Sustainable Growth and Value to Stakeholders

We have consistently enhanced enterprise value by exercising financial discipline, improving operating margins, and optimising capital efficiency. Our strategic capital allocation has been balanced between organic growth initiatives and value-accretive inorganic opportunities. Through meticulous post-acquisition integration and realisation of synergies, we have effectively augmented shareholder value and delivered superior returns.

7%
Revenue growth

10%
Operating EBITDA growth

STAKEHOLDERS IMPACTED

MATERIAL ISSUES ADDRESSED

M7 M8

STRATEGIC THEMES

ST-1 ST-2 ST-3

ALIGNMENT WITH UN SDGs

OUR FOCUS AREAS:

- Sustainable Value for Stakeholders
- Enhancing Capital Efficiency

Interlinkages with other Capitals

Manufactured Capital

- Investments in compliant manufacturing infrastructure and supply readiness have supported cost efficiency and business continuity, contributing to margin expansion.

Intellectual Capital

- Our differentiated product pipeline, supported by strong R&D and portfolio development, drives revenue growth and improves return on capital.

Human Capital

- A skilled and expanding workforce has strengthened execution and productivity, enabling market share gains.

Social and Relationship Capital

- Strong relationships with regulators, partners and communities support long-term value creation and strategic growth.

Natural Capital

- Our responsible approach to resource use and sustainability efforts reduces operational risk which supports long-term financial resilience.

Introducing the Report
Corporate Overview
Governance
Value Creation Approach
Value Creation through Capitals
Statutory Reports
Financial Statements

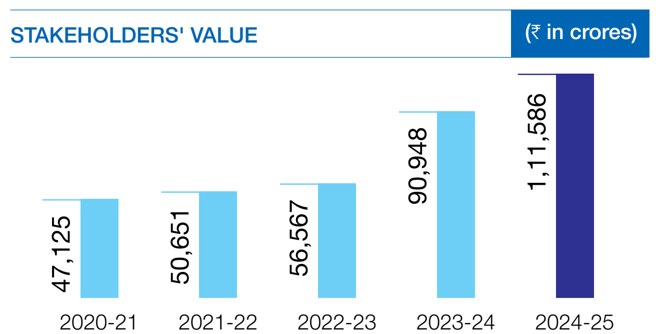
Economic Value Creation (₹ in crores)

Our Direct Economic Value Creation	2024-25	2023-24
Direct Economic Value Generated	**11,539**	**10,786**
Revenues Generated*	11,539	10,786
Direct Economic Value Distributed	**10,544**	**9,999**
Operating Cost	6,339	6,140
Employee Wages and Benefits	2,203	1,984
Payment to Providers of Capital	1,335	1,369
Payment to Government	619	462
Community Investment	48	44
Direct Economic Value Retained	**995**	**787**

*Excluding exceptional item

Stakeholders' Value

We have demonstrated our unwavering commitment towards creating value for our stakeholders through strategic acquisitions, partnerships and achieving operational excellence. The compounded annual growth rate of 24% in Enterprise Value is a testament to this commitment.



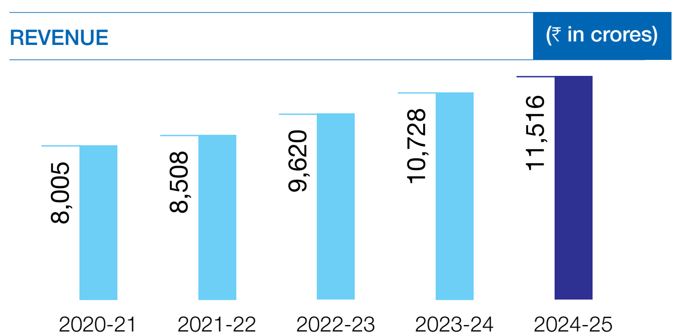
Revenue

Long-term Trends

Over the past of 5 years, revenues have grown by 8% aided by growth momentum in the branded generic business and achieving synergies from acquisitions and steady growth in Generic markets.

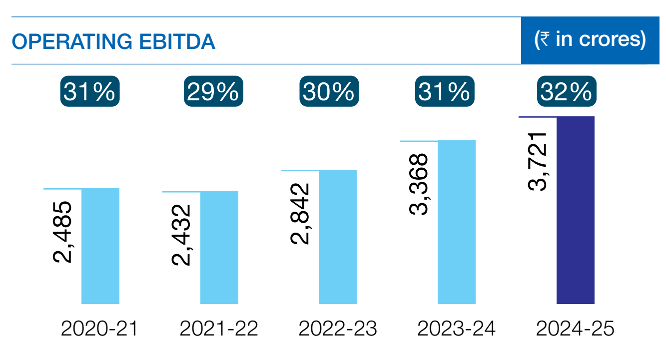
2024-25

India business maintained strong momentum in 2024-25 driven by new launches and expanding field force. International business has also shown resilience and are poised for exceptional performance.



Operating EBITDA

Our patient-centric approach, evident from delivering safe and reliable products, coupled with our ability to respond quickly to the ever changing landscape has helped in improving profit margins.



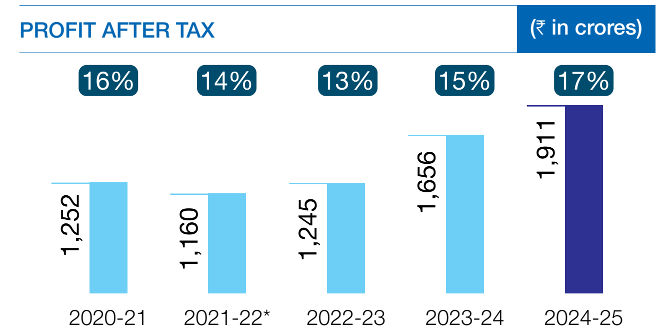
Operating EBITDA (₹ in crores)   Operating EBITDA (% Margin)

Profit after Tax

At Torrent Pharma, we believe in transparent and ethical practices across all facets of regulatory compliance, operations and tax practices and reporting. This alignment with our core values has bolstered trust across all external stakeholders and helped us deliver robust returns for them. Our profit after tax has increased with annual growth of 13% over last 5 years.

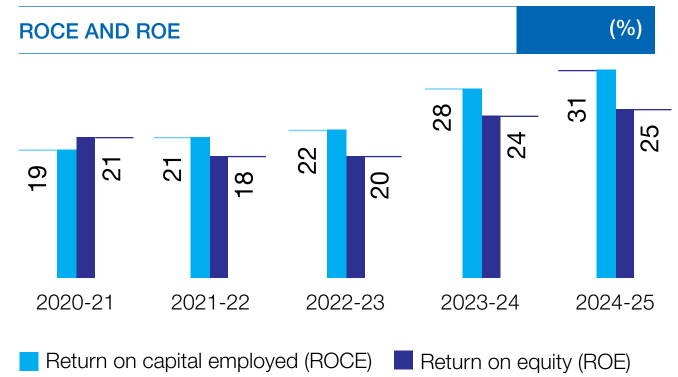
Profit after Tax (₹ in crores)   Profit after Tax (% Margin)

*Adjusted for exceptional items



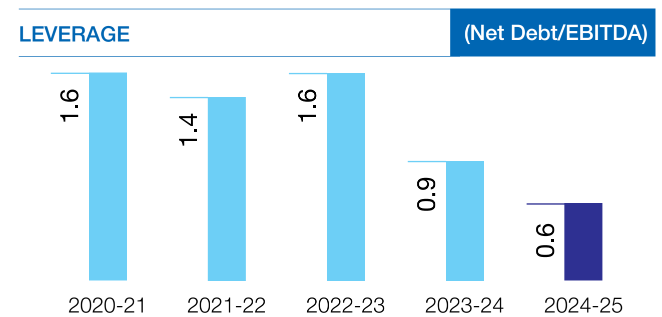
Return on Capital Employed and Return on Equity

Over the years, we have been prudent in our capital allocation across business segments with major focus on India. Financial prudence, together with sustained margin improvement, has resulted in a consistent improvement in capital efficiency and enhancement of shareholders' value. The Company is able to sustain returns even after multiple acquisitions in the last few years and consistent dividend distribution.



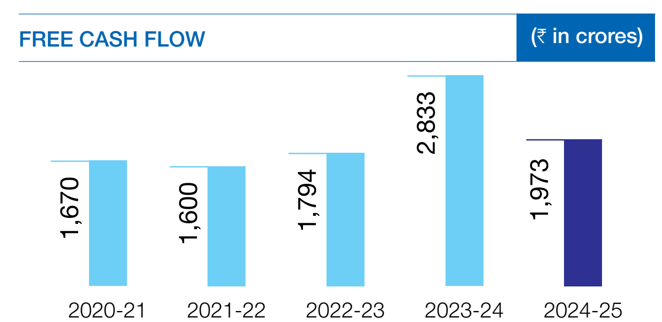
Leverage (Net Debt/EBITDA)

We have been able to maintain healthy leverage through our disciplined financial management and keeping a close eye on the debt profile and ensuring that our capital structure radiates confidence for the next phase of growth.



Free Cash Flow

With healthy and reliable cash flows year after year, we are well positioned for next level of growth to capitalise on the market opportunities across geographies.



Credit Ratings

We have obtained ratings from ICRA and India Ratings & Research Private Limited. The consistent ratings signify the ability to meet our financial obligations and boost confidence among our investors and stakeholders.

This financial stability further enhances attractiveness as an investment opportunity.

Long term rating		Short term rating
AA+	**AA+**	**A1+**
ICRA (Stable)	IND (Stable)	ICRA

Operational Resilience through Digital and Quality Excellence

Our manufactured capital represents the physical assets, infrastructure, and production capabilities that enable us to deliver high-quality products efficiently and at scale. We continue to invest in modernising our facilities, optimising operational efficiencies, and integrating sustainable practices into our production processes. These efforts have positioned us to respond effectively to market demands while supporting long-term value creation for all stakeholders.

8 cGMP
compliant manufacturing sites

100%
sites are ISO 14001 & ISO 45001 certified

STAKEHOLDERS IMPACTED

MATERIAL ISSUES ADDRESSED

M1 M7 M8

STRATEGIC THEMES

ST-3 ST-5 ST-6

ALIGNMENT WITH UN SDGs

OUR FOCUS AREAS:

- Strengthening Manufacturing Capabilities
- Technology Advancement, Automation and Digitalisation
- Sustainable Manufacturing practices
- Product Quality, Safety and Regulatory Compliance
- Combating Counterfeiting

Interlinkages with other Capitals

Financial Capital
- Investment in infrastructure
- Earnings and market reach

Intellectual Capital
- R&D efforts resulting into process improvement and new launches
- Protection of intellectual property rights

Natural Capital
- Investment in sustainable manufacturing facilities
- Optimising resources and reducing carbon footprint

Human Capital
- Occupational health and safety
- Skills and expertise for efficient manufacturing processes

Social and Relationship Capital
- Quality and affordable medicines for patients
- Healthy relationships with supply chain partners
- Community development surrounding manufacturing locations

Strengthening Manufacturing Capabilities

Our state-of-the-art manufacturing facilities across India are equipped with cutting-edge technology and global regulatory approvals, ensuring high-quality pharmaceutical products. With a strong focus on sustainability, innovation and operational efficiency, we are continuously investing in automation, energy conservation and waste reduction, reinforcing our commitment for responsible growth.

Capacity Highlights (in units)

25 billion
Tablets and capsules

85 MT
API capacity

42 million
Vials

91 million
Sachets

115 million
Tubes

Our commitment to delivering high-quality and affordable medicines has led us to focus on protecting both quantitative and qualitative aspects of manufacturing technology. Our facilities are equipped with advanced technology and adhere to stringent regulatory standards, holding approvals from authorities such as the USFDA, EU GMP, ANVISA, TGA and WHO-GMP.

Under the 'Loan Licensing' and 'Principal to Principal' models, we also work with contract manufacturing sites to attain supply readiness. These collaboration facilitates cost reduction, increased production capacity and seamless technology transfer between locations. This further ensures business continuity in the event of an exigency by having multiple sites ready to cater to varied demands.

Regulatory Approvals

During the year 2024-25, our Indrad and Pithampur facility received clearance from the US FDA. We had received Form 483 with 5 observations for Indrad and with 1 observation for the Pithampur facility, which were subsequently classified as Voluntary Action Indicated ('VAI').

Technology Advancement, Automation and Digitalisation

We continually enhance use of technology, creating new strategies to boost productivity and expand our capacity to provide patients with quality medicines.

Industry digitalisation marks a transformative era in manufacturing, where artificial intelligence, automation and robotics seamlessly integrate into production processes while empowering workers to be active decision-makers. This fundamental change is characterised by a symbiotic relationship between humans and machines, fostering real-time information exchange and optimising operations through cutting-edge technologies like Internet of things (IoT), AI, cloud computing, cyber-physical systems (CPSs) and augmented reality.

At Torrent, we aim to be digital and data-driven organisation and we are enhancing the speed and agility of the business by accelerating digital transformation in all aspects of manufacturing. Accelerating the Pharma 4.0 programme, we have adopted relevant technologies to exploit digitally enabled manufacturing facilities.

Manufacturing

We are utilising SCADA and HMI-based systems in the manufacturing processes to capture data from various signals and display real-time monitoring on a screen. These systems enhance data accuracy and provide critical insights into operational performance. All manufacturing plants except Sikkim are SCADA enabled. Further, a fully automated electronic system for Batch Manufacturing Records (BMR) and Batch Packaging Records (BPR) has been built at our Dahej facility.

Packaging

All packing lines are equipped with sensors and human-machine interfaces (HMIs) that feature automatic detection and rejection capabilities. Furthermore, these lines are centrally connected, ensuring streamlined operations and enhanced efficiency.

Quality

Quality control instruments utilise advanced sensors that seamlessly connect to a central software system, ensuring accurate data collection and analysis. These sensors play a crucial role in monitoring various quality parameters.

Digitalisation of Processes
- Training Management System
- Integrated Quality Management System
- Lab Management System
- Chromatography Data System

Integration of various Platforms
- Laboratory Information Management System (LIMS)
- SAP
- Manufacturing Execution Systems (MES)
- Training Management System
- Quality Management System
- Cloud

Use of IoT based Devices
- Supervisory Control and Data Acquisition (SCADA)
- Industrial Process Controller
- Building Management System
- Human Machine Interface
- Track & Trace

Automation & Robotics
- Warehouse Management
- E-BMR / E-BPR
- Weighing & Dispensing
- Packing Lines

AI , VR & AR Solution
- Sensor Based Predictive Maintenance
- Digital Twin for Machine Simulation

Sustainable Manufacturing

At Torrent Pharma, we are committed to environmental stewardship by prioritising sustainability in our manufacturing practices. By focusing on reducing our carbon footprint and promoting greener operations, we adopt innovative solutions and green technologies to minimise environmental impact. We strive to build a sustainable future by reducing fossil fuel consumption, implementing renewable energy sources and adopting energy-efficient equipment across our manufacturing operations. During the year 2024-25, we implemented several sustainability-focused initiatives, such as;

Project	Description	Benefits	Location
Replacement of old equipment	Replacement of old centrifugal chiller with efficient new chiller	Reduces Energy consumption	Indrad
	Replacement of HSD driven fork lifter with electric fork lifter		Baddi
	Replacement of conventional blowers with Electronically Communicated high efficiency blowers in 3 AHUs		Bileshwarpura
Process innovation	Synchronisation of all DG Sets by laying common Bus duct, coupler, communication cable and calibration of individual Controller (parameter settings) for load sharing & energy conservation	Reduces Energy consumption and emission	Baddi
	Retrofitting of high efficiency desiccant beds in 5 Dehumidifiers		Sikkim
	Reuse of steam condensate overflow from Boiler feed tank. The overflow is used in Utility		Indrad
	Optimisation of Nitrogen generation plant in Central Utility & API Utility		Indrad

Product Quality, Safety and Regulatory Compliance

Our motto – 'One Product – One Globe – One Quality' is ensured through building the culture of excellence that is guided with a robust framework, including SOPs, trainings, digitalisation, performance metrics reviews and audits. Operating in the highly regulated and GMP compliant pharmaceutical sector for patient safety, we are committed to ensuring that all products meet the highest quality standards. Given that the Company's pharmaceutical products are consumed by humans, maintaining product quality is paramount, as any deviations can pose a direct threat to patient safety and public health. Compliance with current Good Manufacturing Practices (cGMP) is essential, as non-compliance can lead to regulatory warnings, manufacturing suspensions, product recalls and liability claims.

The complexity of pharmaceutical manufacturing poses challenges in maintaining consistency across the supply chain, increasing the risk of batch rejections and deviations. To mitigate these risks, the Company has implemented a multi-layered quality management approach focused on regulatory adherence, supply chain integrity and continuous improvement.

- 'Quality-by-Design' approach in product development
- Independent quality assurance by subject matter expert
- Supplier qualification programme
- Lifecycle management and continuous improvement

To further strengthen compliance, the Company follows a 'Quality-by-Design' approach in product development, ensuring robust formulation and process design from the outset. Additionally, the Company has implemented a comprehensive self-inspection programme within its manufacturing sites, complemented by quality audits of all sites including contract manufacturing facilities, by a dedicated team of subject matter experts (SMEs) . These periodic audits help ensure product quality and cGMP compliance.

To maintain consistency in raw material quality, the Company has established a strong supplier qualification programme, ensuring the integrity and compliance of input materials used in the manufacturing process. Moreover, the Company employs a robust product lifecycle management system, incorporating continuous improvement strategies and continuous process verification to enhance product quality and reliability.

Continuous regulatory inspections, internal quality audits and investment in advanced quality control technologies further reinforce the Company's commitment to excellence. Additionally, the Company maintains comprehensive product liability insurance to mitigate financial risks associated with quality-related claims.

Inspections in 2024-25	Numbers
Regulatory Audit/ Inspections	20
Supplier/Customer	37
Internal audits held	145

Product Recall (GRI 416-2)

In 2024-25, we conducted 10 voluntary product recalls and 2 forced recalls prompted by regulatory directive. Three of these recalls were under Class I category and four were under Class II category.

Combating Counterfeiting

We are committed to combating the problem of counterfeit drugs to ensure product integrity and strengthen patient safety. We collaborate with private investigation agencies for market surveys/sampling, investigation, and identifying 'Ghost sellers' for major products. Further, on a continuous basis we take samples of several products and batches from the market and examine them for authenticity. For certain SKUs we use Specialty PVC Blister Film with multiple intricate features like unique pneumonic printing, holograms, microtext, UV text and watermarks, and speciality CFB (coated front back) with brand names and UV text to enhance traceability. During the year, we implemented QR codes for certain SKUs on primary and secondary packaging along with SMS authentication. Quality testing is conducted to determine the active ingredients in suspected fake samples. If counterfeiting is confirmed, we alert customers, regulatory bodies, and marketing authorisation holders.

Transforming Healthcare with a Differentiated Approach

We are committed to strengthening our R&D capabilities with a structured approach focused on developing complex-to-manufacture molecules, differentiated formulations, and novel drug delivery systems. Our efforts are driving advancements in peptide-based formulations, improving process efficiencies through digital interventions, and incorporating green chemistry principles to ensure sustainable and cost-effective development.

₹581 crores
R&D expenditure

5
Patents filed

107
Projects under development

800+
Scientists

STAKEHOLDERS IMPACTED

MATERIAL ISSUES ADDRESSED

M1 M2

STRATEGIC THEMES

ST-3 ST-4 ST-5

ALIGNMENT WITH UN SDGs

OUR FOCUS AREAS:

- Advancing R&D Capabilities
- Optimising R&D Processes
- Integrated and Sustainable Approach in API Development
- Strengthening Intellectual Property
- Developing a Differentiated Portfolio
- Strengthening Quality through Advanced Analytical Capabilities
- Digital and Technological Advancement

Interlinkages with other Capitals

Financial Capital
Strategic investments in research and development to drive innovation and create new revenue streams.

Manufactured Capital
Leveraging technological advancements and process improvements to enhance product quality and operational efficiency.

Human Capital
Collaboration between R&D teams and skilled professionals to foster innovation and create market-leading products.

Social and Relationship Capital
Engaging with academic institutions and industry bodies to exchange knowledge and drive collaborative innovation.

Natural Capital
Incorporating green chemistry and sustainability into R&D practices, ensuring eco-friendly and efficient product development.

Advancing R&D Capabilities

Our R&D strategy in 2024-25 focuses on high-value complex generics and advanced drug delivery systems to enhance treatment outcomes and patient convenience. Investments in novel formulations, innovative fixed-dose combinations (FDCs) and next-generation molecules are driving our portfolio expansion.

We have prioritised expanding our portfolio in key therapeutic areas, including Gastroenterology, Neuropsychiatry, Cardiology, Diabetes, Pain Management, Dermatology and Gynaecology, while also strengthening our capabilities in concept-based nutraceuticals and cosmeceuticals.

Key Highlights for 2024-25

Advancing Complex Generics

Successfully developed and submitted regulatory filings for complex generics, strengthening presence in the US and European markets.

Expanding Peptide-based Pipeline

Accelerated entry into high-growth therapeutic segments, enhancing patient compliance and ensuring competitive differentiation.

Diversifying into New Market Segments

Launched cosmetic products in international markets, reinforcing commitment to expanding beyond drug development. We have extended our derma portfolio to the Philippines and Nepal with strategic plans to further expand into other countries over the next few years.

Patent Success

- Secured patent for Mecobalamin Nasal Spray in the Europe, Malaysia and Brazil, a significant step in neurological treatment.
- Secured patent for Tapentadol nasal composition in Brazil and the Philippines.
- Filed patents in peptide drug delivery systems, reinforcing leadership in complex formulation technologies.

Optimising R&D Processes

To reduce development timelines and strengthen regulatory adherence, we have streamlined our clinical trial processes. Data-driven decision-making and advanced trial designs are enhancing efficiency, allowing us to bring new products to market faster.

Additionally, our investments in Alternate Vendor Development (AVD) have helped to optimise sourcing strategies, ensuring cost competitiveness without compromising on quality.

Integrated and Sustainable Approach in API Development

With a strong focus on patient-driven innovation and sustainable growth, we continue to advance our API development capabilities, integrating advanced solid-state forms and particle engineering crucial for enhanced formulation development. We are committed to developing complex generics through non-infringing, cost-effective processes, ensuring early access to essential medications by leveraging our in-house R&D expertise.

Strengthening API Development Capabilities

High-Potency API (HP-API) Development Facility

Our dedicated HP-API facility is designed for efficient process development using Quality-by-Design (QbD) principles. This ensures high-quality output while maintaining strict regulatory compliance.

Advanced Computational Capabilities

We have strengthened our ability to assess and control genotoxic, mutagenic and nitroso impurities thereby enhancing process reliability and product quality.

Key Developments in In-house API

Advancing Product and Chemistry Innovations

- **Polymorph Development:** Developed a non-infringing polymorph for NCE-1 API, improving treatment options for chronic heart failure.
- **Chiral Chemistry Breakthroughs:** Designed an enantiomeric resolution process for a cortisol synthesis inhibitor API, ensuring drug stability.

Process Optimisation for Cost and Efficiency

- **Cost-Effective Process Development:** Developed an optimised, lean API manufacturing process for chronic heart failure treatment, ensuring freedom to operate in key global markets.
- **Precision Impurity Control:** Established a scalable, regulatory-compliant process for CNS API, effectively controlling impurity levels within Threshold of Toxicological Concern (TTC) and International Council for Harmonisation (ICH) limits.
- **Enhanced Stability for Sensitive APIs:** Introduced innovative purification techniques for moisture and temperature-sensitive CNS drugs, ensuring long-term formulation stability.

Driving Green Chemistry and Sustainability

- **Minimising Solid Waste:** Developed a sustainable, cost-effective process for an antipsychotic API, incorporating green chemistry principles.
- **Reducing Solvent Use:** Introduced an eco-friendly manufacturing process for a thrombocytopenia associated with chronic liver disease API, significantly lowering toxic reagent consumption and solvent waste.
- **Eliminating Hazardous Reagents:** Replaced pyrophoric and toxic materials in the production of an insomnia API with a safer, commercially viable green alternative.

Strengthening Intellectual Property

An integrated Intellectual Property (IP) strategy not only secures exclusivity but also contributes in our mission of delivering innovative healthcare solutions. As our product portfolio continues to evolve, securing strong patent protection is a key enabler of sustainable growth. Our expertise in IP helps protect complex generics, novel drug delivery systems (NDDS) and proprietary processes, ensuring a competitive edge in key global markets such as the United States, Europe and India.

In 2024-25, we further expanded our IP portfolio, with notable filings and approvals reflecting our commitment to innovation and market leadership. These filings span new technologies, peptide products and process innovations, reinforcing our position in high-growth therapeutic areas.

1,279
Total patent applications filed

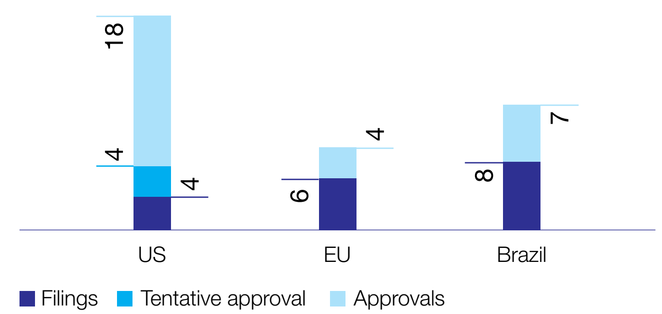
689
Total patents granted

2
New API process patents filed in 2024-25

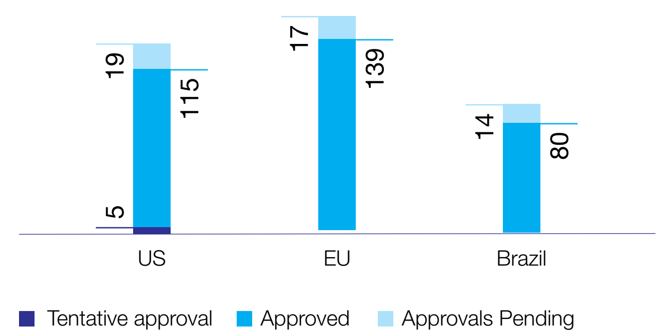
3
Peptide product patents filed in 2024-25

5
NDDS patents granted in 2024-25

REGULATORY FILINGS AND APPROVALS IN 2024-25



CUMULATIVE ANDA/DOSSIER STATUS (TILL DATE)



ROW filings in 2024-25

97
Filings

India filings in 2024-25

7
IH

53
In-license

Developing a Differentiated Portfolio

With increasing competition in chronic and speciality therapies, we continue to differentiate our product portfolio through innovation and a targeted market approach. Our strategy is built on scientific differentiation, novel drug delivery systems and expansion into niche therapeutic segments.

India Market: Driving Growth with Clinically Differentiated Assets

We focus on strengthening our domestic portfolio by introducing clinically differentiated assets that provide enhanced therapeutic outcomes. The focus areas include:

- **Novel Molecules:** Introduction of innovative therapies tailored to unmet medical needs.
- **Innovative Fixed-dose Combinations (FDCs):** Offering improved treatment regimens for better patient compliance and efficacy.
- **Novel Drug Delivery Systems (NDDS):** Enhancing bioavailability, reducing dosage frequency and improving patient adherence.

International Markets: Multi-pronged Approach to Differentiation

In global markets, we are expanding our footprint through:

- **Branded Generics:** Strengthening presence in regulated markets by leveraging brand equity and product differentiation.
- **Complex Formulations:** Developing challenging-to-make dosage forms that offer competitive advantages.
- **Oncology Portfolio Expansion:** Investing in high-growth segments to address rising global demand for cancer treatments.

Expanding Research in Probiotic Development

As part of our efforts to diversify our product portfolio, we are strengthening our expertise in FDCs of probiotics development. By integrating advanced analytical tools and validation processes, we are ensuring the safety, efficacy and stability of probiotic formulations, further expanding our presence in the speciality healthcare segment.

Strengthening Quality through Advanced Analytical Capabilities

We are committed to maintaining the highest quality standards by integrating advanced analytical technologies into our research and manufacturing processes. With a focus on regulatory compliance and patient safety, we are continuously enhancing our quality framework through cutting-edge methodologies.

Ensuring Compliance with ICH Q3D Guidelines

With the global implementation of ICH Q3D guidelines for elemental impurities in pharmaceuticals, our Company has strengthened its analytical capabilities to ensure product safety. The adoption of ICP-MS (Inductively Coupled Plasma Mass Spectrometry) enables precise detection and quantification of trace elements in drug formulations, ensuring compliance with permitted daily exposure (PDE) limits. The quality and R&D teams collaborate to conduct risk assessments, establish control strategies and validate methods for impurity analysis, reinforcing our commitment to patient well-being.

Digital and Technological Advancements

We are driving a digital transformation in R&D to accelerate drug development, enhance regulatory processes and improve clinical trial efficiencies. By integrating AI-driven capabilities and cutting-edge digital tools, our Company is reinforcing its research ecosystem to remain competitive in an ever evolving pharmaceutical landscape.

Enhancing R&D with Digital Tools

To streamline R&D operations, multiple digital solutions have been implemented, ensuring process automation, compliance and data integrity.

Software	Function
Scientific Data Management System (SDMS)	Supports scientific programming applications for data integrity.
Quality Management System (TrackWise)	Ensures quality and compliance in research and production.
AER Software	Tracks and manages adverse event reporting.
TRIMS	End-to-end process automation for regulatory submissions.
BE Studies Software	Automates volunteer management and pathology lab processes.
SOP & Training Management	Streamlines induction and SOP training for R&D personnel.

All above software solutions are 21 CFR Part 11 compliant, ensuring adherence to regulatory requirements set by USFDA and EU authorities.

Other Software	Function
Primavera	Facilitates project management and resource allocation.
License Repository	Enables centralised license management across all subsidiaries and global locations.

Data Analytics and Market Intelligence

We are leveraging data analytics and real-world evidence to enhance research efficiency and market intelligence. Key initiatives include:

- **SAS Software Implementation:** A statistical analytical tool is now in place for clinical data management and advanced analytics.
- **Global Regulatory Digital Solution:** We have partnered with a renowned consulting firm to develop a centralised regulatory information management system, integrating real-world global regulatory data across all markets. This solution will provide seamless access to all regulatory information from anywhere in the world and is set to be fully implemented in 2025.
- **Exploring AI for Regulatory & Quality Functions:** We are evaluating AI tools to optimise various regulatory and quality-related activities, ensuring faster decision-making and improved compliance management.

The Road Ahead

With an integrated digital and AI-driven approach, we are fortifying our R&D capabilities to drive innovation, enhance operational efficiencies and ensure seamless regulatory compliance. We are committed to adopting next-generation technologies to advance research endeavours and strengthen our competitive edge in global pharmaceutical markets.

Global Standards Compliance

Our Research and Development (R&D) team maintains robust systems to ensure compliance with global standards, including:

ISO 50001:2018

ISO 14001:2015

ISO 45001:2018

National Accreditation Board for Testing & Calibration Laboratories (NABL), India

The team conducts regular reviews to update systems in accordance with regulatory and quality requirements. It demonstrates commitment to quality, safety, and environmental responsibility across operations.

Our Bio-evaluation Centre is a Drug Controller General (India) approved facility, which signifies technical competence and excellence in quality management. This recognition extends to regulatory agencies worldwide such as ANVISA (BRAZIL) and the Ministry of Health (UAE), NPRA (Malaysia), and studies have been inspected and approved by the USFDA, ANSM (France), DKMA (Denmark), and AGES (Austria), which have accredited our Company's competency and capability to meet global standards. The Pharmaceutical Equivalence Centre at R&D facility is accredited by ANVISA for conducting PE CDP Studies.

Pharmacovigilance

At Torrent Pharma, we are committed to ensuring the safety and efficacy of our pharmaceutical products. We have established a robust Pharmacovigilance (PV) system that aligns with international regulatory standards, enabling comprehensive monitoring of drug safety across global markets.

Our pharmacovigilance efforts lies in our dedicated Global Pharmacovigilance Team. This team comprises experienced medical professionals, including doctors and pharmacists, who are adept at evaluating and managing safety data throughout the product lifecycle. They play a crucial role in identifying, assessing, and mitigating risks associated with the use of pharmaceutical products.

We have adopted an integrated approach to pharmacovigilance, ensuring that safety monitoring is consistent and effective across all countries where our products are marketed. This approach includes the following key components:

- **Data Collection and Management:** The PV team systematically collects safety data from various sources, including clinical trials, post-marketing surveillance, and spontaneous reports from healthcare professionals and patients.
- **Accessible Reporting Channels:** To facilitate seamless reporting of adverse events or product complaints, we have provided a dedicated 24/7 toll-free number, email and link on the website. Stakeholders can utilise these channels to report safety-related incidents promptly.
- **Comprehensive Safety Database:** All safety information received is processed in a validated global safety database, adhering to international guidelines set by the International Council for Harmonisation (ICH). This centralised system enables efficient capture, evaluation, and reporting of safety-related data.
- **Signal Detection and Risk Assessment:** Established process to detect any safety signals and assess the benefit-risk profile of products. This ongoing evaluation allows for timely interventions when needed.
- **Regulatory Compliance:** The pharmacovigilance system is designed to meet the stringent requirements set by global regulatory authorities, ensuring that all safety reports are submitted in a timely and compliant manner.
- **Training and Awareness:** Continuous training programmes are conducted for all relevant staff to enhance their understanding of pharmacovigilance principles, emphasising the importance of safety reporting and regulatory compliance.
- **Collaboration and Communication:** The Global PV Team collaborates closely with other departments, including regulatory affairs, medical affairs, and marketing, to ensure that pharmacovigilance considerations are integrated into all aspects of product development and post-marketing activities.

We have achieved approximately 100% compliance with pharmacovigilance regulations globally. This demonstrates our commitment to adhering to stringent safety standards across our operations.

No observations noted during the USFDA Pharmacovigilance inspection in 2024.

Cultivating a Dynamic, Inclusive Workforce

At Torrent Pharma we are dedicated to creating a dynamic, inclusive and growth-oriented work environment that supports every aspect of our employees' professional and personal development. We focus on fostering a culture of excellence by providing equal opportunities, nurturing continuous learning, ensuring employee well-being and promoting work-life balance. This comprehensive approach keeps our people engaged, empowered and aligned with our strategic objectives, driving both individual fulfilment and organisational success.

17,320
Total employees

50
Specially abled employees

STAKEHOLDER IMPACTED

MATERIAL ISSUES ADDRESSED

M5 M6 M7

STRATEGIC THEMES

ST-4

ALIGNMENT WITH UN SDGs

OUR FOCUS AREAS:

- Talent Management
- Employee Connection and Care
- Diversity and Inclusion
- Learning and Development
- Employee Well-being and Workplace Safety

Interlinkages with other Capitals

Financial Capital
Investments in employee development programmes to enhance productivity and align with business growth objectives.

Manufactured Capital
Employee training in sustainable manufacturing techniques to improve efficiency and reduce waste.

Intellectual Capital
Encouraging cross-functional collaboration to foster innovation and leverage employee expertise in R&D.

Social and Relationship Capital
Building a strong organisational culture that values diversity, inclusion, and collaboration with external partners.

Natural Capital
Promoting awareness of environmental impact through sustainability-focused employee engagement programmes.

Employee Value Proposition

We continue to enhance our employer brand by fostering a strong employee value proposition focused on growth opportunities, workplace culture and employee well-being. This holistic approach helps us attract top talent seeking long-term career fulfilment rather than just employment.

Skills and Capability	Wellness	Equal Opportunity	Compensation	Work Environment
Providing continuous learning and development opportunities, including competency development programmes, succession planning and skill gap identification initiatives to support our employees' career advancement.	Maintaining a safe and supportive work environment prioritising employee safety and well-being. This includes Mediclaim coverage, financial benefits for accidents or demise and fostering a culture of work-life balance, diversity and inclusion.	Upholding a culture of equal opportunity that encourages inclusion and participation in decision-making, ensuring that all voices are heard. We extend benefits to contractual workers, enhance women's representation and implement an equal opportunity policy.	Fair and competitive compensation, including entry-level salaries aligned with industry standards, performance-based increments and recognition programmes to acknowledge employee contributions.	We follow ethical and transparent practices that promote a culture of accountability, including a whistle-blower policy, a code of conduct and the implementation of measures such as POSH to ensure a healthy work environment for women.

Talent Management

In pursuit of building a future-ready workforce, we align our talent management approach with the strategic objectives of the organisation and evolving business needs. We take a holistic approach to talent management, focusing on structured talent acquisition, skill development, fostering an inclusive work culture and reinforcing our position as a preferred employer in the pharmaceutical industry.

Strategic Talent Sourcing and Career Development

We attract the right talent with focused talent sourcing through professional networking sites, job portals and an employee referral programme.

We also actively collaborate with prominent universities and institutes such as Nirma, NMIMS, IIHMR and NIPER to strengthen our talent pipeline.

Additionally, we maintain a key association with the Indian Pharmaceutical Alliance, which enhances our network and industry influence.

We provide supportive environment for employees to enhance their professional skills and growth within the organisation. This approach enhances individual performance by creating engaged and motivated workforce.

We regularly assess our workforce structure to align with business growth and operational priorities. As part of this approach, workforce optimisation and expansion initiatives are undertaken to ensure the right talent mix for sustained performance.

Talent Onboarding

We have a well-structured and digitalised onboarding process designed to seamlessly integrate new hires in the organisation. Our induction programme emphasises on our values, culture and expectations through corporate presentations, ensuring alignment from the outset. A dedicated HR SPOC provides mentorship and guidance, facilitating a smooth transition.

New employees undergo mandatory compliance training covering key policies such as POSH (Prevention of Sexual Harassment), Code of Conduct, Whistle Blower Policy, IT and Human Rights Policy. We also conduct specialised training at regular intervals on:

- Health and safety compliance, including safe driving practices and workplace safety regulations.
- Data protection and cybersecurity awareness to prevent cyber threats and personal data breaches.
- Value workshops for new joiners to reinforce ethical behaviour and organisational culture.

Ensuring Equal Opportunities across all Job Levels

Our Company ensures equal opportunities are provided to all employees through a comprehensive approach to fairness, training and development. Key initiatives include:

Fair Recruitment Process

Adherence to non-discriminatory, inclusive policies during hiring.

Training and Development

Opportunities for growth through in-house and external programmes aimed at skill enhancement and career advancement.

Safe Working Environment

Creating a safe and supportive workplace where all employees feel valued.

Inclusive Culture

Cultivating a work culture that promotes diversity and inclusion at all levels.

Surveys and Feedback

Employee surveys and feedback sessions to assess satisfaction and identify areas for improvement.

Compliance with Legal Standards

Adhering to all relevant laws and regulations related to diversity, equity and inclusion.

Equal Opportunity Policy

Enforcing a strict non-discrimination policy to ensure fairness across the organisation.

Employee Connection and Care

We view employee engagement as a vibrant, collaborative journey — far beyond mere participation. It's about fostering a thriving, inclusive community where every team member plays a meaningful role in driving shared success. Through tailored programmes and initiatives, we build an environment that values, motivates, and connects our diverse workforce. We regularly host events — festive celebrations, birthdays, sports tournaments, Founder's Day festivities and social volunteering — to deepen emotional commitment and sense of belonging.

By weaving these touchpoints into our culture, we not only strengthen interpersonal connections, but also foster loyalty, shared purpose, and a profound sense of community.

Flexi Work Timings

We have flexible working timings for corporate employees, offering greater work-life balance and flexibility. Further, during 2024-25, we introduced five days working for corporate employees.

Township at Dahej

For remote locations like Dahej, the Company has built state of the art township with amenities like indoor games area, garden, cafeteria and movie theatre.

Facilitating Transportation

We provide commute facility to employees working at plants and R&D facility. We have carefully planned routes and stops to prioritise safety and convenience.

Enhancements in Internal Communication

Improving communication has been a key focus for our Company, particularly for employees in pharma sales and plant roles. This year, we continued to enhance internal communication platforms, ensuring that all employees, regardless of location, feel connected and informed.

Open Door Policy

Promoted during SPM sessions, encouraging employees to communicate directly with leadership.

Town Hall Meetings

Held to provide employees with company updates and encourage direct communication between leadership and staff.

Other employee connect programmes

We foster open, two-way dialogue through employee connect programmes like SAMPARK, Baatcheet, Sahyog, Coffee with the Plant Head, and Anubhav—creating formal and informal channels for suggestions, feedback, and raising concerns. These platforms empower employees to share ideas and perspectives directly with leadership, helping us understand their viewpoints and take purposeful action.

Through interactions on regular updates on the Company's ongoing and future initiatives, we build a transparent culture that aligns everyone around shared goals. This approach enhances engagement by giving employees visibility into decision-making, while driving innovation and fostering trust.

Diversity and Inclusion

We are committed to fostering a diverse, equitable and inclusive workplace where every individual can thrive. We recognise the value of diverse perspectives in driving innovation, performance and organisational culture, ensuring that all employees, regardless of gender, background or location, are empowered to succeed.

Gender Diversity at Torrent Pharma

Our focus on improving gender diversity, helped us reach a higher number of female representation across corporate offices and R&D facilities.

Diversity Indicators

11.4%
female employees

28.1%
female scientists in R&D facility

27.4%
female employees in corporate and branch offices excluding subsidiaries

Women Employees Who Availed Maternity Leave and Resumed Work* (GRI 401-3)

56
Women who returned to work till 31st March, after maternity leave ended

63
Women employees who availed maternity leave

49
Women who returned to work after returning from maternity leave and were retained for 12 months and more, as on 31st March, 2025

*Reported on standalone basis

Female Employee-focused Initiatives

We are committed to fostering a diverse and inclusive workplace by creating opportunities for women to thrive in their careers. We actively promote gender diversity through structured programmes, policies and networking initiatives designed to empower female employees.

Non-biased Policies

To build a truly inclusive environment, recruitment and career development processes are designed to be free from gender bias. Our policies are structured to provide equal opportunities, ensuring a fair and merit-based approach to hiring and promotions.

We ensure that female employees are provided with the necessary resources, training and opportunities to advance in their careers.

Work-life Balance Initiatives

Recognising the importance of work-life balance, we have introduced flexible working hour policies that support women in managing both their professional and personal responsibilities effectively.

Sangini Programme

The Sangini Programme remains a key initiative aimed at enhancing the health and well-being of female employees. Conducted twice a year, this programme provides a platform for female employees to engage in health-related discussions and activities, reinforcing our commitment to holistic employee wellness.

NEEV Programme

The NEEV programme is an employee engagement initiative that invites the parents and/or in-laws of female employees to visit our R&D Centre. The programme includes a guided facility tour and a comprehensive briefing on various organisational initiatives. The initiative has helped us in strengthening family bonds and reinforcing the sense of belonging.

Special Allowances for Female Field Employees

To address the unique challenges faced by female employees in the field, we offer special allowances to support their needs. Female field employees receive a hygiene allowance and a special travel allowance, which help alleviate the challenges faced in their roles, ensuring that they feel valued and supported.

Crèche Facility

To further support working mothers, we provide a fully equipped crèche facility at each location. This allows working mothers to have peace of mind knowing their children are well cared for while they focus on their professional commitments.

32.5%
females in new hires at corporate and branch offices

Learning and Development

We foster a culture of continuous learning and growth, recognising the critical role of employee development in driving both individual and organisational success. By prioritising skill enhancement, leadership development and digital upskilling, we have taken several strategic steps in 2024-25 to ensure that our workforce is prepared to meet current and future business challenges.

Investment in Employee Training and Development

In 2024-25, we continued to prioritise employee training and development, making significant investments in programmes that foster skill enhancement and leadership.

- **Technical Advances and Regulatory Changes:** Our training programmes are designed to help employees stay updated on technological advancements in the pharmaceutical sector, as well as on evolving regulatory requirements. This ensures that the workforce remains compliant and capable of adapting to the latest industry standards.
- **Business and Product Portfolio Changes:** As we anticipate changes to our product offerings, employees are equipped with the necessary skills to manage new product developments and innovations.

(GRI 404-1)

6.50 lakhs +
Overall training hours

~33
Overall average training hours per employee

Leadership Development and Succession Planning

We recognise the importance of having a robust leadership pipeline to drive long-term success. In 2024-25, we launched an enhanced leadership development programme focused on building the next generation of leaders.

Additionally, we have initiated a succession planning process to help identify and develop leaders within the organisation. This process is designed to maintain a strong talent pool, ensuring that every leadership level is equipped with a diverse range of high-performing individuals ready to step into roles as required.

Performance Management

The performance management and rewards process of our Company supports our growth strategy while ensuring fairness, transparency and recognition of employee contributions.

Performance Appraisal Framework

We have designed a robust performance appraisal framework to ensure that employees are evaluated fairly, with a focus on individual growth and alignment with our strategic goals.

Clear Communication

The performance appraisal process is communicated transparently to all employees, ensuring clarity on expectations and timelines.

Structured Evaluation

Employees are evaluated based on their contributions and impact on business priorities and objectives.

Normalised Scoring

The performance appraisal process normalises scores to ensure fairness, with increments awarded based on the final, normalised performance score.

(GRI 404-3)

Eligible Permanent Employees Who Received Performance and Career Development Reviews*

Category	Total Headcount (A)	Eligible Employees (B)	% (B/A)
Male	14,792	11,280	76%
Female	1,315	787	60%
Total	**16,107**	**12,067**	**75%**

*Reported on standalone entity basis.

Rewards & Recognition

We have continued to enhance our rewards and recognition programme, ensuring it remains competitive and motivating for employees.

Field Sales Achievements

Field sales teams are recognised for their achievements through awards such as Hall of Fame, Quarter Achiever and Yearly Achiever awards.

Performance-based Incentives

The incentive programme is structured to drive performance, linking rewards directly to sales achievements.

Employee Well-being and Workplace Safety

We take a proactive approach to ensure a safe and healthy work environment for our employees across corporate offices and manufacturing locations. We integrate health, wellness and safety initiatives into our workplace culture, emphasising both preventive care and proactive engagement.

Health & Wellness Initiatives

Medical Check-ups and Health Talks

We conduct regular medical check-ups for employees, ensuring their health and well-being. Additionally, specific initiatives, such as health talks on topics like spine health, heart health and road safety have been organised for employees.

4,900+ employee
Health check ups conducted

Occupational Health & Safety Initiatives

We have made it a cornerstone of our mindset to have a Mission Zero Accidents goal for the health and safety of our workforce. With a high premium on health and safety, it is a non-negotiable aspect. We work hard to ensure that all our workers, contractors and visitors feel safe and contribute to an accident-free workplace. We have a well-established system in place for EHS audits of our operations and key suppliers.

Health and safety training is provided to all employees and contract workers on a regular basis by external and internal HSE specialists. Mock drills and fire drills are used to test our emergency preparedness, as well as safety measures to deal with any unexpected or unwelcome situations. Monthly meetings of the safety committee are held to review HSE performance, activities and initiatives. Moreover, department-wise safety manuals are developed and circulated with relevant team members to ensure effective safety practices are undertaken.

To cultivate a strong Health, Safety, and Environment (HSE) culture, we actively encourage all employees including contract workers to adopt safe working practices and behaviours. Every individual has both the authority and the responsibility to halt any unsafe activity or act they encounter. This proactive approach ensures a safer workplace for all.

In the event of an accident, we provide substantial compensation to employees and their families. Employees may support the cause with voluntary contributions.

Prevention and Investigation of Incidents

It is essential that the implementation of HSE protocols and reported incidents are monitored and investigated. This ensures the implementation of corrective action and helps prevent future occurrences. All manufacturing locations track incident sharing and safety adherence. All levels of employees, the contractual workforce and stakeholders can report safety concerns (unsafe activity/conditions) and near-miss incidents using a defined and regulated protocol. Advisory notes and Corrective Action and Preventive Action (CAPA) compliance are prioritised by all facilities to avoid recurrence of events.

Our disaster readiness is reviewed on a regular basis in order to maintain business continuity. At the manufacturing plants, qualified and experienced safety professionals and fire crews are on call 24x7 to cope with any emergency.

Technology-enabled Incident Reporting Platform

We strongly believe in leveraging technology to ensure a safe workplace. We have implemented an incident reporting system that enables continuous monitoring of incidents across all locations. In the event of an incident, an authorised HSE team member submits a detailed report within 24 hours, outlining the incident and the preventive measures taken to avoid recurrence.

Details of safety related incidents*

Uncompromising on Safety:

Zero Fatalities

0.05
Lost Time Injury Frequency Rate (LTIFR) (per one million person hours worked)

1
Total recordable work-related injuries

*Includes figures of industrial premises only

(GRI 403-9)

Human Rights

Our policy is guiding principles for respecting and protecting the Human Rights across our operations and includes;

- Prohibiting practices such as child labour and forced labour
- Promoting diversity, equal opportunity, and non-discrimination
- Ensuring the health, safety, and well-being of employees
- Safeguarding aspects such as wages, working hours, leave benefits, recruitment, data privacy, community engagement, and workplace security

The human rights policy can be accessed at
https://www.torrentpharma.com/investors/corp-governance/statutory-documents/

Workforce Snapshot

CATEGORY WISE COUNT OF EMPLOYEES AS ON 31.03.2025

(GRI 2-7)	Male	Female	Total
Permanent Employees	14,595	1,920	16,515
Permanent Workers	517	27	544
Other than permanent Employees	226	35	261
Total	**15,338**	**1,982**	**17,320**

(GRI 2-8)	Male	Female	Total
Other than permanent workers (Contractual workers)	2,242	444	2,686

AGE WISE CATEGORISATION - FOR OTHER THAN CONTRACTUAL/WORKERS

	Male	Female	Total
<30	3,657	686	4,343
30-50	10,757	1,173	11,930
>50	924	123	1,047
Total	**15,338**	**1,982**	**17,320**

NEW HIRES BY AGE GROUP DURING 2024-25

(GRI 401-1)	Male	Female	Total
<30	1,926	343	2,269
30-50	988	177	1,165
>50	49	8	57
Total	**2,963**	**528**	**3,491**

EMPLOYEE ATTRITION BY AGE GROUP DURING 2024-25

(GRI 401-1)	Male	Female	Total
<30	837	197	1,034
30-50	883	157	1,040
>50	104	49	153
Total	**1,824**	**403**	**2,227**

GENDER DIVERSITY BY MANAGEMENT CATEGORY

	Male	Female	Total
Senior Management	161	18	179
Middle Management	646	94	740
Junior Management	11,685	1,213	12,898
Staff	2,846	657	3,503
Total	**15,338**	**1,982**	**17,320**

TOTAL EMPLOYEES PER CATEGORY BY AGE

(GRI 405-1)	<30	30-50	>50	Total
Senior Management	1	91	87	179
Middle Management	6	560	174	740
Junior Management	3,623	8,817	458	12,898
Staff	713	2,462	328	3,503
Total	**4,343**	**11,930**	**1,047**	**17,320**

DIVERSE AND GLOBAL WORKFORCE

(GRI 405-1)	Male	Female	Total
India	14,774	1,273	16,047
Outside India	564	709	1,273
Total	**15,338**	**1,982**	**17,320**

Male Female

Together for a Sustainable Tomorrow

At Torrent Pharma, we believe that long-term success is built on the strength of our relationships. Our commitment goes beyond business objectives; it's about making a tangible impact that improves lives, strengthens trust, and empowers those we serve. Through open dialogue and collaboration, we continuously work to align our goals with societal needs, ensuring that every partnership we build contributes to a healthier, more connected world.

STAKEHOLDERS IMPACTED

MATERIAL ISSUES ADDRESSED

M7 M8

STRATEGIC THEMES

ST-4 ST-6

ALIGNMENT WITH UN SDGs

OUR FOCUS AREAS:

Community Healthcare, Sanitation, and Hygiene:
We are dedicated to improving health outcomes by providing accessible healthcare services, promoting sanitation, and enhancing hygiene practices within communities.

Education and Knowledge Enhancement:
We strive to uplift educational standards and facilitate knowledge growth, empowering individuals through learning opportunities.

Social Care and Concern:
Our initiatives aim to support societal welfare, addressing various social issues to improve the quality of life for underprivileged sections.

Interlinkages with other Capitals

Financial Capital
Enhancing brand reputation and customer loyalty through sustainable and socially responsible business practices.

Manufactured Capital
Collaborating with suppliers and customers to ensure sustainable sourcing and product development.

Intellectual Capital
Strengthening relationships with thought leaders and industry experts to stay ahead of trends in sustainability and innovation.

Human Capital
Encouraging employee engagement with communities to enhance corporate social responsibility (CSR) initiatives.

Natural Capital
Partnering with environmental organisations and local communities to jointly promote environmental stewardship and sustainability.

Social Capital

At Torrent Group, we are guided by the philosophy of our Founder Chairman, Mr. U. N. Mehta 'Think of others also, when you think about yourself'. This principle drives our CSR initiatives, creating meaningful and lasting social impact. We recognise that our growth is linked to the well-being of the communities we serve. By focusing on areas around our headquarters and operations, we address local needs while strengthening collective responsibility within the Torrent family.

CSR Governance

We are committed to strong CSR governance to ensure the effectiveness and accountability of our initiatives.

CSR Committee and Policy

At the board level, our Corporate Social Responsibility and Sustainability (CSRS) Committee oversees the Company's community-facing initiatives. Our well-structured and holistic CSR policy outlines our focus areas, project categories, programme types, delivery methodologies, and resources. It serves as a guiding principle for community engagement for all relevant employees and partners.

Annual Action Plan

The CSRS Committee convenes meeting at least twice a year to develop an Annual Action Plan (AAP) that outlines selected projects, activities, and budgets for the year. After seeking board approval for the AAP, the Committee monitors its implementation and reviews the ongoing activities.

Impact Measurement and Transparency

The Company consistently tracks the societal and environmental impact of its decisions, projects, and activities to identify areas for improvement and enhance trust with stakeholders.

Impact Assessment

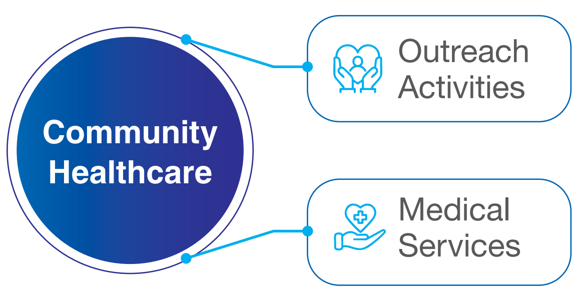
We performed impact assessment studies as required by law to assess the social impact of our outreach activities and garden development projects. The results indicated that our out-reach activities and initiatives have positive impact on beneficiaries' lives and addressing critical needs of public health issues such as Malnutrition, Anaemia, community-based education & paediatric care, and Menstrual Health & Hygiene. The results of park development interventions in Ahmedabad and Surat have shown significant positive outcomes, substantially enhancing the quality of life in the neighbourhoods served. The recommendations of the study helps us to formulate future programmes.

Detailed impact assessment reports are available at

www.torrentpharma.com

Healthcare & Community Well-being

Our approach towards community healthcare initiatives comprises two distinct categories as under:



Outreach Activities

Targeting baseline health of children, these activities are designed to improve the health and well-being of children in underserved communities, establishing a foundation for a healthy future as 'PREVENTION' measures. Under this programme, we organise baseline screening camps across various villages in Gujarat, Maharashtra and Union Territory, Diu, Daman and Dadra Nagar Haveli. Children are screened for anaemia and malnourishment; necessary interventions are done for possible improvement.

18,000+
Children screened in 2024-25

1,74,000+
Children screened cumulatively

300+
Villages added in 2024-25

1,900+
Villages covered cumulatively

Baseline screening camp for identifying malnourishment & anaemia

Malnourished Children

Nutritional status of children is being decided based on WHO's 'weight for age' criteria during the screening camp. Children found malnourished are further classified into Moderately Underweight and Severely Underweight. Malnourished children found during camp are treated with Nutrient Cookies i.e. Mauji biscuits for three months through home visits. Unimproved children are considered for medical assessment at UNM Children PHC/UNM Children Hospital.

59%
Children out of malnourishment on cumulative basis

Anaemic Children

Haemoglobin (Hb) assessment of all children is carried out with haemoglobinometer in the camp. Children found anaemic are provided with medications. Follow-ups of anaemic children is being done every two months through home visits. Unimproved children are considered for medical assessment at UNM Children PHC/UNM Children Hospital for further management.

90%
Children screened out of Anaemia on cumulative basis

(GRI 413-1)

Expanding Outreach to More Lives

In year to come, we plan to extend our interventions in 200 new villages & 100 already covered villages to enrol new entrants in camp criteria i.e. 6 months to 6 years; with this, we will be able to reach more than 2,100 villages and make a positive impact on the health of both anaemic and malnourished children.

To enhance our impact, we plan to expand our community interventions in villages nearby Bhatiya, Khambhadiya, Surel and Babra and our newly established PHCs in Maharashtra & Gujarat as well.

200
New villages to be included under medical camp in the next year

Addressing Anaemia – HB assessment

Adolescent Girls' Healthcare and Sanitation

One of our initiatives is focused on empowering adolescent girls in rural areas by addressing the taboo associated with menstruation and promoting menstrual hygiene. Our programme included interventions to encourage the use of sanitary pads and provide education on menstrual hygiene. Female volunteers/employees conduct counselling sessions and distributes sanitary pads in 11 to 18 years menstruating adolescent girls in Surat, Dahej, Indrad, Banaskantha, Radhanpur, Balasinor, Junagadh, Dholera, Bhatiya, Khambhadiya, Surel and Babra.

During 2024-25, we have distributed bio-degradable reusable sanitary pads to more than 29,900 adolescent girls and conducted interactive sessions. These sanitary pads are environment friendly and can be reused after simple wash for 15 to 18 months.

1,00,000+
Adolescent girls benefited on cumulative basis

1,600+
Villages covered on cumulative basis

29,900+
Adolescent girls benefited during 2024-25

(GRI 413-1)

Medical Services

Transforming Children's Healthcare: UNM Children Hospital and PHCs

We employ a 'hub and spokes' model to deliver comprehensive healthcare to underprivileged children, particularly in remote areas. This model centres on UNM Children Hospital (UNMCH) the 'hub', and is supported by a network of UNM Children PHCs, the 'spokes'.

UNM Children PHCs

In 2017, we started four paediatric centre in Surat, Dahej, Indrad, and Balasinor of Gujarat with a focus on outpatient departments (OPDs) as 'CARE' measures. In 2020, we achieved a significant milestone by transforming the SUGEN paediatric centre into a 150-bed hospital, providing critical care to children. Consequently, 9 more PHCs have been started on daily basis at locations of Dediapada, Waghai, Naswadi, Radhanpur, Chhapi, Ankleshwar, Bhestan, Dholera, Junagadh to reach and serve beneficiaries in interior rural areas with inadequate medical facilities. These centres provide essential primary paediatric care services. These services include free medical consultations, basic laboratory tests, and medications.

Looking at the response from the community, we intend to establish a few more UNM Children PHCs at medically underprivileged areas in Maharashtra and Gujarat in next year.

Cumulative status across all 12 UNM Children PHCs (excluding UNMCH)

620+
OPDs/day

1,89,000+
OPDs in 2024-25

6,96,000+
OPDs since inception

14 scoliosis surgeries were performed this year, which have significantly transformed the lives of the beneficiaries. These procedures had a profound impact on children's health, mobility, and overall quality of life.

UNM Children Hospital

Located in Surat district, this 150-bed, NABH & NABL-certified hospital serves as the 'hub', offering advanced secondary and tertiary care, including complex surgeries across multiple specialities. The hospital is equipped with advanced technology and has implemented CMS and e-MRD systems to enhance operational efficiency.

UNM Children Hospital

	Beneficiaries	
Department	2024-25	Cumulative (since Apr'20)
UNMCH OPD	63,273	1,80,609
IPD	2,745	7,099
Surgery	1,822	4,361
Neonatal ICU (NICU)	213	540
Paediatric ICU (PICU)	339	606
Pathology	52,155	1,36,797
X-Ray	5,167	13,008
USG	4,602	10,658
Radio Procedure	97	97

In 2024-25, we performed 1,822 surgeries, with 57% classified as major procedures.

(GRI 413-1)

Other Key Highlights

- Installation of a Linde liquid oxygen tank providing medical oxygen with a purity of over 99%, ensuring optimal care, especially for patients with critical and long-term respiratory needs.
- Acquisition of a Carl Zeiss TIVATO 700 surgical microscope for advanced surgical visualisation.
- Construction of a new audiometry room equipped with Interacoustics audiometers offers an ideal environment for conducting a wide range of hearing tests, ensuring precise diagnostic outcomes.
- Ongoing installation of an in-house CT scan
- Initiated integration of CMS and e-MRD systems to improve digital content management, including patient records to streamline overall operational efficiency.

Carl Zeiss TIVATO 700 Surgical Microscope

The hospital's diagnostic services have achieved NABL certification, a mark of excellence that confirms adherence to national standards and guarantees high-quality pathological services with accurate results

These enhancements, along with a team of highly skilled Paediatric surgeons and healthcare professionals, have established UNM Children Hospital as a trusted healthcare provider, attracting patients from across India for specialised treatments.

Case study

Brachial Plexus Injury

A boy, from Olpad, suffered organ damage at birth, including a severe brachial plexus injury affecting his arm and hand. Despite extensive, costly physiotherapy (over ₹1 lakh) his condition didn't improve. At UNMCH, he was diagnosed with a severe injury and underwent complex microsurgery (brachial plexus repair, nerve transfer, and flail hand repair). He recovered well post-surgery and is on track to regain function with ongoing follow-ups.

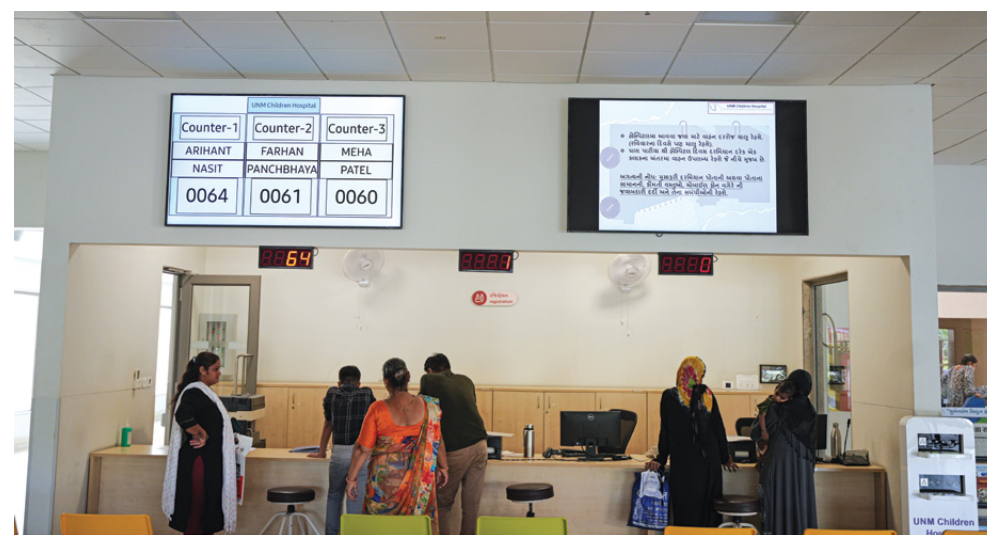
Case study

A Fight for Survival

Born prematurely at 25 weeks and weighing 700 grams, a baby boy faced significant challenges. He was immediately placed on ventilatory support in the NICU. His family, unable to afford private NICU care (costing ₹14-15 lakhs) received expert medical treatment and emotional support at UNM Children Hospital. His condition fluctuated, requiring extended NICU care. The medical team's dedication and the introduction of Kangaroo Mother Care contributed to his recovery. His family is grateful for the timely and expert intervention.

Surgical Screening Camps

As part of UNMCH's strategies, to extend services in remote communities, we have conducted surgical screening camps at UNMCH, Naswadi, and Sagbara. Through this initiative, we were able to reach underserved populations in remote areas of Narmada and Chhota Udepur districts. These camps aimed to provide primary screening and consultations to identify surgical patients in need of care and referring them to UNM Children Hospital for necessary surgeries and treatment. The screenings were instrumental in determining patients' medical needs, and surgeries were performed based on patient consent and fitness.



736
Total registered patients

306
Potential surgical case

194
Surgeries done

ANC and PNC Awareness Event

As a part of awareness programme, a successful event was held in Waghai Taluka. The initiative aimed to raise awareness in mothers on breastfeeding and complementary feeding for Antenatal Care (ANC) and Postnatal Care (PNC).

The event included expert sessions and practical demonstrations. Participants actively engaged in learning the importance of early childhood nutrition.

Expert session at Waghai

Pratiti: Public Park Development and Maintenance

The Pratiti initiative focuses on the development, maintenance, and enhancement of green urban spaces. We have successfully revitalised multiple parks across Ahmedabad, ensuring sustainable landscaping, improved accessibility, and active community engagement.

Key components of this initiative include:

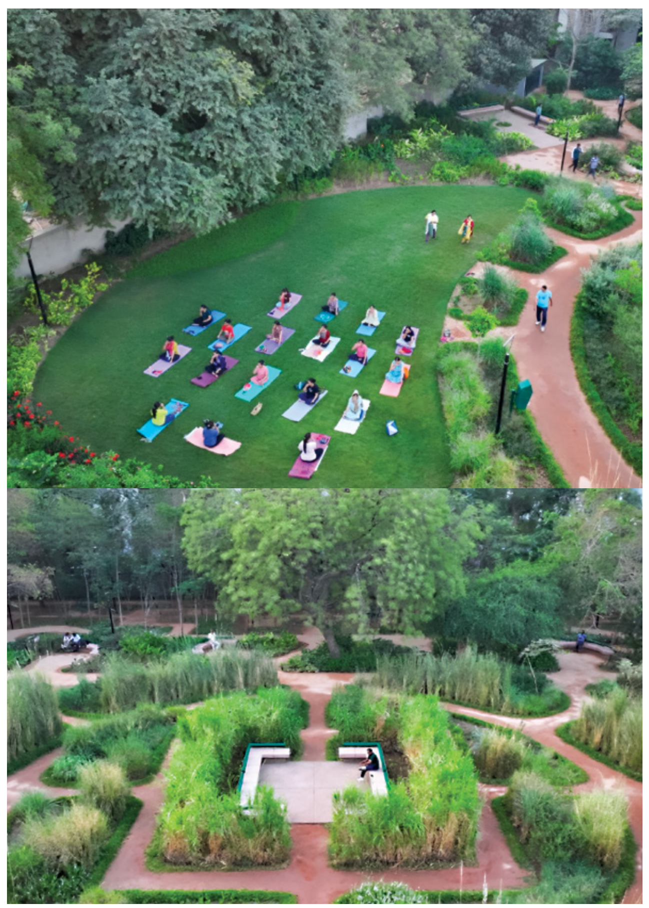
- Creating urban green spaces that provide recreational benefits to residents and contributing to overall environmental quality.
- Upgrading park infrastructure, including seating areas, lighting, and walking paths.
- Implementing water conservation and efficient waste management practices.
- Encouraging community participation through awareness programmes and events.

Through long-term maintenance efforts, we aim to promote environmental sustainability and enhance the quality of urban living.

During the year we developed 1 park in Ahmedabad, while 2 more parks measuring 46,000 sq. mt., are under development.

~10,000+

Daily footfall across developed parks



Recently developed park of Ahmedabad

PAGE Foundation

In 2024–25, the Company and other Member Companies of the Indian Pharmaceutical Alliance (IPA) collaborated to establish a skilling institute for the purpose of developing talent for pharmaceutical industry through Pharmaceutical Academy for Global Excellence Foundation (PAGE Foundation), a not-for-profit company set up by IPA member companies, at a total estimated cost of approximately ₹ 200 crores. The participating members including the Company will contribute the cost of the project in equal ratio. PAGE Foundation has already acquired land in Hyderabad and is in the process of acquiring land in Gujarat.

Other CSR Programmes

We have implemented a number of projects to enhance the quality of life for those living in the vicinity of our plants as part of our Corporate Social Responsibility (CSR) programmes.

We built community centres in the villages of Kholi Majra and Gullarwala, close to our Baddi facility. We provided water coolers, ECG equipment, and X-ray machines to Baddi Civil Hospital to improve the healthcare infrastructure. We have been supporting schools through infrastructure capacity and student support programme.

We also undertake various health, hygiene, education and community development work at other plants or their nearby areas directly or along with other organisations.

Old Age Home Engagement Initiative

Recognising the increasing challenge of social isolation among senior citizens, we launched an initiative to support old-age homes through:

- Companionship programmes, including volunteer visits, festival celebrations and interactive engagements.
- Regular health check-ups and wellness camps.
- Cultural and recreational outings to enhance social interaction.
- Infrastructure improvements and donations of essential amenities.

This initiative aims to improve emotional well-being, social inclusion, and quality of life for elderly residents, reinforcing our commitment to sustainable social impact.

Relationship Capital

We prioritise cultivating meaningful relationships built on transparency, trust, and shared values. Our commitment to maintaining respectful and mutually beneficial connections with stakeholders is fundamental to our business conduct. We actively engage with a diverse range of stakeholders including patients, healthcare professionals, shareholders, suppliers, and society to foster meaningful and impactful relationships.

Patients and Healthcare Professionals

We operate on a patient-centric model, prioritising the health and well-being of individuals. Guided by our motto 'Not Just Healthcare, but Lifecare', we ensure our patients are empowered with knowledge and consistently support them by providing access to high-quality, affordable medicines across different therapeutic segments and regions.

During the year, we took following initiatives aimed at improving patient awareness:

01 Step up to Prioritise Bone Health

Organised bone health awareness campaigns in collaboration with The Federation of Obstetric and Gynaecological Societies of India (FOGSI). Under this programme we did bone mineral density screening of more than 100,000 females at 4000+ gynaecology clinics across pan India. We created and distributed informative posters at more than 22,000 clinics.

02 Xtraordinary Care

Screened more than 10,000 patients for Hyperhomocystiene (HHCY) + Vit D3 deficiency. We educated patients across 600 clinics about impact of HHCY and Vit D3 deficiency on various health conditions.

03 Tricho and Sebum & Moisture Screening Camps

We introduced Tricho scan camp that supported screening of 700+ patients. Through this screening we aim to provide intensive hair health analysis evaluating scalp health, keratin levels, hair thickness, pore status and hair loss progression. The comprehensive digital report of scalp and hair analysis helped Trichologists to pre-evaluate their patients and chart long term treatment goal required for every patient.

Over the years our Sebum and moisture screening camps have helped early detection of dry skin disorder, in 2024-25 we scaled up this programme with addition of SDC camps customised to screen facial sebum levels in acne patients for treatment alignment. We have screened over 100,000 patients in more than 6000 clinics nationwide for acne and dry skin disorder.

04 Diabetes Detection Camps

These camps helped early diagnosis and education around Diabetes management, importance of regular HbA1c testing, and early detection to prevent long-term complications. During the year we screened more than 250,000 individuals in over 22,000+ camps organised across India. We trained over 5000 family physicians in diabetes care via an ADA certification course.

05 GI Disease Awareness Camps

We organised GI disease awareness camps dedicated to Acid Peptic Disease (APD) and Constipation. We reached over 200,000 patients, by offering guidance on lifestyle adjustments, dietary recommendations, and the significance of adhering to prescribed treatments. Leveraging our GERD disease detection camps, we efficiently assisted HCPs in conducting screenings for approximately 70,000 patients, facilitating early identification and potential management of the condition.

06 Hypertension Detection & ECG Camps

To raise awareness of the high prevalence of hypertension and elevated heart rate especially among young people, we conducted 5600+ camps screening more than 73,000 patients for blood pressure, elevated heart rate and elevated Serum Uric Acid (SUA), which are key indicators of cardiovascular risk.

Further, we conducted 9,500+ ECG camps engaging more than 32,000 patients, to detect potential disorders like arrhythmias and heart attacks and create awareness around heart diseases and their associated risks. On World Hypertension Day, we engaged over 17,000 doctors and patients in education outreach.

We uphold the highest ethical standards in all our interactions with healthcare professionals (HCPs), ensuring honesty, professionalism, and respect. Our Code of Practice for Promotion and Interaction outlines clear guidelines for ethical engagement and promotion of our products among HCPs and channel partners. Our interaction with HCPs is a collaborative process, where we share our insights and provide education to keep them informed about the latest developments in diseases, treatments, and medications and in turn they offer us valuable perspectives on clinical aspects of diseases, treatment responses, and patient experiences. This is achieved through various initiatives such as medical conferences, webinars, Continuing Medical Education (CME) programmes, expert forums, and international speaker sessions, both at national and regional levels.

Shareholders and Investors

We maintain a long-standing shareholder base owing to our ability to deliver consistent and better returns to our investors. We engage on a regular basis with the investor fraternity through conferences, roadshows, quarterly earnings calls, analyst meets as well as press releases and annual general meetings to directly discuss any relevant issues and understand their expectations and apprise them of strategic and operational developments, through a dedicated investor relations function. The engagement is further enhanced with proactive and voluntary disclosures, along with transparent practices.

Government Regulators and Industry Associations

Our relationship with regulators and government bodies are steered by transparent participation while ensuring compliance with all applicable legislations and regulations. The interactions are either managed by our own team and/or through industry associations where forums are organised for various matters, including improving the processes and regulatory framework to ensure product quality. To protect the interests of the industry, and advocate its needs and requirements, we actively participate in various forums. Apart from policy advocacy, this participation also helps us to remain abreast of industry developments and further its position as a thought leader in the industry. We have built our network and relationships by active participation in industrial bodies like the Confederation of Indian Industry (CII), Federation of Indian Chambers of Commerce and Industry (FICCI), Pharmaceutical Export Promotion Council (PHARMEXCIL), Gujarat Chamber of Commerce and Industry (GCCI) and Indian Drug Manufacturing Association (IDMA). We also engage with the Government of India with departments like Ministry of Health and Family Welfare, Drug Controller General of India, Department of Pharmaceuticals, National Pharmaceutical Pricing Authority, Ministry of Chemicals & Fertilisers and Food and Drug Administration, through the association of Indian Pharmaceutical Alliance (IPA) in matters related to NLEM pricing, Drug Price Control Order (DPCO) and suggestions on Pharma policy matters.

Suppliers and Channel Partners

On a regular basis, we engage with our suppliers for operational and non-operational activities, such as training and audits. Quality products are a hallmark of our brand, and a stringent quality audit process is maintained while selecting suppliers. We have a well-established supplier code of conduct that guides the selection, retention and relationship with the partners. Over the last few years, we have expanded our global footprint through strategic partnerships, business alliances and institutional partners. We support local suppliers who match quality and other criteria.

To ensure compliance with regulatory standards and maintain product quality, we implement rigorous audit processes for both our API and other critical raw materials and packing material suppliers and contract manufacturing sites.

Supplier Audits

We conduct comprehensive vendor audits to verify adherence to current Good Manufacturing Practices (cGMP) and relevant quality standards. These audits assess supplier facilities, processes, and documentation to ensure consistent product quality and regulatory compliance.

Manufacturing Site Audits

For our India market supplies, we perform comprehensive audits of contract manufacturing sites to ensure compliance with Indian regulatory requirements and our in-house quality standards.

We recognise the importance of engaging and serving our diverse customer base, which includes healthcare professionals, pharmacy chains, retailers, hospitals and government agencies across various markets. To ensure safe and timely delivery of medicines and to address their concerns, we maintain constant communication with our channel partners.

Advancing Environmental Stewardship Through Sustainable Practices

At Torrent Pharma, we are committed to integrating sustainability into our operations by optimising energy usage, reducing carbon emissions, and minimising our environmental impact. We continue to advance initiatives focused on adopting renewable energy, managing waste responsibly and implementing effective emission control measures to contribute to a healthier and more sustainable planet.

18.2%
Y-o-Y Increase in renewable energy generation

54.8%
Y-o-Y increase in bio fuel

STAKEHOLDERS IMPACTED

MATERIAL ISSUES ADDRESSED

M3 M4

STRATEGIC THEMES

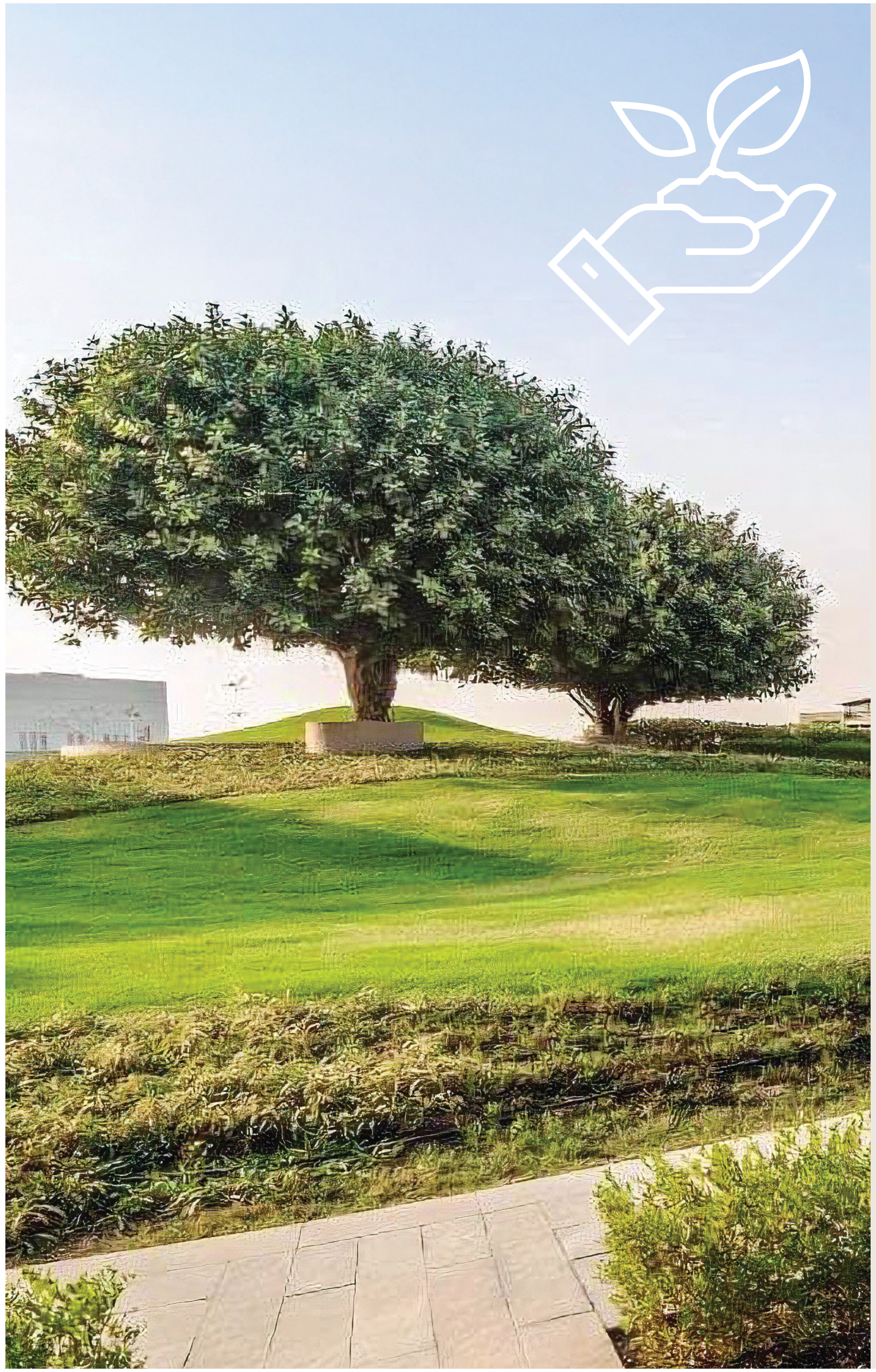
ST-3 ST-6

ALIGNMENT WITH UN SDGs

OUR FOCUS AREAS:

- Carbon Emission and Energy Management
- Water Stewardship
- Waste Management
- Biodiversity

Note: Information in this section is limited to India operations.



Interlinkages with other Capitals

Financial Capital
Investment in green energy initiatives

Manufactured Capital
- Investment in sustainable manufacturing technologies and processes
- Digitalisation and automation to optimise resource consumption

Intellectual Capital
R&D efforts in process innovation, life cycle assessment and green chemistry

Human Capital
Sustainability training and practices

Social and Relationship Capital
Engagement with local communities for environmental stewardship

Commitment to EHS Excellence

We are committed to achieving excellence in Health, Safety, Environment and Sustainability management policy (HSES policy) by protecting our environment and promoting sustainability with minimal carbon footprint as an operational approach. All our sites are ISO 14001:2015 and ISO 45001:2018 certified. Further, 5 sites are certified with ISO 50001:2018 certificate i.e. Indrad, Bileshwarpura, Dahej, Baddi and R&D.. We regularly monitor our HSES practices and performance to address gaps and continuously improve its effectiveness.

EHS Audits Conducted During 2024-25

132
Internal audits

18
External audits

Progress in 2024-25

In 2024–25, we achieved a significant 32% reduction in Scope 1 and Scope 2 emissions compared to the baseline year 2019–20. This milestone was made possible through our continued focus on enhancing energy efficiency, transitioning to renewable energy sources, and adopting low-emission technologies across our operations.

Carbon Emission and Energy Management

We continue to make substantial progress in reducing carbon emissions through energy-efficient practices and the adoption of renewable energy sources. Our company has set ambitious targets to lower our carbon footprint across all operations. A key area of focus has been the reduction of Scope 1 emissions (direct emissions from owned or controlled sources) and Scope 2 emissions (indirect emissions from the generation of purchased electricity), reflecting our commitment to responsible and sustainable business practices.

Approach and Initiatives

- **Energy-efficient Measures:** Installation of energy-efficient equipment, utilisation of advanced technology in HVAC systems, and maintenance of power factors across units.
- **Renewable Energy Initiatives :** Adoption of solar power and wind energy systems.
- **Carbon Footprint Reduction:** Transitioning from fossil fuels to biofuels and increasing the use of renewable sources.

Energy Management (GRI 302-1, 302-3, 302-4)

In the year 2024-25 our India operations energy consumption was 8,78,912 GJ as compared to 8,46,812 GJ in the previous year. Our energy intensity for the year was 90.77 GJ/₹ crores of revenue, compared to 99.24 GJ/₹ crores of revenue for previous year.

ELECTRICITY CONSUMPTION BY SOURCE (IN GJ)

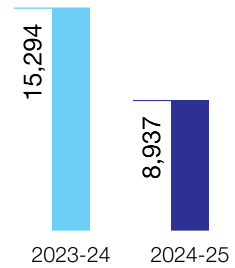
Source	2023-24	2024-25
Solar + Wind	83,157	98,328
Grid electricity purchase	3,83,472	3,89,176
Total	**4,66,629**	**4,87,504**

FUEL CONSUMPTION BY SOURCE (IN GJ)

Source	2023-24	2024-25
Diesel	40,126	55,740
Furnace oil	5,706	-
Natural gas	29,807	24,061
LDO	27,340	19,145
LSHS	1,05,017	25,948
Briquette and Biofuel	1,72,187	2,66,514
Total	**3,80,183**	**3,91,408**

GHG Emission Profile (GRI 305-1, 305-2, 305-5)

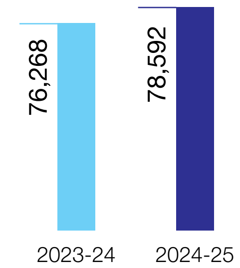
SCOPE 1 EMISSIONS (tCO_2e)



41.6%
Y-o-Y reduction

71.6%
reduction from base year

SCOPE 2 EMISSIONS (tCO_2e)



3.0%
Y-o-Y Increase

19.9%
reduction from base year

Other Energy Efficiency Initiatives Taken during the Year

Dahej Facility

- 1 MW new solar roof top system commissioned leading to green energy generation of 1.2Mn+ kWh annually.
- Installed new technology chiller condenser tube cleaning system to improve the energy efficiency of chiller system resulted into annual saving of 60,000 kWh.
- Installation of two heat pumps for hot water generation and reduction in steam consumption.

Indrad Facility

- Replacement of old centrifugal chiller with energy efficient new chiller. This resulted in energy conservation by 0.14 Million kWh.
- Optimisation of Nitrogen generation plant in central utility which resulted in annual savings of 96,000 kWh.
- Existing surface aerators replaced with new tubular type diffuser system in ETP which resulted in annual savings of 80,000 kWh.

Baddi Facility

- Synchronisation of all DG Sets by laying common Bus duct, coupler, communication cable and calibration of individual controller (parameter settings) for load sharing & energy conservation.
- Replacement of HSD forklift with electric forklift resulted into annual saving of 5,000 litres HSD.

Bileshwarpura Facility

- Replacement of 3 conventional blowers with Electronically Commutated blowers in AHU resulted into annual energy saving of 0.15 Million kWh.

In addition to above mentioned initiatives during the year we have undertaken various measures to optimise and improve energy efficiency at all facilities resulting into annual reduction of 0.36 million kWh.

Scope 3 Emissions (GRI 305-3)

We have undertaken an assessment of the 15 categories of Scope 3 emissions as per the GHG Protocol to determine the relevance of each category to our business. Out of 15 categories, we are reporting under 10 categories based on nature of company's operations and significance.

Our Scope 3 emissions intensity (tCO_2e/₹ crores of Revenue) for 2024-25 was 16.32 as compared to 18.50 in 2023-24.

CATEGORY-WISE SCOPE 3 EMISSION FOR 2024-25 (%)

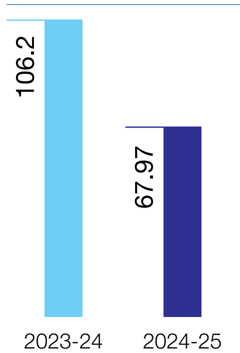
Category	Emissions (in tCO_2e)	%
S1-Purchased Goods and Services	67,010.17	43.28%
S2-Capital goods	984.20	0.64%
S3-Fuel and Energy Related Activities	33,932.76	21.92%
S4-Upstream Transportation and Distribution	4,774.73	3.08%
S5-Waste Generated in Operations	280.35	0.18%
S6-Business Travel	23,182.71	14.97%
S7-Employee Commuting	5,150.73	3.33%
S8-Upstream Leased Asset	546.28	0.35%
S9-Downstream Transportation and Distribution	18,961.94	12.25%
S12-End-of-Life Treatment of Sold Products	13.40	0.01%
	1,54,837.27	**100.00%**

Non-GHG Emission Initiatives

We have made substantial progress in reducing the emissions of sulphur dioxide (SO_2) and nitrogen oxides (NOx), key pollutants that contribute to air quality degradation. The Company implemented cleaner technologies and optimised its operations to reduce SOx and NOx emissions.

SOx & NOx Emission Performance (GRI 305-7)

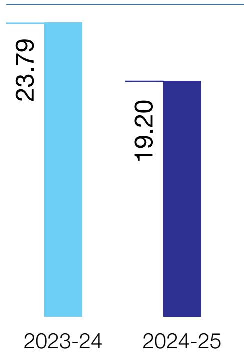
SO_X EMISSIONS (MT)



36%
Y-o-Y reduction

85%
reduction from base year

NO_X EMISSIONS (MT)



19%
Y-o-Y reduction

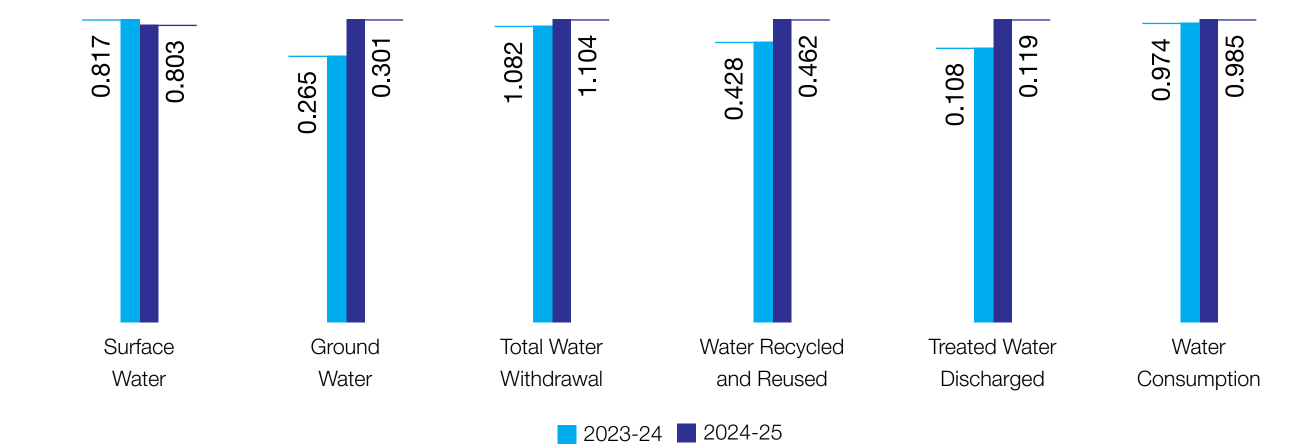
80%
reduction from base year

Water Stewardship

We have taken stewardship towards conserving water and have implemented various measures reducing the freshwater consumption. There is a great degree of dependency on an uninterrupted supply of water for continued operations. The Company is not only maintaining its regulatory requirements as envisaged by the Central Ground Water Authority but also has taken ownership of the reduction in water consumption with efficient recycling.

We consistently monitor our water stewardship parameters including water withdrawal, recycling, discharge and consumption. With the focused efforts on achieving water stewardship. We have now increased our boundaries by addition of new commercialised facility at Bileshwarpura and started tracking water consumption at our Corporate office, Regional offices and Warehouses.

WATER STEWARDSHIP METRICS (GRI 303-3, 303-4, 303-5) (MILLION M³)



Rainwater Harvesting

We have installed 53 recharge wells across our manufacturing units at Indrad, Pithampur, Bileshwarpura, Baddi and R&D while Dahej facility has rain water collection pond of approx. 70,000 KL. These systems, implemented in the form of underground tanks, recharge pits and shafts, and ponds, are part of our ongoing commitment to sustainable water management and conservation.

Zero Liquid Discharge

We have implemented a Zero Liquid Discharge (ZLD) mechanism at all our manufacturing sites, with the exception of Vizag plant. Our wastewater treatment system is equipped with advanced technologies, including Effluent Treatment Plant (ETP), Reverse Osmosis (RO), Nano Filtration (NF), Multiple Effect Evaporator (MEE), Agitated Thin Film Dryer (ATFD), Solvent Stripper, Sewage Treatment Plant (STP), Volute, and Sludge Dryer.

These state-of-the-art systems ensure that treated wastewater is suitable for recycling and reuse, significantly reducing the volume of waste sent to landfills. The treated water is reused for maintaining our in-house green belt, and our RO system achieves a recovery rate of 92%, with permeate water being recycled for utility purposes.

7 Sites
with Zero liquid discharge

Waste Management

4R Approach and Waste Management Hierarchy

We aspire to achieve 'zero waste to landfill,' and in pursuit of this goal, we have adopted the 4R philosophy – Reuse, Reduce, Recover, and Recycle. Our company also follows a robust waste management hierarchy that aligns with the principles of a circular economy.

We have made significant progress, reducing landfill waste disposal by 80.8% compared to base year. Additionally, co-processing of waste increased by 95%, reflecting our strong commitment to sustainable waste management. Hazardous waste, including that destined for landfill and incineration, was reduced by 83% from the baseline year. Furthermore, 100% of our non-hazardous waste such as packaging and scrap materials was successfully recycled.

Zero-waste Landfill Sites

We have undertaken focused measures to reduce landfill-bound waste, resulting in 75% of our operational sites now being classified as zero-waste-to-landfill. These initiatives have strengthened our waste management practices and significantly reduced our environmental footprint.

Sustainable Packaging and Plastic Waste Management

We strive to enhance sustainability across the entire life cycle of our products from research and development to production, packaging, and disposal. We remain committed to the responsible management of post-consumer plastic waste by continuously improving our packaging designs to minimise environmental impact. In FY 2024-25, as an Extended Producer's Responsibilities (EPR) under PWM rule, we have channelised programme for 100% take back of plastic waste quantity equivalent to plastic quantity consumed by us PAN India and disposing them off safely.

Hazardous Waste Profile

Our reduction in hazardous waste reflects our ongoing commitment to sustainable and responsible waste management practices.

(in MT)

Waste Category	Disposable Methods	2024-25	2023-24
Biomedical Waste	Incineration	37.73	49.06
Plastic Waste	Recycling	714.43	567.75
Solid Non-Hazardous Waste	Recycling	1,936.98	1,841.86
E-waste	Recycling	9.06	3.05
Battery Waste	Recycling	29.01	14.07
Hazardous Waste	Incineration	47.38	55.48
	Co-processing	1,210.20	955.15
	TSDF Landfilling	276.58	425.05
	Recycling	706.32	1,772.80
Total Waste		**4,967.69**	**5,684.27**

GRI 306-3, 306-4, 306-5

Biodiversity

We place strong emphasis on conserving biodiversity and creating a positive impact on the environment. We recognise the vital role of flora as natural purifiers that absorb CO_2 from the atmosphere, helping to offset carbon emissions.

Our company is committed to maintaining and enhancing green areas within and around all our plants. We believe that an effective decarbonisation strategy includes afforestation and biodiversity protection. As a result, all our units are surrounded by dense, lush green belts, reflecting our dedication to environmental stewardship and sustainable growth.

35,000+
Trees

5.30+ lakhs
Shrubs

~44%
Green coverage on all sites

DIRECTORS' REPORT

To,
The Shareholders

The Directors have the pleasure of presenting the Fifty Second Annual Report of your Company together with the Audited Financial Statement for the year ended 31st March, 2025.

HIGHLIGHTS

1. Reliable, Responsible, Resilient

   Branded business:

   Our branded business accounts for approximately 74% of overall Company revenues, delivering continued strong performance and outpacing market growth across our core geographies. This sustained momentum underscores the strength of our business fundamentals and the enduring value of the foundation we have built over the years.

   We are pleased to report that, now in the third year since the strategic acquisition of Curatio Health Care (I) Private Limited ("Curatio"), the integration efforts continue to surpass expectations. The portfolio has continued to deliver high double-digit growth, further consolidating our position in the high-potential dermatology and paediatric segments. Additionally selective expansion into the OTC space with key brands has further supported the sustained momentum, reinforcing our commitment to long-term value creation and disciplined strategic expansion.

   Generic business:

   Our generic business geographies are mainly Germany and US. In Germany, we witnessed healthy growth driven by new tender wins, launch of new products and better conversion rate in previously awarded tenders.

   In the US, we have renewed our strategic focus and have initiated incremental investments in our future portfolio. Notably, our dedicated oncology facility in Gujarat has received FDA approval and we have successfully launched our first oncology drug in the US.

2. India business:

   - Market out-performance: As per AIOCD data (MAT March 25), the Company recorded a growth of 13% versus Indian Pharmaceutical Market (IPM) growth of 8%. Growth was aided by strong performance of top brands, expanded field force coverage, new launch momentum, market share gain in focus therapies and robust growth from Curatio's portfolio.
   - Field force expansion: During the year, the Company has expanded field force by 800 medical representatives to complement new product launches and selectively enhance our reach across key specialties. As of 31st March 2025, total field force stands at ~6,400 medical representatives.
   - In-Licensing: To strengthen its portfolio, the Company has diversified its presence in several high-potential therapies through in-licensing of innovator drugs. We entered into non-exclusive licensing agreement with Takeda and Boehringer Ingelheim to commercialise Vonoprazan and Empagliflozin brands respectively. In March 2025, we acquired brands of Empagliflozin and its combination from Boehringer Ingelheim.
   - Consumer Health: We entered the consumer health segment with the launch of Shelcal-500, a calcium supplement. Since then, we have expanded the portfolio to include key brands such as Ahaglow (face wash gel), Unienzyme (digestive enzyme tablets), and Tedibar (baby bathing bar). To accelerate growth, the Company has leveraged synergies between the prescription and consumer segments, driving increased brand performance. National consumer engagement campaigns, coupled with region-specific initiatives, continue to strengthen brand visibility and customer loyalty. The Company's products are now available in 72,000 outlets, 3,500+ pharmacy chains.
   - The Company is now ranked 7th in the IPM. It has 21 brands in the Top 500 brands of IPM and has 18 mother brands with revenues of more than ₹100 crores. The Company will continue to strengthen its competitive position through focus on new launches, market expansion, improving field force productivity and brand building.

3. Brazil business:

   - The Company continues to be ranked no. 1 Indian Pharma Company in Brazil.
   - Brazil registered a growth 9.4% in BRL. The performance was aided by new product launches, improvement of market share in existing portfolio and higher growth in the generic segment.
   - As per IQVIA dataset (MAT March 25), Brazil grew at 9% against covered market growth of 7% in value.
   - The Company launched two major products during the year.
   - As of 31st March 2025, total number of field force stood at around 320.
   - The Company will continue to deepen its presence in the existing therapies of cardiology, diabetes and CNS by focusing on brand building, expansion of product portfolio and improvement in field force productivity.

4. Germany business:

   - The Company registered a market share of around 6% in the German generics market and continues to be ranked no. 1 amongst the Indian Pharma Companies. It is ranked no. 5 in the overall generic market.
   - Germany registered a revenue growth of 7% against the market growth of 2% as per IQVIA dataset (MAT March 25).
   - The German tender market remains extremely competitive with annual price declines. We have been successful in these challenging circumstances through our efforts in improving productivity and cost competitiveness. Our portfolio currently covers 57% of the overall generics market and we expect the coverage to expand in the coming years. We launched seven new Rx products and two OTC products during the year.

5. US business:

   - US business registered de-growth mainly due to lack of new product launches and ongoing price erosion in the existing portfolio. With new launches over next two years, US business will contribute to consolidated revenue growth.

6. Financial Performance:

   - The Company registered a revenue growth of 7% and Operating EBITDA growth of 10%. During the year insulin manufacturing was disrupted five months owing to upgradation of European guidelines and Brazilian real depreciated by 11%. While insulin manufacturing has normalised in Q4, we expect Brazilian real impact to normalise over next couple of quarters. Adjusted for these two impacts, the underlying revenue and operating EBITDA growth for the year stands at 9% and 14% respectively.
   - Operating EBITDA margins improved to 32.3% over 31.4% in the previous year.
   - At end of 2024-25, leverage in terms of Net debt to EBITDA stands at 0.62x against 0.87x in the previous year.

FINANCIAL RESULTS

The summary of Standalone (Company) and Consolidated (Company and its subsidiaries) operating results for the year and appropriation of divisible profit is given below:

(₹ in crores except per share data)

	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Sales & Operating Income	9,682	8,533	11,516	10,728
Operating EBITDA*	3,575	2,890	3,721	3,368
Less: Depreciation & Amortisation	760	761	795	808
Less: Finance Cost	213	303	252	354
Add: Other Income	32	91	23	58
Profit Before Exceptional Items & Tax	2,634	1,917	2,697	2,264
Less: Exceptional Items	24	-	24	(88)
Less: Tax Expense	722	560	762	696
Net Profit for the Year	1,888	1,357	1,911	1,656
Balance brought forward	3,736	3,394	3,942	3,303
Other Comprehensive income and other adjustments	(27)	0	(24)	(2)
Balance available for appropriation	5,597	4,751	5,829	4,957
Appropriated as under:				
Transfer to General Reserve	-	-	-	-
Dividend	1,083	1,015	1,083	1,015
Balance Carried Forward	4,514	3,736	4,746	3,942
Earnings Per Share (₹ per share)	55.79	40.10	56.47	48.94

* Operating EBITDA = Profit Before Depreciation & Amortisation, Finance Cost, Other Income, Exceptional Items & Tax

Consolidated Operating Results

The consolidated sales and operating income increased to ₹11,516 crores from ₹10,728 crores in the previous year showing a growth of 7%. The consolidated operating EBITDA for the year was ₹3,721 crores as against ₹3,368 crores in the previous year registering growth of 10%. The consolidated net profit stood at ₹1,911 crores compared to ₹1,656 crores in the previous year registering growth of 15%.

Exceptional Item

The exceptional item relates to a demand raised by the NPPA in 2017 concerning alleged overcharging, which was under judicial consideration before the Hon'ble Gujarat High Court. During the year, the Company submitted detailed representations, which were favourably considered by the NPPA. As a result, the Company's legal exposure was substantially reduced. Following the issuance of a revised demand by the NPPA, the Company opted to settle the litigation and bring the matter to a definitive close.

Management Discussion and Analysis (MDA)

The details of operating performance of the Company for the year, the state of affairs and the key changes in the operating environment have been analysed in the Management Discussion and Analysis section which forms a part of the Annual Report.

APPROPRIATIONS

i) Dividend

The Company endeavours to distribute 50% of its annual consolidated net profit after tax without taking into account non-cash charges relating to the business acquisitions as dividend, in accordance with the dividend policy. The policy is available on the website **https://www.torrentpharma.com/assets/Dividend_Policy.pdf**.

During the year under review, an interim dividend of ₹26/- per equity share of face value of ₹5/- each (@ 520%) amounting to ₹880 crores was paid to the shareholders. Further the Board considered it prudent to recommend the final dividend for 2024-25 as per the Dividend Distribution Policy and accordingly recommended a final dividend of ₹6/- per equity share of face value of ₹5/- each (@ 120%) amounting to ₹203 crores for approval of shareholders at the 52nd Annual General Meeting (AGM) of the Company. Hence, the total dividend paid / payable with respect to the year under review was of ₹32/- per equity share (@ 640%) amounting to ₹1,083 crores.

ii) Transfer to Reserves

The Board of Directors of the Company has decided not to transfer any amount to the reserves for the year under review.

HUMAN RESOURCES

At Torrent Pharma, we understand our employees are our most valuable assets, essential to our growth and success. Their commitment, loyalty, and hard work drive our achievements. In order to sustain this momentum, we continue to build competencies and embrace new skills for a sustainable future. This approach has fostered an inclusive, multicultural organisation that prioritises employee satisfaction, diversity, and a sense of belonging.

We firmly believe that our success is a direct result of our employees' collective efforts. Further to enhance organisational performance and productivity, we have implemented several initiatives, reinforcing our commitment to being a value-driven and future-ready organisation.

The Company provides a safe and healthy work environment, aiming for an injury- and illness-free workplace. Economic considerations never take precedence over health and safety measures. Our leadership demonstrates visible commitment to maintaining rigorous health and safety standards.

All lead and lag incidents are reported through a structured incident reporting system. This system ensures thorough documentation, investigation, and resolution through root cause analysis, corrective actions, and system improvements. Employees and contract staff can report incidents without fear of retaliation, ensuring transparency and accountability.

Through targeted capability-building efforts, we remain focused on strengthening our talent pipeline. Significant efforts have been made to enhance leadership and recruit top-tier talent, bringing fresh perspectives and energy to the organisation. Our robust training and development initiatives play a critical role in nurturing managerial skills and career growth.

Moreover, to foster open communication, we have introduced initiatives such as *Sampark*, which enables employees to connect with their functional heads, strengthen team dynamics and voice concerns.

Our structured coaching and mentoring programs, along with initiatives such as *Sahyog, Baat-cheet,* and *U Coffee* sessions provide employees with opportunities to share their perspectives, seek guidance, and enhance their personal and professional development.

Our commitment to health and safety extends beyond physical well-being to include psychological safety and overall employee wellness. Every employee is responsible for ensuring their actions contribute positively to the workplace, fostering a culture of open and respectful communication.

We are committed to diversity and inclusivity, with various women-friendly policies creating an ecosystem that enables women to thrive professionally. Maternity benefits and daycare facilities further support female employees in advancing their careers. The Company upholds meritocracy with a robust appraisal system, ensuring fair evaluations devoid of gender bias.

Our investment in professional development underscores our focus on responsible growth and innovation. We remain dedicated to addressing patient needs, contributing to community well-being, and promoting environmental sustainability.

As of 31st March, 2025, our workforce has grown to 16,107 employees, compared to 14,916 employees as of 31st March, 2024.

VIGIL MECHANISM

The Company has built a strong reputation for conducting business with integrity and upholding zero tolerance for unethical behaviour or misconduct. Our commitment to professionalism, fairness, and ethical conduct are reinforced through a robust reporting system available to all employees and stakeholders, as detailed in the Corporate Governance Report.

This system encourages the reporting of unethical behaviour while ensuring whistleblower protection, with direct access to the Audit Committee. Our Code of Business Conduct outlines key corporate ethical practices that guide our business operations and reflect our core values.

Both the Whistleblower Policy and Code of Business Conduct are accessible on our website at **www.torrentpharma.com**, underscoring our commitment to transparency and accountability.

To further enhance confidentiality and ease of reporting, we have partnered with an independent third-party agency to manage the Whistleblower complaint registration process. Complaints can now be registered through a dedicated web portal, with additional support available via chatbot, toll-free helpline and IVR support.

In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, we have implemented a comprehensive policy to protect women against workplace harassment. Regular interactive awareness workshops are conducted, and the Internal Complaints Committee is in place to address any grievances. During the year, no complaints were received under this policy.

Additionally, the Company has in place Human Rights Policy defining the principles for respecting and protecting human rights across all operations.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR Activities undertaken by the Company were under the thrust areas of Community Healthcare, Education & Knowledge Enhancement and Social care & concern. During the year, the Company was required to spend ₹33.31 crores (2% of the average net profit of the past three financial years). The total amount spent during the year was ₹35.03 crores. Further, the unspent amount at the end of the year was transferred to “Unspent CSR Account” of related ongoing projects by the Company. The brief details of the major CSR activities are described hereunder:

REACH: Driven by the belief of Chairman Emeritus, Sudhir Mehta **‘Children are the future of our nation and this future must be well preserved’,** the flagship CSR programme of the Group “REACH” – Reach EAch CHild was initiated in the year 2016 under the aegis of UNM Foundation, a Section 8 Company (“UNMF”).

In the past years, UNMF adjusted its approach towards community healthcare initiatives, which are now carried out in two distinct categories viz. Outreach Activities and Medical Services.

Outreach Activities

Our Outreach activities focus on reducing malnutrition & anemia amongst children in the age – group of 6 months to 6 years. Under this programme, we organise baseline screening camps across various villages covered in two states including Gujarat, Maharashtra and Union Territory of Diu, Daman and Dadra Nagar Haveli. Children are screened for anemia and malnourishment; necessary interventions are done for possible improvement. Children identified as malnourished or anemic or both are provided medical treatment and supplementary nutrition. The treatment plan for malnourished children is spread over a period of 3 months and anemia treatment spans across 6 months.

1,74,000+	**1,900+**
Children screened through baseline screening camps on Cumulative basis	Villages covered (Gujarat, Maharashtra, Union Territory – Diu, Daman & Dadra Nagar Haveli) on Cumulative basis
59%	**90%**
Children out of malnourishment	Children out of anaemia

Expanding Outreach to More Lives

In 2024-25, we have expanded our initiatives in more than 300 villages with target to cover cumulative total of more than 1,900 villages and screened additional 18,000 children totalling more than 1,74,000 children on a cumulative basis.

In year to come, we plan to extend our interventions in 200 new villages & 100 ongoing villages to serve more children. With this, we will be able to reach more than 2,100 villages and make a positive impact on the health of both anaemic and malnourished children.

The programme will also be expanded to villages near Bhatiya, Khambhadiya, Surel and Babra & our newly established PHCs in Maharashtra & Gujarat.

Adolescent girls’ Healthcare and Sanitation

One of our initiatives was focused on empowering adolescent girls in rural areas by addressing the taboo associated with menstruation and promoting menstrual hygiene. Our programme included interventions to encourage the use of bio-degradable re-usable sanitary pads and provide education on menstrual hygiene. Female volunteers / employees conduct counselling sessions and distributes sanitary pads to adolescent girls in Sugen, Dahej, Indrad, Banaskantha, Radhanpur, Balasinor, Junagadh, Dholera, Bhatiya, Khambhadiya, Surel and Babra.

During 2024-25, 29,935 bio-degradable reusable sanitary kits were distributed. Till 31st March, 2025; we have served more than 1,00,000 beneficiaries with these unique sanitary kits.

1,00,000+	**1,600+**
Adolescent girls benefited	Villages covered on cumulative basis

Medical Services - UNM Children Hospital and Paediatric Primary Health Centre (PHC)

In 2017, we have started four paediatric centres in Sugen, Dahej, Indrad, and Balasinor of Gujarat with a focus on outpatient departments (OPDs) as ‘CARE’ measures. In 2020, we achieved a significant milestone by transforming the SUGEN paediatric centre into a 150-bedded hospital, providing critical care to children. Consequently, 9 more PHCs have been started on daily basis at locations of Dediapada, Waghai, Naswadi, Radhanpur, Chhapi, Junagadh, Ankleshwar, Bhestan and Dholera to reach and to serve people in interior rural areas deprived of quality affordable medical facilities. These centres provide primary healthcare services to children, including free medical consultations, basic laboratory tests, and medications.

Looking at the response from community, we intend to establish few more UNM Children PHCs at needy underprivileged areas in Maharashtra and Gujarat in next year.

Cumulative status across all 12 UNM Children PHCs (excluding UNM Children Hospital):

620+	**1,89,000+**	**6,96,000+**
OPDs / day	OPDs FY 2024-25	OPDs since inception

The Hub-and-Spokes Model

The PHCs serves as spokes, providing primary care, while UNM Children Hospital at Sugen serves as the central hub managing more complex healthcare needs. Cases identified at the PHCs that require advanced care are referred to the hospital for further treatment.

In addition to primary care, we focus on providing secondary and tertiary care. In 2020, we reached a significant milestone by upgrading our Sugen Paediatric Centre into a 150-bedded UNM Children Hospital, which now serves as the hub of our medical services.

UNM Children Hospital: Enhancing Healthcare Facilities

UNM Children Hospital is a state-of-the-art facility offering both outpatient (OPD) and inpatient (IPD) services, including advanced and critical surgeries across multiple disciplines. Our hospital provides advanced care in specialties such as Orthopaedics, Ophthalmology, Neurology, Urology, Plastic Surgery, Dental, ENT, and more. The hospital is equipped with 150 beds, 4 operation theatres, a 20-bed NICU, a 17-bed PICU, and is NABH certified. As a NABH-certified hospital, we are committed to delivering high-quality healthcare services that meet national standards of excellence.

Particulars		Beneficiaries			
Sr. No.	Department	FY 22-23	FY 23-24	FY 24-25	Cumulative (since Apr'20)
1	OPD	41,906	61,001	63,273	1,80,609
2	IPD	1,406	2,725	2,745	7,099
3	Surgery	783	1,709	1,822	4,361
4	Neonatal ICU (NICU)	120	207	213	540
5	Paediatric ICU (PICU)	89	178	339	606
6	Pathology	29,502	53,892	52,155	1,36,797
7	X - Ray	2,528	5,038	5,167	13,008
8	USG	1,873	4,031	4,602	10,658
9	Radio Procedure	-	-	97	97

Strategic Shift to Advanced Surgical Care

In 2022, Torrent Group made a strategic decision to move its focus from outpatient services (OPDs) to advanced surgical care. This shift enabled the Group to provide complex and critical surgical treatments, addressing the increasing need for specialised care for children.

As part of its ongoing transformation, the SUGEN Paediatric Centre has been upgraded to the UNM Children Hospital in Kamrej, further reinforcing its dedication to delivering exceptional paediatric healthcare. The hospital now features cutting-edge facilities, including a Linde liquid oxygen tank, which provides medical oxygen with a purity of at least 99.0%, ensuring optimal care, particularly for patients with critical and long-term respiratory needs. With the opening of its fourth modular operating theatre, the hospital is equipped with the Carl Zeiss TIVATO 700 surgical microscope, renowned for its advanced visualisation capabilities, making it an essential tool for complex surgical procedures. In addition, the newly constructed audiometry room, featuring Inter-acoustics audiometers, creates an ideal environment for conducting a wide range of hearing tests, ensuring precise diagnostic outcomes. The hospital's diagnostic services have now received NABL certification. This recognition underscores our commitment to delivering high-quality pathological services that adhere to national standards of excellence, ensuring the highest level of care and accuracy for our patients. Additionally, 1 ambulance is equipped with advanced ICU facilities – ICU on wheels, ensuring critical care during transport. With life-saving equipment and a skilled medical team on board, it provides seamless, high-quality care from the scene to the hospital, improving patient outcomes in emergencies. The installation of an in-house CT Scan is currently underway, aiming to offer patients more accessible and convenient diagnostic services. Hospital commenced the integration of CMS and e-MRD systems on 01st December, 2024. This initiative aims to enhance the management of digital content, including patient records and administrative documents, while improving communication, compliance, and overall operational efficiency. By digitizing medical records, the hospital is streamlining data accessibility and organisation, which will lead to faster decision-making and better patient care outcomes.

With a team of highly skilled paediatric surgeons and healthcare professionals, UNM Children Hospital has rapidly become a trusted healthcare facility, attracting children from across India who require specialised treatments. This transformation highlights Torrent Group's ongoing commitment to advancing paediatric healthcare by enhancing capabilities and expanding the scope of services offered.

Extending Healthcare Services to Remote Communities: Surgical screening camps

As part of UNM Children Hospital's commitment to reaching underserved populations, surgical screening camps were organised at UNM Children Hospital, Naswadi, and Sagbara. These initiatives focused on extending healthcare services to the remote communities of Narmada and Chhota Udepur districts of Gujarat. The camps provided primary screening and consultations, helping to identify surgical patients in need of care. Those requiring further treatment were referred to UNM Children Hospital for surgeries, which were performed based on patient consent and fitness. This effort significantly contributed to improving access to essential healthcare in these rural areas.

Sr. No.	Location	Total registered patients	Potential surgical case	Surgeries done
1	UNM Children Hospital	526	249	167
2	Naswadi	88	25	13
3	Sagbara	122	32	14
	Total	**736**	**306**	**194**

ANC and PNC Awareness Event

As part of our ongoing awareness initiatives, a successful event was held in Waghai Taluka to educate mothers in relation to ANC (Antenatal Care) and PNC (Postnatal Care), importance of breastfeeding and complementary feeding. The event featured expert-led sessions and practical demonstrations, engaging participants in learning about early childhood nutrition. This programme aimed to empower mothers with essential knowledge to ensure the health and well-being of both themselves and their infants.

Pratiti - Development and Maintenance of Public Parks:

The Pratiti programme aims to provide citizens with accessible, sustainable green spaces for leisure and recreation. The Company has successfully revamped ten parks in Ahmedabad, covering more than 1,05,000 square meters. We also maintain green space at Adalaj Clover leaf junction measuring approximately 1,65,000 square meters. Two gardens in Ahmedabad are under redevelopment measuring approximately 46,000 square meters and nearing completion. The Company's commitment to maintaining these green spaces ensures their longevity and continued accessibility to the public. All the gardens are designed and developed with a mission to provide the best environmental conditions to live in, by providing the citizens with recreational areas by creating parks, gardens, ponds, and lakes near their neighbourhood with reduced level of air and noise pollution by improving micro-alignment at the city level, and to recharge groundwater through ponds and lakes.

PAGE Foundation

In FY 2024–25, the Company and other Member Companies of the Indian Pharmaceutical Alliance (IPA) collaborated to establish a skilling institute for the purpose of developing talent for pharmaceutical industry through Foundation for Pharmaceutical Academy for Global Excellence (PAGE Foundation), a not-for-profit company set up by IPA member companies, at a total estimated cost of approximately ₹ 200 crores. The participating members including the Company will contribute the cost of the project in equal ratio. PAGE Foundation has already acquired land in Hyderabad and is in the process of acquiring land in Gujarat.

The Company has allocated the budget of ₹ 10 crores for FY 2024-25.

The Report on CSR activities is annexed herewith as **Annexure A**.

ENVIRONMENT, HEALTH & SAFETY (HSE)

The Company remains fully committed to upholding the highest standard of Environment, Health & Safety across all its operations. We recognise that a safe and healthy workplace is integral to the success and sustainability of our business.

Continual improvement in Health, Safety, Environment, and Sustainability (HSE&S) involves a proactive, ongoing process of identifying and implementing improvements to enhance performance, reduce risks, and promote a culture of safety and sustainability. Accordingly, the Company has revamped the HSE&S policy during the year and implemented at all its manufacturing facilities. We prioritise safety, health and environmental responsibility through our comprehensive HSE&S Policy which is aligned with legal regulations and ISO standards.

Statutory requirements are dynamic in nature and keeping up with HSE compliance is a foundational necessity for businesses to sustain and grow. We keep on assessing and updating our applicable statutory compliances which are being ensured through various internal and external mechanisms.

We have defined robust Safety Management System which provides the Company with a framework to improve employee safety and health, reduce workplace risks and create better, safe working conditions. The development and implementation of a comprehensive Safety Management System will support continual improvement and enables us to develop and maintain a strong safety culture. It consists of processes, practices, policies, incident and hazard management, inductions and training, risk management, statutory compliance, audits and inspections for managing safety risks.

As a part of our dedication to sustainability and responsible practices, we have set ambitious targets to reduce our greenhouse gas emissions and are actively exploring innovative methods to minimise our environmental impact. By diversifying our energy mix with cleaner fuels and renewable sources, we aim to significantly reduce our carbon footprint. We also prioritise water conservation through initiatives such as rain water harvesting and responsible fresh water consumption. Our goal is to achieve 100% non-hazardous recycling and zero waste at landfill sites, reflecting our commitment to environmental stewardship.

As a part of our HSE&S policy to explore and increase renewable energy stack in our overall energy mix, the Company has commissioned new solar system of 1.0 MW Power generation plant with an investment of ₹3 crores at the Company's Dahej manufacturing facility.

During the current fiscal, 27 million KWH green energy has been generated significantly reducing the environmental impact / carbon footprint.

As a part of our sustainable commitment, we have commissioned Agro waste based (In briquette form) boiler at Company's high productivity manufacturing facilities at Indrad, Dahej, Baddi & Vizag and at other manufacturing facilities at Bileshwarpura and Pithampur and at R & D, boilers are operated on Natural Gas. This has helped us to drastically reduce our fossil fuel consumption & Scope 1 emission by 42% compared to previous year and 72 % to base line year FY 2019-20.

The environmental aspect of ESG is a critical area for hazardous waste producers. Our efforts are not just complying the standards and applicable regulations; but paving the way for a more sustainable and responsible business landscape.

Effective management of hazardous waste involves meticulous classification, handling, and disposal, ensuring these materials do not pose risks to the environment or human health. The Company collaborates with third-party integrated facility management partners to manage site waste in an environmentally responsible manner. We use only approved waste disposal facilities. We audit the facilities that treat our hazardous waste periodically to ensure they have the systems, technologies and processes in place to manage the waste streams responsibly and in compliance with all applicable requirements.

With our whole hearted efforts, we were able to reduce incineration of hazardous waste disposal from all manufacturing facilities by 15% from previous year and 91% from the base year. The majority of waste quantity is diverted from incineration to co-processing (Energy Recovery) in cement industries.

Land fillable Hazardous waste disposal from all manufacturing facilities have been reduced by 35% from previous year and 81% from base year. This year Company's Dahej, Indrad and Bileshwarpura manufacturing facilities became Zero waste to Landfill thus total 75% of the Company's manufacturing facility have achieved target of Zero landfill waste disposal.

While hazardous waste receives much of the attention due to its immediate risks to health and safety, whereas non-hazardous waste management also plays a crucial role in environmental sustainability. The management of non-hazardous waste require careful handling to prevent pollution and encourage recycling and reuse. The Company dispose off 100 % of its non-hazardous waste from all sites for its recycling. As an extended producer's responsibilities (EPR), the Company has channelised programme for 100% take back of plastic waste quantity equivalent to plastic quantity consumed by us across PAN India and disposing them off safely.

All of the Company's manufacturing facilities are certified for ISO 14001:2015 (Environment Management System) and 45001:2018 (Occupational Health & Safety Management System). Four Manufacturing facilities and R&D Centre of the Company are also accredited with ISO 50001:2018 (Energy Management System).

Moving forward, the Company remains focused on continuous improvement of its HSE performance, promoting a culture where safety and sustainability are embedded in every aspect of our business.

FINANCE

(a) Share Capital

As on 31st March, 2025 the Authorised Capital of the Company is ₹235 crores, divided into 42 crores Equity Shares of ₹5/- each and 25 Lakh Preference Shares of ₹100/- each.

(b) Deposits and Loans, Guarantees and Investments

The Company has neither accepted nor renewed any deposits. None of the deposits earlier accepted by the Company remained outstanding, unpaid or unclaimed as on 31st March, 2025.

Details of Loans, Guarantees and Investments by Company under the provisions of Section 186 of the Companies Act, 2013, during the year, are provided in Note 10 and 11 to the Standalone Financial Statements.

(c) Debentures and other debt instruments

The outstanding amount of Non-Convertible Debentures issued by the Company is ₹642.84 crores as on 31st March, 2025.

The Company has issued Commercial Papers amounting to ₹900 crores during FY 2024-25. As on 31st March, 2025, the outstanding amount of Commercial Papers is ₹500 crores. These Commercial Papers are listed on the Wholesale Debt Market Segment of NSE.

(d) Contracts or Arrangements with Related Parties

All Related Party transactions are entered in compliance to the provisions of law, the Policy on Materiality of and dealing with Related Party Transactions ("Related Party Policy") and were entered with the approval of Audit Committee, Board and Shareholders if and as applicable. All the related party transactions were entered into during the financial year were on arm's length basis. Further there were no related party transactions which could be considered material based on the definition of material transaction as mentioned under explanation to Sub Regulation (1) of Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable to the Company for 2024-25 and hence does not form part of this report.

(e) Internal Financial Control System

The Company has a formal framework of Internal Financial Control ("IFC") in alignment with the requirement of Companies Act, 2013 and has also laid down specific responsibilities on the Board, Audit Committee, Independent Directors and Statutory Auditors with regard to IFC.

Accordingly, the Company has a well-placed, proper and adequate IFC system, which ensures:

- The orderly and efficient conduct of its business;
- Safeguarding of its assets;
- The prevention and detection of frauds and errors;
- The accuracy and completeness of the accounting records; and
- The timely preparation of reliable financial information.

The Board reviews the effectiveness of controls documented as part of IFC framework, and take necessary corrective and preventive actions wherever weaknesses are identified as a result of such reviews. This review covers entity level controls, process level controls, fraud risk controls and Information Technology controls.

Based on this evaluation, no significant events had come to notice during the year that have materially affected, or are reasonably likely to materially affect, our IFC. The management has also come to a conclusion that the IFC and other financial reporting was effective during the year and is adequate considering the business operations of the Company. The Statutory Auditors of the Company has audited the IFC with reference to Financial Reporting and their Audit Report is annexed as Annexure B to the Independent Auditors' Report under Standalone Financial Statements and Consolidated Financial Statements.

(f) Material changes affecting the Company

No material changes and commitments have occurred after the close of the year till the date of this Report which may affect the financial position of the Company.

INSURANCE

The Company's manufacturing facilities, properties, equipment and stocks are adequately insured against all major risks including loss on account of business interruption caused due to property damage. The Company has appropriate liability insurance covers particularly for product liability, clinical trials and cyber liability. The Company has also taken Directors' and Officers' Liability Policy to provide coverage against the liabilities arising on them.

BUSINESS RISK MANAGEMENT

Risk Management is an integral part of our strategy for stakeholders' value enhancement and is embedded in to governance & decision making process across the Organization. The Company has in place the Risk Management Policy to ensure effective responses to strategic, operational, financial and compliance risks faced by the Organization.

As a part of this Policy, all the risks are discussed and deliberated with the concerned functional heads and business process owners to continually identify, assess, mitigate and monitor risks across the entity, its business functions and units. The Policy also encompasses identification, assessment and mitigation of ESG risks. The Risk Management Committee meets periodically to assess and deliberate on the key risks and adequacy of mitigation plan. It has formulated a comprehensive 'Risk Register', which is periodically updated to capture new risks / threats augmenting from changes in internal / external environment. Inputs from risk assessment are also embedded into annual internal audit programme. Key risks and mitigation measures are summarised in Management Discussion and Analysis section of the Annual Report.

SUBSIDIARIES & JOINT VENTURES

As of 31st March, 2025, the Company has 18 subsidiaries, out of which 3 are step down subsidiaries.

During the year, Torrent Pharmaceuticals Chile SpA, wholly owned subsidiary of the Company was incorporated on 25th September, 2024.

The highlights of performance of major subsidiaries of the Company have been discussed and disclosed under the Management Discussion and Analysis section of the Annual Report. The contribution of each of the subsidiaries in terms of the revenue and profit is provided in Form AOC-1, which forms part of the Annual Report.

The details of UNM Foundation, associate company of the Company is also shown in the AOC-1. This associate company is Section 8 Company and primarily floated with another company of the Torrent group to carry out the CSR activities.

The annual accounts of the subsidiary companies will be made available to any Member of the Company seeking such information at any point of time and are also available for inspection by any Member of the Company at the Registered Office of the Company on any working day during business hours up to the date of the AGM. The annual accounts of the subsidiary companies are also available on the website of the Company at **www.torrentpharma.com**.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

(a) Board of Directors

The Board of Directors of the Company is led by the Executive Chairman and comprises seven other Directors as on 31st March, 2025[1], including one Whole Time Director and five Independent Directors which includes two Women Directors and one Non-Executive Director (Other than Independent Directors).

All the Independent Directors of the Company have furnished declarations that they meet the criteria of independence as prescribed under the Companies Act, 2013 and under Listing Regulations.

During the year under review, Jinesh Shah, Whole-time Director (holding DIN: 00406498) has stepped down as the director of the Company with effect from 23rd July, 2024 (i.e. date of last AGM). The Board places on record its profound appreciation for the guidance and support provided by him for overall growth of the Company.

During the last AGM held on 23rd July, 2024, the members approved:

- Reappointment of Samir Mehta (holding DIN: 00061903) as Executive Chairman of the Company for the period of 5 (five) years effective from 01st April, 2025.
- Appointment of Jinal Mehta (holding DIN: 02685284) as Non-Executive Non-Independent Director of the Company effective from 24th May, 2024.

Dr. Maurice Chagnaud (holding DIN: 09592878), Independent Director of the Company, who was appointed for a term of 3 (three) years effective from 11th May, 2022 to 10th May, 2025 ceased as Director on the Board of the Company on 10th May, 2025 pursuant to completion of his term. The Board put on record its sincere appreciation for the valuable role played by him in guiding the functioning of the Board and its Committees.

As per the provisions of the Companies Act, 2013, Aman Mehta, Whole-time Director (holding DIN: 08174906), retires by rotation at the ensuing AGM and being eligible has offered himself for re-appointment.

On the recommendation of Nomination and Remuneration Committee, the Board appointed Aman Mehta as Managing Director of the Company effective 01st August, 2025 subject to approval of the Members in the ensuing AGM of the Company.

The brief resume and other relevant information of the Director being appointed is given in the explanatory statement to the Notice convening the AGM, for your perusal.

(b) Meetings of Board of Directors

Regular meetings of the Board are held to review performance of the Company, to discuss and decide on various business strategies, policies and other issues. A calendar of Board / Committee meetings for the year is prepared and circulated to the Directors well in advance to enable them to plan their schedule for effective participation in the meetings. During the year, six meetings of the Board of Directors were convened and held on 23rd April, 2024, 24th May, 2024, 10th June, 2024, 23rd July, 2024, 25th October, 2024 and 24th January, 2025. The intervening gap between two consecutive meetings was not more than one hundred and twenty days. Detailed information on the meetings of the Board is included in the Corporate Governance Report which forms part of the Annual Report.

[1] Dr. Maurice Chagnaud has completed his tenure as an Independent Director of the Company on 10th May, 2025.

(c) Audit Committee

The composition of the Audit Committee is in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The composition of the Committee as on 31st March, 2025 is given below:

Name of Director	Category of Directorship
Nikhil Khattau, Chairman[1]	Independent Director
Ameera Shah	Independent Director
Nayantara Bali	Independent Director
Dr. Maurice Chagnaud[2]	Independent Director

1. Nikhil Khattau was selected as Chairman of the Committee with effect from 24th May, 2024.
2. Dr. Maurice Chagnaud ceased to be Member of the Committee due to completion of his term on the Board on 10th May, 2025.

During the year, the Board has accepted all the recommendations made by the Audit Committee.

(d) Appointment of Directors

(i) Criteria for Appointment of Directors

The Board of Directors of the Company has identified following criteria for determining qualification, positive attributes and independence of Directors:

1) Proposed Director ("Person") shall meet all statutory requirements and should:
   - possess the highest ethics, integrity and values;
   - not have direct / indirect conflict with present or potential business / operations of the Company;
   - have the balance and maturity of judgement;
   - be willing to devote sufficient time and energy;
   - have demonstrated high level of leadership and vision, and the ability to articulate a clear direction for an organisation;
   - have relevant experience (in exceptional circumstances, specialisation / expertise in unrelated areas may also be considered);
   - have appropriate comprehension to understand or be able to acquire that understanding
     - Relating to Corporate Functioning
     - Involved in scale, complexity of business and specific market and environment factors affecting the functioning of the Company.
2) The appointment shall be in compliance with the Board Diversity Policy of the Company.

   The key qualifications, skills and attributes which the Board is collectively expected to have for the effective discharge of their duties are explained in Corporate Governance Report of the Company.

(ii) Process for Identification / Appointment of Directors

- Board members may (formally or informally) suggest any potential person to the Chairman of the Company meeting the above criteria. If the Chairman deems fit, necessary recommendation shall be made by him to the Nomination and Remuneration Committee (NRC).
- Chairman of the Company can himself also refer any potential person meeting the above criteria to the NRC.
- NRC deliberate the matter and recommends such proposal to the Board.

Board considers such proposal on merit and decide suitably.

(e) **Familiarisation Programme of Independent Directors**

The Independent Directors have been updated with their roles, rights and responsibilities in the Company by specifying them in their appointment letter along with necessary documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices. The Company endeavours, through presentations at regular intervals, to familiarise the Independent Directors with the strategy, operations and functioning of the Company and also with changes in the regulatory environment having a significant impact on the operations of the Company and the pharmaceutical industry as a whole. Site visits to various plant locations and CSR sites get organised for the Directors to enable them to understand the operations of and CSR activities carried out by the Company. The Independent Directors also meet with senior management team of the Company in formal / informal gatherings.

The details of such familiarisation programs for Independent Directors are posted on the website of the Company and can be accessed at **https://www.torrentpharma.com/pdf/cms/Familiarization_Programme_2024-25.pdf**

(f) **Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out an annual evaluation of its own performance and that of its Committees as well as performance of all Individual Directors (Independent and Non Independent Directors) and Chairperson as per the process and criteria laid down by the Board of Directors based on the recommendation of the NRC.

Evaluation Feedback Mechanism:

Evaluation Feedback was sought by way of a structured questionnaire covering various aspects of the Board's functioning such as Board composition, frequency of meetings, fulfilment of key responsibilities, effectiveness of board process and information sharing, quality of decisions, establishment and delineation of responsibilities to Committees and facilitation of Independent Directors. The performance evaluation was carried out based on the responses received from the Directors.

Evaluation of Committees:

The performance evaluation of Committees was based on criteria such as Adequacy of Committee composition, frequency and effectiveness of meetings, degree of fulfilment of key responsibilities as outlined by terms of reference of Committee and as required by the statute, Committee dynamics especially openness of discussions, including with the Board and quality of relationship of the Committee with the Board and the management.

Evaluation of Non-Independent Directors:

The performance evaluation of the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors.

Evaluation of Independent Directors:

The performance evaluation of Independent Directors was based on various criteria, such as participation in Board in terms of adequacy, contribution at meetings, fulfilment of functions, guidance and support to management outside Board / Committee meetings and independent views and judgement.

Evaluation of Chairman:

The performance evaluation of Chairman of the Board was based on various criteria, like Attendance, steering the meetings, effectiveness as Chairman of the board including leading the decision making on the vision, strategy, ability to keep shareholder's interest in mind and communicating with external stake holders and impartiality etc.

Result of Evaluation:

Independent Directors have carried out the performance evaluation of the Board as a whole and the Non-Independent Directors, the Committees, Chairman and flow of information between the management and the Board. Thereafter, the Board expressed the satisfaction on the functioning of the Board, the Committees and performance of Individual Directors.

(g) **Key Managerial Personnel**

There was no change in the Key Managerial Personnel during the year under review other than what has already been captured above.

(h) **Directors' Responsibility Statement**

In terms of Section134(3)(c) of the Companies Act, 2013, in relation to financial statements of the Company for the year ended 31st March, 2025, the Board of Directors state that:

i. the applicable Accounting Standards have been followed in preparation of the financial statements and there are no material departures from the said standards;

ii. reasonable and prudent accounting policies have been used in preparation of the financial statements and that they have been consistently applied and that reasonable and prudent judgments and estimates have been made in respect of items not concluded by the year end, so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2025 and of the profit for the year ended on that date;

iii. proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. the financial statements have been prepared on a going concern basis;

v. proper internal financial controls were in place and were adequate and operating effectively; proper systems to ensure compliance with the provisions of applicable laws were in place and were adequate and operating effectively.

REMUNERATION

(a) **Remuneration Policy**

The Remuneration policy covers the remuneration for the Directors (Chairman, Managing Director, Whole-time Directors, Independent Directors and other non-executive Directors) and other employees (under senior management cadre and management cadre). The Policy has been formulated with the following key objectives:

- To ensure that employee remuneration is in alignment with business strategy & objectives, organisation values and long-term interests of the organisation.
- To ensure objectivity, fairness and transparency in determination of employees' remuneration.
- To ensure the level and composition of remuneration are reasonable and sufficient to attract, retain and motivate a high performance workforce and are in compliance with all applicable laws.

It covers various heads of remuneration including benefits for Directors and employees. It also covers the process followed with respect to annual performance reviews and variables considered for revision in the remuneration. The said Policy is available on the website of the Company **www.torrentpharma.com**.

(b) **Criteria for Remuneration to Non-Executive Directors (NEDs):**

1. The payment of commission to the Directors of the Company who are neither in the whole time employment nor Managing Director(s) (NEDs) is approved by the shareholders of the Company and is subject to the condition that total commission paid to the NEDs shall not exceed the percentage limits of the net profit of the Company as specified in the Companies Act, 2013 (presently 1% of the net profit), calculated in accordance with Section 197 read with Section 198 and any other applicable provisions of the Companies Act, 2013.

   Further, as per the Regulation 17(6)(ca) of the Listing Regulations, approval of the shareholders by special resolution shall be required every financial year, in which the annual remuneration payable to a single NED exceeds fifty per cent of the total annual remuneration payable to all NEDs, giving details of the remuneration thereof.

2. The Board or its Committee specifically authorised for this purpose, determines the manner and extent upto which the commission is paid to the NEDs within the limit as approved by the Members. The commission is determined based on the participation of the Directors in the meetings of Board and / or Committees thereof, as well as on industry practice, performance of the Company and contribution by the Directors, etc.

3. Payment of Commission is made annually on determination of profit.

4. Sitting fees of ₹1 lakh is paid to Independent Directors for each meeting of the Board or any Committee thereof attended by them.
5. Independent Directors are reimbursed for all the expenses incurred for attending any meeting of the Board or Committees thereof and which may arise from performance of any special assignments given by the Board.

(c) Remuneration to Managerial Personnel

The details of remuneration paid to the Managerial Personnel forms part of the Corporate Governance Report.

(d) Particulars of Employees and related disclosures

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, disclosures pertaining to remuneration and other details are provided in the **Annexure B** to this Report.

AUDITORS

(a) Statutory Auditors

As per Section 139 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the members of the Company in Forty Ninth AGM of the Company approved the re-appointment of B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) as Statutory Auditors of the Company for a term of 5 (five) consecutive years from the conclusion of Forty Ninth AGM until the conclusion of the Fifty Forth AGM to be held with respect to the financial year 2026-27.

(b) Cost Auditors

In terms of the Section 148 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, the Company has prepared and maintained the cost accounts and records for the year 2024-25.

The Company has appointed M/s. Kirit Mehta & Co., Cost Accountants, Mumbai (Firm Registration No. 000353) as the Cost Auditors of the Company for audit of cost accounting records of its activities (Formulation & Bulk Drugs activities) for the financial year ended 31st March, 2025. The Cost Audit Report to the Central Government for the financial year ended 31st March, 2024 was filed on 17th August, 2024, within the statutory timeline. Further, the Board of Directors has appointed M/s. Kirit Mehta & Co. as the Cost Auditor of the Company for the financial year 2025-26 and fixed their remuneration, subject to ratification by the Members in the ensuing AGM of the Company.

(c) Secretarial Auditor

Pursuant to the provisions of Regulation 24A of the Listing Regulations and Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors have approved and recommended the appointment of M/s. M. C. Gupta & Co, (Firm Registration No.: S1986GJ003400 and Peer Review Certificate No.: 5380/2023) as Secretarial Auditors of the Company for a term of upto 5 (Five) consecutive years to hold office from the conclusion of 52nd AGM till the conclusion of 57th AGM of the Company to be held in the Year 2030, for approval of the Members at ensuing AGM of the Company. Brief resume and other details of M/s. M. C. Gupta & Co., Company Secretaries in Practice, are separately disclosed in the Notice of ensuing AGM.

M/s. M. C. Gupta & Co. have given their consent to act as Secretarial Auditors of the Company and confirmed that their aforesaid appointment (if made) would be within the prescribed limits specified by the Institute of Company Secretaries of India. They have also confirmed that they are not disqualified to be appointed as Secretarial Auditors in terms of provisions of the Act & Rules made thereunder and the Listing Regulations.

The Board had appointed M/s. M. C. Gupta & Co., Company Secretaries, as the Secretarial Auditors of the Company to conduct the Secretarial Audit as per the provisions of the Companies Act, 2013 for the year 2024-25.

M/s. M. C. Gupta & Co. have carried out the Secretarial Audit for FY 2024-25 accordingly and their report in Form MR-3, is annexed with this Report as **Annexure C**. There were no qualification / observations in the report.

During the year 2024-25, the Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

CORPORATE GOVERNANCE

As required by Regulation 34 read with Schedule V of the Listing Regulations, a separate Report on Corporate Governance forms part of the Annual Report. The Report on Corporate Governance also contains certain disclosures required under the Companies Act, 2013. A certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Clause E of Schedule V of the Listing Regulations forms part of this Report as **Annexure D**.

ANNUAL RETURN

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company at the link **https://torrentpharma.com/index.php/investors/annual_return**

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, ETC.

A statement containing the necessary information on Conservation of energy, Technology absorption and Foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed to this Report as **Annexure E**.

APPRECIATION AND ACKNOWLEDGEMENTS

Your Directors appreciate the trust reposed by the medical fraternity and patients in the Company and look forward to their continued patronage. The Directors are also grateful and pleased to place on record their appreciation for the excellent support, guidance and cooperation extended by the Government of India and various State Governments specifically the Governments of Gujarat, Himachal Pradesh, Sikkim, Madhya Pradesh and Andhra Pradesh, Central and State Government Bodies and Authorities, Financial Institutions and Banks. The Board also expresses its appreciation of the understanding and support extended by the shareholders and the commitment shown by the employees of the Company.

For and on behalf of the Board of Directors

Samir Mehta
Executive Chairman
DIN: 00061903

Mumbai
20th May, 2025

ANNEXURE A TO THE DIRECTORS' REPORT

Annual Report on CSR Activities for FY 2024-25

1. Brief outline on CSR Policy of the Company:

- Torrent has always been committed to the cause of social service and has consistently channelised a part of its resources and activities, such that it positively impact the society socially, ethically and also environmentally. The Company has taken up various CSR initiatives improving the quality of life of the people and making quality value addition to the society.
- The Company channelises its CSR activities in light of its guiding principle as enumerated by its founder - Shri U. N. Mehta: ***"Giving back to the society, for all the years of care, support and nurturance that is being bestowed upon the organisation".***
- The Policy focuses on three thrust areas in which CSR activities are planned - (a) Community Healthcare, Sanitation & Hygiene (b) Education & Knowledge Enhancement and (c) Social Care & Concern.
- The CSR Activities are conducted, preferably in areas where the Company has industrial or business presence, after approval of the Corporate Social Responsibility and Sustainability Committee ("CSRS Committee") and the Board.
- CSR Activities are conducted by implementing agencies, which include section 8 company / registered public trust / registered society established by the Company / an external entity engaged in CSR activities etc.

2. Composition of Corporate Social Responsibility and Sustainability Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of Meetings of CSRS Committee held during the year / tenure	Number of Meetings of CSRS Committee attended during the year
1	Nayantara Bali	Chairperson / Independent Director	2	2
2	Manish Choksi	Member / Independent Director	2	2
3	Dr. Maurice Chagnaud[1]	Member / Independent Director	1	1
4	Jinesh Shah[2]	Member / Whole-time Director	1	1
5	Nikhil Khattau[3]	Member / Independent Director	-	-

[1] Dr. Maurice Chagnaud was appointed as the Member of the Committee with effect from 23rd July, 2024 and has completed his tenure as an Independent Director of the Company on 10th May, 2025, pursuant to which he ceased to be the member of the Committee.

[2] Jinesh Shah stepped down as the Director of the Company effective from 23rd July, 2024, pursuant to which he ceased to be the Member of the Committee.

[3] Nikhil Khattau was appointed as the Member of the Committee with effect from 06th May, 2025.

3. Provide the web-link(s) where Composition of CSRS Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

CSRS Committee: **https://www.torrentpharma.com/assets/Composition_Of_Various_Committees_Of_Board_Of_Directors.pdf**

CSR Policy: **https://www.torrentpharma.com/assets/CSR_Policy.pdf**

CSR Projects: **https://www.torrentpharma.com/investors/csr-activity/**

4. Provide the executive summary along with web-link of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8, If applicable:

REACH - Paediatric Healthcare Programme (Phase I) and Pratiti – Public Park Development (Phase II) and Pratiti - Public Park Maintenance were considered as Ongoing Project in FY 2020-21. Executive Summary and Impact Assessment Report of the said Projects are available on the website of the Company at **https://www.torrentpharma.com/investors/csr-activity/**

5. (a) Average net profit of the Company as per sub-section (5) of section 135: ₹1,665.67 crores

(b) Two percent of average net profit of the Company as per sub-section (5) of Section 135: ₹33.31 crores

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: ₹0.16 crore

(d) Amount required to be set-off for the financial year, if any: Nil

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹33.47 crores

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹35.03 crores

(b) Amount spent in Administrative Overheads: Nil

(c) Amount spent on Impact Assessment, if applicable: Nil

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹35.03* crores

(e) CSR amount spent or unspent for the Financial Year:

Total amount spent for the Financial Year (₹ in crore)	Amount Unspent (₹ in crore)				
	Total Amount transferred to unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
35.03[*$]	10.78	28th April, 2025		Nil	

* Including ₹11.78 crores spent during the financial Year on ongoing projects, out of unspent amount pertaining to earlier financial year.

[$]Project wise bifurcation is detailed below:

REACH - Paediatric Healthcare Programme (Phase II) – ₹19.59 crores; Lake Development - ₹0.48 crore; Pratiti – Public Park Development (Phase III) – ₹12.48 crores; Baddi School & Community Development Work - ₹1 crore; Indrad School, Medical OPD & Community Development Work at Indrad and Virochannagar - ₹0.004 crore; School, Panchayat, other infrastructure facilities and Community Development Work at Sikkim - ₹1.11 crore, Other Plants (Dahej, Vizag & Pithampur) - ₹0.10 crore and PAGE Foundation - ₹0.27 crore.

(f) Excess amount for set-off, if any: Nil

Sr. No.	Particulars	Amount (₹ in crore)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	-
(ii)	Total amount spent for the Financial Year	-
(iii)	Excess amount spent for the Financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR Projects or Programmes or Activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	-

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sr. No.	Preceding Financial Years	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (₹ in crores)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (₹ in crores)**	Amount spent in the Financial Year (₹ in crore)	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (₹ in crores)	Deficiency, if any
					Amount (₹ in crores)	Date of transfer		
1	2023-24	11.30	11.30	11.30	Nil	---	--	--
2	2022-23	21.42	3.10^	0.48	Nil	---	2.62^^	--
3	2021-22	17.58*#	0	0	Nil	---	--	--

* Including an amount of ₹0.37 crore transferred to unspent account pertaining to earlier years

** Unspent as on 01st April, 2024

\# Spent during FY 2022-23

^ Including an amount of ₹0.21 crore surplus arising at implementing agency level from temporary investment of funds in FY 2023-24

^^Excluding an amount of ₹0.11 crore surplus arising at implementing agency level from temporary investment of funds in FY 2024-25

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes

If Yes, enter the number of Capital assets created / acquired: 90

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

(1)	(2)	(3)	(4)	(5)	(6)		
Sr No	**Short particulars of the property or asset(s) [including complete address and location of the property]**	**Pincode of the property or asset(s)**	**Date of creation**	**Amount of CSR spent (₹ in Lakhs)**	**Details of entity / Authority / beneficiary of the registered owner**		
					CSR Registration Number, if applicable	**Name**	**Registered address**
1.	Air Cooler	173205	09th July, 2024	0.66	Not Applicable	Govt Primary School	Village Makhnumajra, Baddi – 173 205, Himachal Pradesh
2.	Ceiling Fan	173205	22nd August, 2024	0.17	Not Applicable	Govt Primary School	Village Makhnumajra, Baddi – 173 205, Himachal Pradesh
3.	Almirah	173205	27th August, 2024	0.12	Not Applicable	Govt Primary School	Village Makhnumajra, Baddi – 173 205, Himachal Pradesh
4.	Almirah and Chairs	173205	27th August, 2024	0.29	Not Applicable	Govt High School	Village Bhud, Baddi – 173 205, Himachal Pradesh
5.	Lecture Stand	173205	11th September, 2024	0.02	Not Applicable	Govt High School	Village Bhud, Baddi – 173 205, Himachal Pradesh
6.	Sound System	173205	12th September, 2024	0.06	Not Applicable	Govt High School	Village Bhud, Baddi – 173 205, Himachal Pradesh
7.	Ceiling Fan	173205	11th October, 2024	0.29	Not Applicable	Govt High School	Village Bhud, Baddi – 173 205, Himachal Pradesh
8.	Chairs	173205	29th October, 2024	0.24	Not Applicable	Govt High School	Village Bhud, Baddi – 173 205, Himachal Pradesh
9.	Ceiling Fan	173205	15th January, 2025	0.12	Not Applicable	Govt High School	Village Bhud, Baddi – 173 205, Himachal Pradesh
10.	Refrigerator and Oven	173205	05th February, 2025	0.23	Not Applicable	Govt High School	Village Bhud, Baddi – 173 205, Himachal Pradesh
11.	Chairs & Tables	173205	14th February, 2025	0.61	Not Applicable	Govt High School	Village Bhud, Baddi – 173 205, Himachal Pradesh
12.	Mixer Grinder	173205	21st February, 2025	0.06	Not Applicable	Govt High School	Village Bhud, Baddi – 173 205, Himachal Pradesh
13.	CCTV Camera	173205	21st March, 2025	3.22	Not Applicable	Govt High School	Village Bhud, Baddi – 173 205, Himachal Pradesh
14.	Computers	173205	20th March, 2025	6.77	Not Applicable	Govt High School	Village Bhud, Baddi – 173 205, Himachal Pradesh
15.	X-ray Leadlining Glass	173205	29th November, 2024	2.61	Not Applicable	Govt Hospital	Govt Hospital, Baddi – 173 205, Himachal Pradesh
16.	School Benches	173204	26th November, 2024	0.83	Not Applicable	Govt Sr. Sec. School	GSS School, Jahar, Distt. Sirmour – 173024, Himachal Pradesh
17.	Wheel Chair	177106	27th August, 2024	0.45	Not Applicable	Gram Panchayat	Dada siba Distt Kangra, Himachal Pradesh
18.	Almirah	173205	27th August, 2024	0.12	Not Applicable	Gram Panchayat	Village Makhnumajra, Baddi – 173 205, Himachal Pradesh
19.	Wheel Chair	173205	25th October, 2024	0.95	Not Applicable	Gram Panchayat	Lehi Makhnumajra panchayat
20.	Solar Lights	177106	14th November, 2024	5.78	Not Applicable	Gram Panchayat	Vill Pragpur Jaswan, Dist Kangra - 177106, Himachal Pradesh
21.	MS Shed	173205	13th November, 2024	11.12	Not Applicable	Gram Panchayat	Vill Gullarwala, Baddi - 173205, Himachal Pradesh
22.	MS Shed	173205	23rd November, 2024	8.50	Not Applicable	Gram Panchayat	Vill Kolimajra, Baddi - 173205, Himachal Pradesh
23.	Solar Lights	173205	27th January, 2025	5.16	Not Applicable	Gram Panchayat	Vill Lehi Baddi - 173205, Himachal Pradesh
24.	Wheel chair (Battery operated)	176201	25th February, 2025	1.55	Not Applicable	Gram Panchayat	Vill Jalgran Una - 176201, Himachal Pradesh
25.	Chairs	173205	03rd March, 2025	0.51	Not Applicable	Gram Panchayat	Vill Kanganwal, Himachal Pradesh
26.	Gym Equipment	177111	07th March, 2025	1.33	Not Applicable	Gram Panchayat	Navyuvak Mandal Kotla Behr, Jaswan Kangra - 177111
27.	Water Cooler	173205	13th March, 2025	1.35	Not Applicable	Gram Panchayat	Vill Lehi Baddi 173205 (Kashmirpura & Nahan)
28.	Benches	177106	26th November, 2024	1.91	Not Applicable	SVN High School	SVN High School, Dadasiba Dist Kangra, Himachal Pradesh
29.	Wheel Chair	174101	07th November, 2024	0.50	Not Applicable	Old Student's Association	Govt College Nalagarh - 174101 Himachal Pradesh
30.	Computer Desk	737135	15th June, 2024	0.02	Not Applicable	Gram Panchayat	Chubba Panchayat 32 no, Ranipool Sikkim
31.	Office Almirah	737135	09th December, 2024	0.16	Not Applicable	Govt High School	Govt Junior High school, Chuba, Sikkim
32.	RO Drinking water dispenser	737132	13th November, 2024	0.56	Not Applicable	Govt Hospital	Primary Health Care, Pakyong and Rangpo, Sikkim
33.	LED TV	737106	18th November, 2024	0.68	Not Applicable	Govt Hospital	Deaddiction Counselling and Rehabilitation Centre, Pakyong Sikkim
34.	Xerox Machine	737103	08th November, 2024	0.41	Not Applicable	Govt Primary School	Chongatar Govt Primary School Sikkim
35.	Executive Office Chair	737103	20th November, 2024	0.11	Not Applicable	Govt Primary School	Chongatar Govt Primary School Sikkim
36.	Linear desk & bench with 2 seater	737132	02nd December, 2024	0.58	Not Applicable	Govt Primary School	Kartok Govt. Primary School Rangpo Sikkim
37.	Plastic chair	737103	06th December, 2024	0.13	Not Applicable	Govt Primary School	Chongatar Govt Primary school Sikkim

(1) Sr No	(2) Short particulars of the property or asset(s) [including complete address and location of the property]	(3) Pincode of the property or asset(s)	(4) Date of creation	(5) Amount of CSR spent (₹ in Lakhs)	(6) Details of entity / Authority / beneficiary of the registered owner: CSR Registration Number, if applicable	(6) Name	(6) Registered address
38.	Laptop and Desktop	737103	23rd December, 2024	2.46	Not Applicable	Govt Primary School	Chongatar Govt Primary school Sikkim
39.	Laptop and Desktop	737103	17th January, 2025	0.36	Not Applicable	Govt Primary School	Chongatar Govt Primary school Sikkim
40.	Xerox Machine	737131	13th November, 2024	0.41	Not Applicable	Govt Sr.Sec. School	Kumari Pema Tsuden Govt Sec. School Rongli Sikkim
41.	Projector	737131	18th November, 2024	1.47	Not Applicable	Govt Sr.Sec. School	Govt Sec School Rongali Sikkim
42.	Linear desk & bench	737136	03rd December, 2024	1.12	Not Applicable	Govt Sr.Sec. School	Padamchey Govt. Sec. School Majhitar Sikkim
43.	Office Almirah	737133	30th December, 2024	0.16	Not Applicable	Govt Sr.Sec. School	Government Sec.School Lower Mulukey Pakyong Sikkim
44.	Projector	737131	09th February, 2025	0.98	Not Applicable	Govt Sr.Sec. School	Chujachen Senior Secondry School Rongli,Sikkim
45.	Xerox Machine	737134	13th November, 2024	0.41	Not Applicable	Gram Panchayat	Gram Panchayat, 10 Beng Phegyong, Gram Panchayat Sikkim
46.	Executive office Chair	737134	16th December, 2024	0.44	Not Applicable	Gram Panchayat	Gram Panchayat, 10 Beng Phegyong, Gram Panchayat Sikkim
47.	Revolving executive chair	737134	30th December, 2024	0.18	Not Applicable	Gram Panchayat	Gram Panchayat, 10 Beng Phegyong, Gram Panchayat Sikkim
48.	UPS system	737106	06th January, 2025	1.66	Not Applicable	Gram Panchayat	Pacheykhani Panchayat,Rangpo Sikkim
49.	Plastic Chair	737135	06th January, 2025	0.41	Not Applicable	Gram Panchayat	Manav Jagaran Sewa Samiti, Pakyong, Sikkim
50.	Dining table	737106	13th January, 2025	0.32	Not Applicable	Gram Panchayat	Gyan Jyoti Samaj, Pakyong, Rangpo Sikkim
51.	Audio System and Voltage stabiliser	737134	20th January, 2025	1.09	Not Applicable	Gram Panchayat	40, Martam Nazitam, Gram Panchayat, Unit East Sikkim
52.	Speaker box	737103	29th October, 2024	0.19	Not Applicable	Gram Panchayat	Chongatar Govt Primary school, Sikkim
53.	Speaker box	737106	16th December, 2024	0.10	Not Applicable	Gram Panchayat	Gyan Jyoti Samaj, Pakyong, District Sikkim
54.	Speaker Box	737136	13th January, 2025	0.57	Not Applicable	Gram Panchayat	Samridhi samkaj Daragaoun, Majhitar, Sikkim
55.	Speaker box	737133	13th January, 2025	0.10	Not Applicable	Gram Panchayat	Laliguras Samaj Rhenock Sikkim
56.	Plastic office Chair	737103	28th January, 2025	0.005	Not Applicable	Gram Panchayat	Chongatar Govt Primary school, Sikkim
57.	Laptop & Accessories	737134	28th January, 2025	0.81	Not Applicable	Gram Panchayat	Sangkhola, Sang, Gangtok, East Sikkim
58.	Inflatable Punching Stand	737134	28th February, 2025	0.67	Not Applicable	Gram Panchayat	Shanti Nagar Gaon Sudhar Samiti Singtam, East Sikkim

(1) Sr No	(2) Short particulars of the property or asset(s) [including complete address and location of the property]	(3) Pincode of the property or asset(s)	(4) Date of creation	(5) Amount of CSR spent (₹ in Lakhs)	(6) Details of entity / Authority / beneficiary of the registered owner: CSR Registration Number, if applicable	(6) Name	(6) Registered address
59.	Civil work of water supply	737135	28th February, 2025	11.18	Not Applicable	Gram Panchayat	Tumlabong, East Sikkim
60.	Projector with Screen & Stand	737103	17th February, 2025	0.31	Not Applicable	Gram Panchayat	Chongatar Govt Primary school, Sikkim
61.	Book Rack and Office Almirah	737134	01st March, 2025	1.52	Not Applicable	Gram Panchayat	Sangkhola, Sang, Gangtok, East Sikkim
62.	Sports Item	737134	13th March, 2025	0.98	Not Applicable	Gram Panchayat	Shanti Nagar Gaon, Sudhar Samiti, Singtam, East Sikkim
63.	Genarator	737134	30th January, 2025	1.34	Not Applicable	Gram Panchayat	Martam Nazitam Gram Panchayat Sikkim
64.	Inverter	737134	30th January, 2025	0.39	Not Applicable	Gram Panchayat	Community Centre, Singtam, Sikkim
65.	Office Chair	737133	31st January, 2025	0.20	Not Applicable	Gram Panchayat	Mulukey Gram Panchayat Pakyong ,Sikkim
66.	Office Chair	737133	31st January, 2025	0.49	Not Applicable	Gram Panchayat	PHC Mulukey Pakyong,Sikkim
67.	MS Powder coated Patient bed	737133	10th February, 2025	0.10	Not Applicable	Gram Panchayat	PHC Mulukey Pakyong,Sikkim
68.	Solar Street Light	737133	09th February, 2025	6.44	Not Applicable	Gram Panchayat	Sudunglakha GPU,Sikkim
69.	Executive office Table L shape	737134	01st March, 2025	0.28	Not Applicable	Gram Panchayat	10 Beng Phegyong GPU East Sikkim
70.	Plastic Chair Without Arm	737135	01st March, 2025	4.11	Not Applicable	Gram Panchayat	Manav Jagaran Sewa Samiti,Saramsa Nadok Panchayat,Sikkim
71.	Plastic Table	737106	01st March, 2025	0.66	Not Applicable	Gram Panchayat	Akash Ganga Samaj Pakyong Rangpo,Sikkim
72.	CCTV	737106	21st February, 2025	0.33	Not Applicable	Jr. High School	Damlakha Jr.High School(Pakyong),Sikkim
73.	Water Vending Machine(ATM) 500 LPH	737101	28th February, 2025	12.74	Not Applicable	Municipal Corporation	Gangtok, East Sikkim
74.	Kirloskar 10HP pump	737106	16th December, 2024	1.37	Not Applicable	Nagar Panchayat	Municipal Executive Officer Rangpo Nagar Panchayat, Pakyong District Sikkim
75.	Desktop	737132	31st December, 2024	0.09	Not Applicable	Nagar Panchayat	Ranpo Nagar panchayat Sikkim
76.	Xerox Machine	737132	02nd January, 2025	1.63	Not Applicable	Nagar Panchayat	Ranpo Nagar panchayat Sikkim
77.	HP Laser Jet Printer	737132	08th January, 2025	0.31	Not Applicable	Nagar Panchayat	Ranpo Nagar panchayat Sikkim
78.	Plastic Chair	737136	27th February, 2025	3.86	Not Applicable	Nagar Panchayat	Bagheykhola Sadvawana Sangha Sikkim
79.	Plastic Table	737136	27th February, 2025	0.56	Not Applicable	Nagar Panchayat	Shanti Yuwa Samittee,Sikkim

(1)	(2)	(3)	(4)	(5)	(6)		
Sr No	**Short particulars of the property or asset(s) [including complete address and location of the property]**	**Pincode of the property or asset(s)**	**Date of creation**	**Amount of CSR spent (₹ in Lakhs)**	**Details of entity / Authority / beneficiary of the registered owner**		
					CSR Registration Number, if applicable	**Name**	**Registered address**
80.	Hyderabad Land PAGE - Sr. no. 195/ AA, Dusakal Village, Farooq Nagar Mandal, Ranga Reddy District, Telengana	509216	08th January, 2025	5.32	CSR00076748	Foundation for Pharmaceutical Academy for Global Excellence (PAGE)	A-205, Sangam Building 14B, S V Road, Santacruz(West), Mumbai - 400054
81.	Electronic Equipments and Laptop PAGE - 501, 5th floor, Shapath 1, SG highway, Bodakdev, Ahmedabad, Gujarat	380054	30th October, 2024	0.14			
82.	Building located at UNM Children Hospital, Sugen Mega Power Project, Off. N. H. 48, Vill. Akhakhol, Tal. Kamrej, Surat, Gujarat	394155	03rd March, 2025	50.01			
83.	Computers and Printers at UNM Children Hospital, Sugen Mega Power Project, Off. N. H. 48, Vill. Akhakhol, Tal. Kamrej, Surat, Gujarat	394155	28th January, 2025	8.45			
84.	Computers and Printers at PHCs at Junagadh, Dediyapada, Dholera, Chaapi, Junagadh, Radhanpur and Indrad, Gujarat	--	04th October, 2024	10.67	CSR00004202	UNM Foundation	"Samanvay", 600 Tapovan, Ambawadi, Ahmedabad - 380015, Gujarat
85.	Electrical Installations and Equipment at UNM Children Hospital, Sugen Mega Power Project, Off. N. H. 48, Vill. Akhakhol, Tal. Kamrej, Surat, Gujarat	394155	26th March, 2025	12.27			
86.	Electrical Installations and Equipment at Dediyapada, Dholera, Junagadh and Radhanpur, Gujarat	--	17th December, 2024	6.18			

(1)	(2)	(3)	(4)	(5)	(6)		
Sr No	**Short particulars of the property or asset(s) [including complete address and location of the property]**	**Pincode of the property or asset(s)**	**Date of creation**	**Amount of CSR spent (₹ in Lakhs)**	**Details of entity / Authority / beneficiary of the registered owner**		
					CSR Registration Number, if applicable	**Name**	**Registered address**
87.	Furniture and Fixture at UNM Children Hospital, Sugen Mega Power Project, Off. N. H. 48, Vill. Akhakhol, Tal. Kamrej, Surat, Gujarat	394155	03rd March, 2025	18.38			
88.	Furniture and Fixture at Dediyapada, Dholera and Junagadh, Gujarat	--	24th December, 2024	16.58			
89.	Vehicles at UNM Children Hospital, Sugen Mega Power Project, Off. N. H. 48, Vill. Akhakhol, Tal. Kamrej, Surat, Gujarat	394155	12th September, 2024	57.28			
90.	Computers, MS Almirah and Plastic Chairs	454774	24th March, 2025	1.15	Not Applicable	Shaskiya High School, Sulawad	Vikas khand - Nalcha, Dhar (M.P.)

9. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135. :** Not Applicable.

Samir Mehta
Executive Chairman
DIN: 00061903

Mumbai
20th May, 2025

Nayantara Bali
Chairperson CSRS Committee
DIN:03570657

Mumbai
20th May, 2025

ANNEXURE B TO THE DIRECTORS' REPORT

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rules 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the year 2024-25 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the year 2024-25 are as under:

Sr. No.	Name	Designation	Ratio of Remuneration of Director to Median Remuneration of employees	% increase in Remuneration in the year 2024-25
1	Samir Mehta	Executive Chairman	420.22(1)	15.38(1)
2	Ameera Shah	Independent Director	8.40	22.45
3	Nayantara Bali	Independent Director	9.94	5.97
4	Dr. Maurice Chagnaud	Independent Director	9.52	7.94
5	Manish Choksi	Independent Director	7.42	23.26
6	Nikhil Khattau	Independent Director	9.52(2)	-- (2)
7	Jinesh Shah	Whole-time Director	26.50(1)(3)	-- (1)(3)
8	Jinal Mehta	Non-Executive Non-Independent Director	NA	NA
9	Aman Mehta	Whole-time Director	103.34(1)	35.76(1)
10	Sudhir Menon	Chief Financial Officer	NA	15.05(1)
11	Chintan Trivedi	Company Secretary	NA	20(1)

(1) Also entitled to group personal accident and group mediclaim policy.

(2) Nikhil Khattau appointed as an Independent Director w.e.f. 01st October, 2023. Hence remuneration paid during 2023-24 was for part of the year and not comparable with 2024-25.

(3) Jinesh Shah stepped down as Director of the Company with effect from 23rd July, 2024. Hence the remuneration paid during 2024-25 was for the part of the year and also not comparable with 2023-24.

B. The percentage increase in the median remuneration of employees in the financial year under review is 12.08%. The employees whose remuneration is determined based on negotiations, employees who have not received the increment for full year and the employees at representative offices of the Company abroad have been excluded for this purpose.

C. The Company has 16,107 employees on the rolls of Company as on 31st March, 2025.

D. The increase made in the salaries of employees other than managerial personnel during the year under review was 11.95% while the increase in managerial remuneration was 18.91%.

E. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

F. The information required under Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Annual Report. Having regard to the provisions of Section 134 and Section 136 of the Companies Act, 2013, the Reports and Accounts are being sent to the Members excluding such information. However, the said information is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of ensuing AGM. Any shareholder interested in obtaining a copy of such statement may write to the Company Secretary at the Registered Office of the Company.

For and on behalf of the Board of Directors

Samir Mehta
Executive Chairman
DIN: 00061903

Mumbai
20th May, 2025

ANNEXURE C TO THE DIRECTORS' REPORT

Form No. MR - 3

Secretarial Audit Report
for the financial year ended 31st March, 2025

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

To,
The Members,
Torrent Pharmaceuticals Limited,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Torrent Pharmaceuticals Limited (CIN: L24230GJ1972PLC002126) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, having its Registered Office at "Torrent House, Off Ashram Road, Ahmedabad – 380 009 for the financial year ended on 31st March, 2025 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

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

(v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

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

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

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period)**

(e) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;

(f) The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021;

(g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(Not applicable to the Company during the Audit Period**)

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period).**

(vi) The Company has complied with the following other specific applicable laws to the Company:

a) The Drugs and Cosmetics Act, 1940
b) The Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954
c) The Drug and Price Control Order, 2013
d) The Narcotics, Drugs & Psychotropics Substances Act, 1985
e) The Patent Act, 1970
f) The Prevention of Cruelty to Animals Act, 1960
g) The Water (Prevention and Control of Pollution) Act, 1974
h) The Water (Prevention and Control of Pollution) Cess Act, 1977.
i) Air (Prevention and Control of Pollution) Act, 1981.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) Provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were usually sent seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions were taken unanimously in the Board & its committees.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc except the following:

1. The 51st Annual General Meeting (AGM) of the members of the Company was held on 23rd July, 2024 through Video Conferencing in terms of MCA Circulars 14/2020, 17/2020, 10/2022 and 9/2023 at which the members of the company, interalia, had accorded their approval to raising of the funds by issuance of one or more kinds of securities up to ₹5000 crores, re-appointment of Mr. Samir Mehta as Executive Chaiman of the Company for a period of five years, appointment of Mr. Jinal Mehta as Non- Executive Non-Independent Director and authority to the Board of Directors to give loans, give guarantees and make investments etc. up to ₹10,000 crores.
2. The Company has issued Commercial Paper amounting to ₹900 crores (CP), during the year under review.
3. During the year, the Company has established a Wholly Owned Subsidiary Company at Chile.
4. The Board of Directors of the Company at its meeting held on 25th October, 2024 decided to go for winding up of Torrent International Lanka (Pvt.) Ltd. and Curatio Inc., the Wholly Owned subsidiaries of the Company.

For **M. C. Gupta & Co,**
Company Secretaries
UCN: S1986GJ003400

Mahesh C. Gupta
Proprietor
FCS: 2047 (CP: 1028)
Peer Review: 5380/2023
UDIN: F002047G000383912

Place: Ahmedabad
Date: 20th May, 2025

Note: This Report is to be read with Our Letter of even date which is annexed as Annexure "A" and forms an integral part of this report.

Annexure-A

To,
The Members,
Torrent Pharmaceuticals Limited,

Our Report of even date is to be read along with this Letter;

1. Maintenance of Secretarial Record is the responsibility of the management of the Company. Our responsibility is to express an opinion on Secretarial Records based on our Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **M. C. Gupta & Co,**
Company Secretaries
UCN: S1986GJ003400

Mahesh C. Gupta
Proprietor
FCS: 2047 (CP: 1028)
Peer Review: 5380/2023
UDIN: F002047G000383912

Place: Ahmedabad
Date: 20th May, 2025

ANNEXURE D TO THE DIRECTORS' REPORT

Independent Auditors' Certificate on Compliance with the Corporate Governance Requirements Under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Members of
Torrent Pharmaceuticals Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 21st September, 2022 and addendum to the engagement letter dated 13th May, 2025.
2. We have examined the compliance of conditions of Corporate Governance by Torrent Pharmaceuticals Limited ("the Company"), for the year ended 31 March 2025, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March, 2025.
6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

10. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sadashiv Shetty
Partner
Membership No: 048648
UDIN: 25048648BMNYIF8418

Place: Mumbai
Date: 20th May, 2025

ANNEXURE E TO THE DIRECTORS' REPORT

Particulars required under the Rule 8(2) of the Companies (Accounts) Rules, 2014

A. Conservation of Energy

1. Steps taken or impact on conservation of energy:

During the year, the Company has met its core objective of reducing its carbon footprint by making efficient use of resources in its business operations. The Company has taken following steps for conservation of energy:

- Commissioned 1 MW solar roof top system at Dahej manufacturing facility leading to green energy generation of 3,30,000 KWH.
- Installed new technology chiller condenser tube cleaning system at Dahej manufacturing facility to improve the energy efficiency of chiller system which resulted into saving of 60,000 KWH per annum.
- Addition of Electric Vehicle (EV) at Dahej manufacturing facility in fleet of vehicles to reduce carbon emission.
- Replaced old centrifugal chiller with energy efficient new chiller at Indrad manufacturing facility resulting in energy conservation by 1,40,000 KWH.
- Optimisation of Nitrogen generation plant in central utility at Indrad manufacturing facility which resulted in savings of 96,000 KWH per annum.
- Existing surface Aerators replaced with new tubular type diffuser system in ETP at Indrad manufacturing facility, which resulted in savings of around 80,000 KWH per annum.
- Increase in electricity contracted demand at Baddi manufacturing facility from 3,800 KVA to 4,250 KVA contract demand resulting into reduced DG set operation and saving of 15,000 Litres HSD per annum.
- Existing HSD driven Forklift replaced with electrical driven forklift at Baddi manufacturing facility resulting in saving of 5,000 Litres HSD fuel per annum.
- At Bileshwarpura manufacturing facility, existing 3 Nos. conventional blowers replaced with Electronically Commutated Blowers in AHU which resulted into energy saving of 1,50,000 KWH per annum.
- Installation of various energy efficient system at all locations resulting into savings of more than 3,60,000 KWH per annum.
- Power factor maintained at near unity at all manufacturing facilities resulted in curtailment of power losses and rebate from State Electricity Boards.

2. Steps taken by the Company for utilising alternate source of energy:

To meet the sustainability goals, the Company has taken following steps to reduce the dependency on conventional source of energy and thereby reducing the carbon foot print of the Company:

- Total installed renewable power generation capacity achieved by 8.15 MW with additional installation of 1 MW solar roof top system at Dahej manufacturing facility leading to total green energy generation of 27.3 Million KWH during the FY 2024-25.
- Addition of Electric Vehicle (EV) for internal material movement at Dahej manufacturing facility.

3. The capital investment on energy conservation equipment:

- Installation of Solar roof top system at Dahej manufacturing facility with investment of ₹3 crores.
- Around ₹2 crores invested for other energy efficient equipment like EC (Electronically Commutated) blowers, electric vehicle, automatic chillers, electric forklift etc.

B. Technology Absorption

Particulars with respect to technology absorption are given below:

1. Efforts made towards technology absorption:

- Commissioning of higher capacity Romaco blister packing machine at Indrad manufacturing facility to increase 20% boosts in productivity for major molecule.
- Installation of Fluid bed processor (GPCG 120) for formulation product at Indrad manufacturing facility to increase capacity and productivity.
- Increase in batch sizes for 30 high-volume product at Indrad manufacturing facility optimising operations by enabling larger batch production resulting in cost savings and enhanced productivity by 5-6%.
- Campaign batch run increased from 7 batches to 13 batches at Indrad manufacturing facility increasing productivity by continuous production and reduction of product change over by 10%.
- Automation of the secondary packing lines at Sikkim manufacturing facility with Cartonator and Auto Shrink Wrap Machine for a high value product to improve quality and productivity by manpower saving. This results into reduction of manual intervention, improves product quality & productivity.
- Installation of Bottle Line for a high value brand in new pack style at Sikkim manufacturing facility.
- Upgradation of existing Water System with RO + EDI with Capacity of 1M3 / hr at Sikkim manufacturing facility to improve quality with consistency.
- Installation of IR Dryer in Octagonal Blender at Sikkim manufacturing facility which improves operational efficiency by optimising drying time resulting in reduction of change over time and improves productivity.
- Implementation of Anti Counterfeit measures in primary and secondary pack of Top 50 Domestic SKUs by installation of QR Code system in primary and secondary packing line across all manufacturing facilities to curb counterfeit products in the market, brand protection and improves quality.
- Installation of New Auto Check Weigher integrated with Capsule Filling Machine at Baddi manufacturing facility to improve quality, process control, enhances productivity through online checking of capsules weight.
- Vacuum Transfer System is installed at Baddi manufacturing facility in Roll Compaction area to improve productivity by eliminating manual transfer of materials, improves operational efficiency and productivity.
- Installation of 1,200 Litres Blender in Process Area B at Baddi manufacturing facility for productivity enhancement by increasing higher batch size.
- Installation and commissioning of Spray Drying and Vacuum New Technology to manufacture Oncology Formulations at Bileshwarpura manufacturing facility.
- Installation of Empty and Mini Capsule Sorter for Capsule Filling Machine at Bileshwarpura manufacturing facility.
- Transition from manual cleaning to Automatic Floor Cleaning machine at Bileshwarpura manufacturing facility.
- Installed real time automatic Condenser Tube Cleaning System for 04 Nos chillers at Dahej manufacturing facility to improve overall efficiency of the chiller.

2. Benefits derived like product improvement, cost reduction, product development or import substitution:

At Torrent Pharma, we keep on exploring and adopting new technology and processes for improvement in product, operation, product quality, safety & environment standards. The Company has implemented various measures viz. installation of multiple machines, machine upgradation and capacity and capability enhancement to improve production, safety and reliability of operations in all its manufacturing facilities.

The technologies adopted so far have given us the benefits in terms of Cost Optimisation, energy efficiency and resource conservation. The Company continues to put efforts to regularise alternate sources of raw materials usage via procuring from across globe, including in-house technology development and implementation, as a part of cost reduction, import substitution and to ensure consistency in product availability. Modern approach with automation in process is adopted for better control.

3. **Information of technology imported during last three years:**

Sr. No.	Technology Imported	Year of Import
1	Automatic shrink packaging system	2024-25
2	XRD System	2023-24
3	MS / UV Directed AutoPreparative HPLC System with MS	2023-24
4	HPLC with UV and PDA Detector	2023-24
5	Huber Unistat 815w - Water cooled with controller	2023-24
6	Tube & airless pump filling Machine	2023-24
7	Sachet Filling Line	2023-24
8	X-Ray System	2023-24
9	Sejong Make AWC based double rotary high throughput compression machine	2023-24
10	Vertical Diffusion Cell Test System	2022-23
11	Post Column Reaction Module	2022-23
12	Rapid Dryer	2022-23

The above technologies have been fully absorbed.

4. **Expenditure on R&D:**

(₹in crores)

Particulars	2024-25
Total R&D expenditure including Capital expenses	431.53
Total R&D expenditure as a percentage of turnover	4.55%

C. Foreign Exchange Earnings and Outgo

(₹ in crores)

Particulars	2024-25	2023-24
Foreign Exchange Earnings	2,696.06	2,323.91
Foreign Exchange Outgo	635.31	468.65

For and on behalf of the Board of Directors

Samir Mehta
Executive Chairman
DIN: 00061903

Mumbai
20th May, 2025

MANAGEMENT DISCUSSION AND ANALYSIS

Caveat

Shareholders are cautioned that certain data and information external to the Company is included in this section. Though the data and information are based on sources believed to be reliable, no representation is made on their accuracy or comprehensiveness. Further, though utmost care has been taken to ensure that the opinions expressed by the management herein contain their perceptions on most of the important trends having a material impact on the Company's operations, no representation is made that the following presents an exhaustive coverage on and of all issues related to the same. The opinions expressed by the management may contain certain forward-looking statements in the current scenario, which is extremely dynamic and increasingly fraught with risks and uncertainties. Actual results, performances, achievements or sequence of events may be materially different from the views expressed herein. Shareholders are hence cautioned not to place undue reliance on these statements and are advised to conduct their own investigation and analysis of the information contained or referred to in this section before taking any action with regard to their own specific objectives. Further, the discussion following herein reflects the perceptions on major issues as on date and the opinions expressed here are subject to change without notice. The Company undertakes no obligation to publicly update or revise any of the opinions or forward-looking statements expressed in this section, consequent to new information, future events, or otherwise.

Note

Except stated otherwise, all figures, percentages, analysis, views and opinions are on consolidated financial statements of Torrent Pharmaceuticals Limited and its wholly owned subsidiaries (jointly referred to as Torrent or Company, hereinafter). Financial information presented in various sections of the Management Discussion and Analysis are classified under suitable heads, which may be different from the classification reported under the Consolidated Financial Statements. Some additional financial information is also included in this section, which may not be readily available from the Consolidated Financial Statements. Previous year's figures have been regrouped, wherever necessary, to make it comparable with the current year.

Global Economy:

The IMF's January 2025 World Economic Outlook reports that global growth is expected to remain steady but subdued at 3.3% in both 2025 and 2026, below the 2000-2019 historical average of 3.7%. The forecast for 2025 is broadly unchanged from October 2024, with stronger growth in the United States offsetting weaker projections for other major economies. Global headline inflation is anticipated to decline to 4.2% in 2025 and 3.5% in 2026, with advanced economies expected to reach their inflation targets earlier than emerging markets.

The global economic outlook is shaped by diverging national trends and significant uncertainty. While the U.S. economy remains resilient, expanding by 2.7% in late 2024 due to strong consumer spending and favourable financial conditions, other advanced economies like the Euro area and Japan have struggled with weak manufacturing and temporary disruptions. China's growth slowed to 4.7% amid sluggish consumer demand and a slow property sector recovery, while India's growth decelerated due to declining industrial activity.

Disinflation continues globally, although unevenly. While core goods inflation has stabilised, services inflation in the U.S. and Europe particularly remains elevated. Central banks are responding differently, with some continuing to tighten policy amid persistent inflation and others easing as pressures subside. Financial conditions remain generally accommodative, though tighter in emerging markets due to a strong U.S. dollar and geopolitical uncertainties.

Trade policy uncertainty, political instability in parts of Asia and Europe, and ongoing geopolitical tensions (especially in the Middle East and Ukraine) weigh on global sentiment. Oil prices are projected to fall due to weak Chinese demand and robust non-OPEC and supply, while gas prices may rise due to weather-related disruptions.

Risks to the global outlook are tilted to the downside over the medium term, though the near term presents a mixed picture. While U.S. growth could exceed expectations due to deregulation and expansionary fiscal policy, other regions face risks from inflation stickiness, weak investment and potential tariff escalations. These divergent conditions may lead to broader policy and monetary divergences, heightening volatility in capital flows and exchange rates.

Policy priorities include keeping inflation under check, maintaining fiscal discipline, and implementing structural reforms to boost long-term growth. The IMF emphasises the need for multilateral cooperation, particularly in trade, to reduce fragmentation and build resilience within the global economy.

Indian Economy:

Overall, the outlook for the Indian economy remains positive. The Reserve Bank of India has projected India's real GDP growth for FY 2025-26 at 6.5%, with macroeconomic fundamentals stable and risks broadly balanced.

A recovery in agricultural output following favourable monsoon projections, sustained momentum in services, and a revival in manufacturing activity are expected to support economic activity in FY 2025-26. Government capex continues to play a pivotal role in stimulating demand, with increased capital outlay being accommodated within the existing fiscal space through reprioritisation rather than an expansion in overall expenditure. The government's focus on inclusive growth targeting key segments such as women, youth, farmers, and the poor has been maintained alongside its fiscal consolidation efforts, with the Fiscal Deficit estimated to decline to 4.4% of GDP for FY 2025-26.

The global economic environment remained subdued during FY 2024-25, particularly affecting India's major trade partners, leading to weaker demand for merchandise exports. At the same time, falling international commodity prices brought down import values, resulting in a narrower merchandise trade deficit. This trend, coupled with robust remittance inflows, helped contain the Current Account Deficit at 1.5% of GDP, indicating external sector stability.

On the demand side, household consumption is projected to gain momentum, aided by improving rural incomes, moderation in inflation, and enhanced consumer confidence. Prospects for fixed investment remain encouraging, supported by rising private sector capex, stronger corporate balance sheets, and continued public sector investment. The rebound in global trade and greater participation in global value chains are also expected to boost external demand, adding to the growth momentum.

Inflationary pressures, particularly food inflation, showed signs of easing toward the end of FY 2024–25. The Reserve Bank of India, in its April 2025 monetary policy statement, projected headline inflation to remain around 4.0% for 2025-26, with quarterly estimates ranging from 3.6% in Q1 to 4.4% in Q4. This revision was driven by declining core inflation, record wheat and pulse output, and stabilisation in food prices. The policy repo rate was reduced by 25 basis points to 6.0%, marking a shift towards a more accommodative stance to support growth amid global volatility. Additionally, the Cash Reserve Ratio remains at 4%, continuing to ensure liquidity support in the system.

However, several headwinds warrant attention. Geopolitical tensions, including volatility in the Middle East and supply chain disruptions, remain a risk to trade flows and energy prices. Persistent inflation in developed markets, fluctuation in global financial markets, and the potential for further geo-economic fragmentation could introduce external shocks. Nevertheless, India's robust macroeconomic framework, improved financial sector resilience, and policy space for counter-cyclical measures provide confidence in the economy's ability to navigate these uncertainties.

Global Pharma Market

In 2025, global health systems continue to demonstrate remarkable resilience, having adapted significantly in the aftermath of the COVID-19 pandemic, surging inflation and ongoing regional conflicts. The adoption of novel therapies and an overall increase in medicine usage reflect a maturing response to healthcare challenges. Importantly, global use and spending on medicines have now surpassed pre-pandemic growth trajectories and are expected to grow well above those historical trends through 2028.

At list price levels, the global pharmaceutical market is projected to grow at a compound annual growth rate (CAGR) of 5-8% through 2028, reaching a total estimated market size of $2.3 trillion. This growth will be uneven across regions, with more established markets particularly the U.S., Europe, and parts of Asia expanding more rapidly. These markets are benefitting from the introduction of new branded therapies and the continued use of high-cost treatments. In contrast, Pharmerging markets (emerging pharmaceutical markets) are expected to grow at a gradual pace, with volume growth driving most of the gains instead of increased uptake of expensive therapies.

A significant portion of future global medicine spending will be driven by existing branded products, which are expected to contribute the largest share of growth, nearly doubling compared to the previous five-year period. New product launches in the top 10 developed markets are forecasted to contribute $193 billion in growth, representing a $40 billion increase over the previous period. However, loss of exclusivity (LOE) for blockbuster drugs, especially biologics will also play a defining role. The impact of LOE is projected to more than double to $192 billion, with biosimilars contributing increasingly to this shift. For generic and biosimilar manufacturers, the next five years represent a critical window to capitalise on a wave of upcoming patent expiries, especially after a relatively quiet LOE period in recent years.

Regional Outlook

- United States: On a net price basis, U.S. pharmaceutical spending is projected to grow at a 2-6% CAGR over the next five years, a slowdown from 5.3% CAGR in the past five years. This deceleration reflects anticipated price negotiations and other cost-containment measures introduced by the Inflation Reduction Act.
- Europe: Spending is expected to increase by $70 billion through 2028, driven by the steady launch of innovative branded therapies. However, this growth will be partially offset by increasing penetration of generics and biosimilars, especially in markets with strong cost-control policies.
- Japan: Growth in Japan is expected to remain subdued, with spending ranging from -1% to 2% CAGR through 2028. While new brand uptake continues, ongoing annual price cuts and a continued shift to generics will counterbalance gains.
- China: Pharmaceutical spending in China is forecast to slow further, as positive momentum from new original therapies is offset by ongoing pressures on off-patent and generic pricing, particularly under centralised procurement policies.
- Latin America: After high pandemic-era usage, growth dipped in 2024 but is expected to rebound with a 7-10% CAGR through 2028. This resurgence will be led by Brazil, Mexico, Argentina, and Colombia, driven by strong demand for generic medicine and growing access.

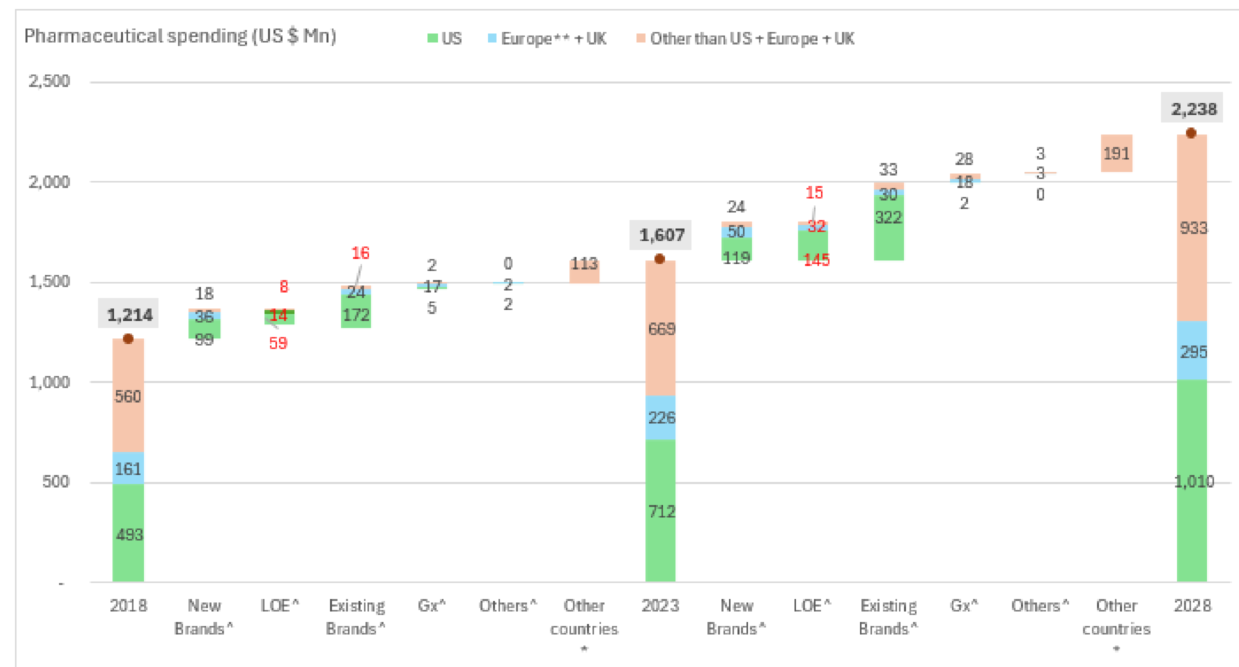
Key Drivers

Looking ahead, the trajectory of the pharmaceutical sector will be shaped by:

1. New product launches, particularly in oncology, immunology, and rare diseases.
2. A sharp increase in patent expiries, notably among biologics, accelerating biosimilar adoption.
3. Differentiated regional policy landscapes, particularly around pricing reforms and reimbursement mechanisms.

The global outlook remains robust as the sector balances innovation with affordability, laying emphasis on high-value branded therapies and cost-effective generics and biosimilars in a complex and evolving post-pandemic healthcare environment.

The largest driver of medicine spending growth over the next four years is expected to be the availability and use of innovative therapeutics in developed markets and offset by loss of exclusivity and lower cost of generics and biosimilars.



Global Trends in Medicine Use – 2025 Outlook

Global medicine use has expanded significantly over the past five years, with patient usage rising by 14%, largely driven by increased access to therapies across regions and the continuous launch of innovative treatments. This trend is projected to persist, with global medicine consumption expected to grow by an additional 12%, equivalent to 400 billion defined daily doses (DDDs) by 2028.

This growth reflects an evolving landscape shaped by scientific advances, broader health system outreach, and increased therapeutic focus on chronic and complex diseases.

Key Areas of Global Medicine Spending

- Biotech medicines are expected to account for 39% of total global spending by 2028. This segment includes both emerging modalities such as cell and gene therapies, and a maturing biosimilar market that is helping to expand access to high-cost biologics. Key drivers of biotech spending include innovations in oncology, immunology, diabetes, and obesity, alongside a growing pipeline in neurology.
- Specialty medicines, typically complex or high-cost treatments for chronic, rare or severe conditions, is expected to represent 43% of global spending by 2028, with the bulk of this expenditure concentrated in developed markets. These therapies increasingly shape treatment paradigms in oncology, immunology, and rare diseases.
- Therapeutic areas with the highest forecast spending by 2028 include:
  - o **Oncology**: Expected to grow at a 14-17% CAGR through 2028, driven by the continued launch of novel targeted and immuno-oncology therapies.
  - o **Immunology**: Projected to grow at a more moderate 2-5% CAGR, as biosimilar adoption begins to moderate spending growth despite new launches.
  - o **Diabetes**: Anticipated to reach $184 billion by 2028, making it the third largest therapy area globally, with 3-6% CAGR, supported by both traditional therapies and newer GLP-1-based treatments.
  - o **Cardiovascular and Neurology**: These areas are expected to show steady growth, bolstered by innovation in heart failure, stroke prevention, and emerging treatments for migraine, depression, and rare neurological conditions.
- Obesity treatment has emerged as a major focus area. Global spending reached $24 billion in 2023, a dramatic rise from $3.2 billion in 2020, primarily due to the widespread uptake of GLP-1 receptor agonists. Originally developed for diabetes management, these agents have demonstrated strong weight-loss efficacy and are being rapidly adopted as non-surgical obesity treatments. Their clinical success has catalysed a surge in obesity-focused trials, signalling robust future investment in metabolic health.

Therapeutic Area Spotlight: Growth Drivers

Immunology, endocrinology and oncology continue to maintain strong growth momentum. Each of these sectors has outpaced the global 14% average DDD growth in the past five years, underpinned by increased treatment accessibility, novel product introductions and broader patient eligibility.

- In immunology, the proliferation of biologics and biosimilars in high-income markets has intensified therapeutic competition, improved affordability and expanding access. These dynamics are expected to sustain momentum even as pricing pressures mount.
- In oncology, developed markets are rapidly incorporating precision therapies and immuno-oncology agents, while low-and middle-income countries are making strides in expanding access to traditional chemotherapies, contributing to a balanced global growth pattern.
- Endocrinology is undergoing a major transformation, led by the exponential rise in GLP-1-based therapies used in diabetes and increasingly in obesity. These therapies have seen widespread adoption in the U.S. and other developed countries due to their dual benefit in metabolic control and weight reduction. As clinical evidence mounts and new indications are approved, this class is expected to dominate future growth in the endocrine segment.

Looking Ahead

The next phase of global medicine use will be defined by:

- Increased patient-centric innovation through targeted, high-value therapies,
- Expanded access in emerging markets via biosimilars and generics,
- Stronger therapeutic engagement across chronic and complex disease categories.

Coupled with supportive health policy, continued investment in R&D, and responsive pricing strategies, the pharmaceutical sector is poised to deliver both clinical and commercial impact through 2028.

Emerging trends

Brand Loss of Exclusivity: Opportunities for Generics and Biosimilars

A significant wave of patent expirations is set to reshape the competitive landscape. Over the next five years, the impact of brand loss of exclusivity (LOE) is projected at $192 billion, with biosimilars accounting for $59 billion of this total. This presents a critical opportunity for generic and biosimilar manufacturers to expand their portfolios and market share, especially after a comparatively modest expiry cycle in the last five years. This dynamic continues to incentivise both innovators and challengers, contributing to market diversification and improved affordability.

Pricing Pressures and Value-Based Expectations

The dual forces of rising healthcare demand and constrained public health budgets are intensifying pressure on pharmaceutical pricing globally. Governments, insurers and patients are increasingly advocating for transparency, affordability and value-based pricing models. In the U.S., recent moderation in price erosion has been largely supply-driven, with underlying structural issues remaining unchanged—suggesting that the current reprieve may be temporary. Broader adoption of health technology assessments and outcomes-based contracts are expected to shape future access decisions and reimbursement policies.

The Rise of Specialty Pharmaceuticals

Specialty medicines targeting complex, chronic or rare conditions continue to command a growing share of global pharmaceutical expenditure. By 2028, specialty medicines will account for 43% of global pharma spending, with the majority concentrated in high-income countries. In contrast, pharmerging markets will maintain a relatively modest 13% share, constrained by affordability and infrastructure challenges. The expansion of innovative biologics, gene therapies, and precision medicine is central to this trend.

Oncology: The Epicentre of Therapeutic Innovation

Oncology remains the most active therapeutic area in terms of clinical trials, new product approvals, and investment. It is the largest global category by drug spending, fuelled by advancements in immunotherapies, cell and gene therapies, and biomarker-driven treatments. The global oncology pipeline continues to expand, with many novel agents targeting previously untreatable or rare cancers. This area is also leading the shift toward personalised medicine, where treatment is increasingly tailored to individual patient profiles.

The Growing Burden of Chronic and Lifestyle Diseases

As populations age and lifestyles shift, the global burden of chronic and sub-chronic conditions is rising. This includes growing incidence of:

- Cardiovascular disease
- Diabetes and obesity
- Central nervous system (CNS) disorders such as depression, anxiety, and dementia

Emerging markets like India, Brazil and Southeast Asia are seeing the fastest increases, driven by urbanisation, improved diagnosis, and strengthening of local health systems. This shift has led to growing demand for preventive care, long-term disease management and patient adherence tools.

Pharma 4.0: The Digital Transformation of Manufacturing

Pharma 4.0, an evolution of Industry 4.0, is revolutionising pharmaceutical manufacturing through the integration of cyber-physical systems, AI, IoT and data analytics. Its four pillars - Resources, Information Systems, Organisation & Processes and Culture - enable:

- Real-time data monitoring and predictive maintenance
- Smarter decision-making and reduced human error
- Automation of production lines with enhanced regulatory compliance

The use of augmented reality (AR), virtual reality (VR), and machine learning (ML) enhances training, batch predictability, and operational efficiency. Cloud computing and the Industrial Internet of Things (IIoT) further enable connected operations and self-optimising systems.

Digital Healthcare and Integrated Delivery Models

The integration of digital tools into healthcare delivery has accelerated in the post-pandemic period, improving both access and efficiency:

- Telemedicine, e-prescriptions and remote monitoring are becoming integral to care delivery.
- Health data platforms and electronic health records are enhancing continuity and coordination of care.
- In India, the Ayushman Bharat Digital Mission is creating a unified national digital health ecosystem, supporting universal health coverage through interoperable health records, digital IDs, and e-health infrastructure.

Globally, digital health ecosystems are enabling value-based procurement, predictive analytics and personalised care pathways, fostering better outcomes and cost optimisation.

Regulatory Evolution and Global Harmonisation

Regulatory frameworks are evolving to support innovation while ensuring safety, transparency and faster market access:

- Greater emphasis is being placed on real-world evidence and post-marketing surveillance.
- Harmonisation of regulatory standards, especially across Asia-Pacific and Latin America, is expected to ease the path for cross-border approvals and clinical trials.

The growing use of digital submissions, adaptive trial designs and expedited review pathways is helping speed the delivery of life-saving therapies.

Environmental, Social, and Governance (ESG) Priorities

Pharma companies are increasingly aligning with ESG standards, focusing on:

- Sustainable manufacturing and supply chain practices
- Equity in global medicine access
- Transparent pricing and ethical R&D practices

Investors, regulators and consumers are placing greater scrutiny on corporate responsibility, making ESG integration a critical component of long-term strategy.

The pharmaceutical sector in 2025 is at a pivotal juncture defined by disruptive innovation, digital transformation, evolving global health needs and regulatory modernisation. Companies that effectively leverage scientific breakthroughs, embrace patient-centric models and invest in digital and sustainable practices will lead the next era of growth.

The future of pharma will not only be about curing disease, but about delivering value, ensuring equity, and designing systems that are smarter, faster, and more inclusive.

Growth Drivers

1 Affordability

With increasing healthcare cost, demand for quality generic medicines is expected to rise as it offers affordable option for patients and healthcare providers.

2 Loss of Exclusivity:

The impact from brands losing exclusivity (LOE) is expected to more than double to $192Bn. This provides opportunities for generic manufacturers to introduce bioequivalent cheaper alternatives.

3 Health Insurance and Infrastructure:

Penetration of health insurance (both public and private) is expected to surge with the introduction of government sponsored initiatives and programmes, making healthcare more affordable and will lead to market expansion, particularly in emerging markets.

4 Digital and Advanced Analytics:

Major technological shifts have encouraged a rapid increase in the use of Advanced Analytics (AA) to drive growth and productivity across the pharma value chain.

5 Longer Life Expectancy:

With declining fertility and increased longevity, the relative size of older age groups is increasing.

6 Changing Lifestyle:

In today's world, sedentary lifestyle, changing dietary habits, hectic and stressful life, less sleep and certain environmental factors have resulted in higher incidences of chronic diseases.

7 Improving Purchasing Power:

Rise of per capita income has driven the demand for quality healthcare solutions, more particularly in emerging markets.

8 Regulatory Developments:

The Pharma industry operates in one of the world's most regulated environments to deliver safe, effective and high-quality medicines. Improvement of regulatory standards across the globe has boosted customer confidence and led to market growth.

Indian Pharma Market

The Indian pharmaceutical industry is the third largest globally by volume, eleventh in terms of medicine spending, and fourteenth by value. India is the world's leading supplier of generic medicines, recognised for its cost-effective and high-quality pharmaceutical products.

The country hosts the highest number of pharmaceutical manufacturing facilities approved by the U.S. Food and Drug Administration (USFDA). These facilities cater to a diverse range of segments, including generic drugs, over-the-counter (OTC) medications, active pharmaceutical ingredients (APIs), vaccines, contract research and manufacturing services (CRAMS), biosimilars and biologics.

The Indian pharmaceutical market is projected to reach US$ 130 billion by 2030 and US$ 450 billion by 2047. This growth will be driven by a combination of factors including increased affordability and accessibility, a growing burden of lifestyle-related diseases, cost-effective production capabilities, and proactive government policies.

Medicine spending in India is expected to grow at a CAGR of 7-10% through 2028, propelled by an ageing population, expanding healthcare access and a rising prevalence of chronic conditions.

Policy Initiatives and Strategic Direction

To enhance domestic pharmaceutical production and strengthen the healthcare system, the Government of India has introduced several strategic policy measures. These aim to improve affordability, accessibility, and innovation while reducing dependence on imports. Key initiatives include:

- Establishment of Centres of Excellence to promote pharmaceutical research and innovation.
- Regulation of essential drug pricing to ensure affordability.
- Expansion of Jan Aushadhi scheme, targeting approximately 25,000 outlets to provide cost-effective medicines.
- Launch of umbrella schemes for overall industry development.

These efforts build upon earlier programmes such as the Production Linked Incentive (PLI) schemes (PLI ₹ 1.0 and 2.0) and the Bulk Drug Parks initiative. Collectively, these policies aim to position India as a self-reliant, globally competitive pharmaceutical manufacturing hub.

The evolving global geopolitical environment, particularly the 'China Plus One' strategy, presents a significant opportunity for India to emerge as a preferred destination for Contract Development and Manufacturing Organisations (CDMOs).

Future Outlook

The integration of digital technologies in pharmaceutical manufacturing and supply chain operations is expected to further enhance efficiency, traceability, and product quality. Coupled with increasing healthcare awareness and rising disease burden, the industry is well-positioned to meet the growing demand for high-quality, affordable medicines.

Regulatory frameworks are also expected to evolve in alignment with advancements in the industry, emphasising patient safety and sustainable growth.

Regulatory Reforms

In a bid to strengthen ethical standards and enhance transparency, the Department of Pharmaceuticals has introduced the Uniform Code of Pharmaceutical Marketing Practices (UCPMP) 2024. The code has been disseminated to pharmaceutical associations which are responsible for ensuring member compliance. UCPMP 2024 promotes responsible marketing, fosters innovation, builds industry trust, and enforces stricter regulatory adherence, all of which are crucial for long-term industry credibility and growth.

Mergers & Acquisitions

M&A activity in the pharmaceutical industry is poised for a rebound in 2025, driven by portfolio gaps, supply chain challenges and policy shifts. A stronger deal market in the US and Europe, supported by improving macroeconomic conditions and expectations of lighter regulation, is expected to accelerate deal volumes and values. Large pharmaceutical companies face looming patent cliffs and are targeting late-stage biotech firms to fill pipeline gaps and drive innovation. Biotech M&A will focus on mid-sized firms with Phase III assets, particularly in oncology. Divestitures of non-core assets are also gaining momentum, with large companies streamlining their portfolios.

IPO markets are reviving, offering new capital sources, while companies are exploring alternative deal structures, including joint ventures and licensing. M&A hot spots in 2025 include biotech, GLP-1s, consumer healthcare amongst others.

Despite a decline in M&A activity in 2024, falling interest rates and a shift in regulatory tone are creating a more deal-conducive environment. Market players are expected to seize opportunities for transformative growth through strategic acquisitions and partnerships in 2025.

M&A Focus Areas

Opportunities in Growing GLP-1 Drug Market

These breakthrough therapies are defining the future of chronic disease management, particularly diabetes and weight-loss management. It is one of the largest profit pools and therefore, Companies across the value chain are expected to compete to position themselves in this fast-growing market, with a premium to be paid for innovation.

Biotech Acquisitions to Fend Off Patent Cliffs

Mid-stage biotech companies continue to innovate and have become attractive buy-outs for large-cap pharma companies, facing significant loss of exclusivity and gaps in their product pipelines that needs to be filled sooner to achieve growth plans.

CROs, CDMOs with Strong Cash Flow

Contract Research Organisations (CROs) and Contract Development and Manufacturing Organisations (CDMOs) with unique capabilities and operating in specialty niches that can help accelerate time to market, continue to demonstrate strong cash flows will remain attractive sectors for investment.

Artificial Intelligence (AI)

Application of technology and AI has increased in drug discovery and development as it makes discovery, design and development process faster and cheaper. It even leads to identifying new drugs, beyond the reach of traditional methods. This trend is in pharma and biotech companies leveraging M&A to gain early access to emerging opportunities.

Divestment of Non-Core Assets

Large pharmaceutical conglomerates are aiming to divest non-core assets to generate cash and fund new investments which align more closely with their core competencies.

M&A Trends in Indian Pharma

The domestic formulations segment has seen sustained interest from both strategic acquirers and financial sponsors, reflecting a push for market expansion, therapeutic diversification and access to established brands. In the B2B pharma space, particularly within the Active Pharmaceutical Ingredient (API) segment, deal activity remains strong. The API/CDMO segment is benefitting from global demand for supply chain diversification and India's positioning as a cost-competitive manufacturing hub.

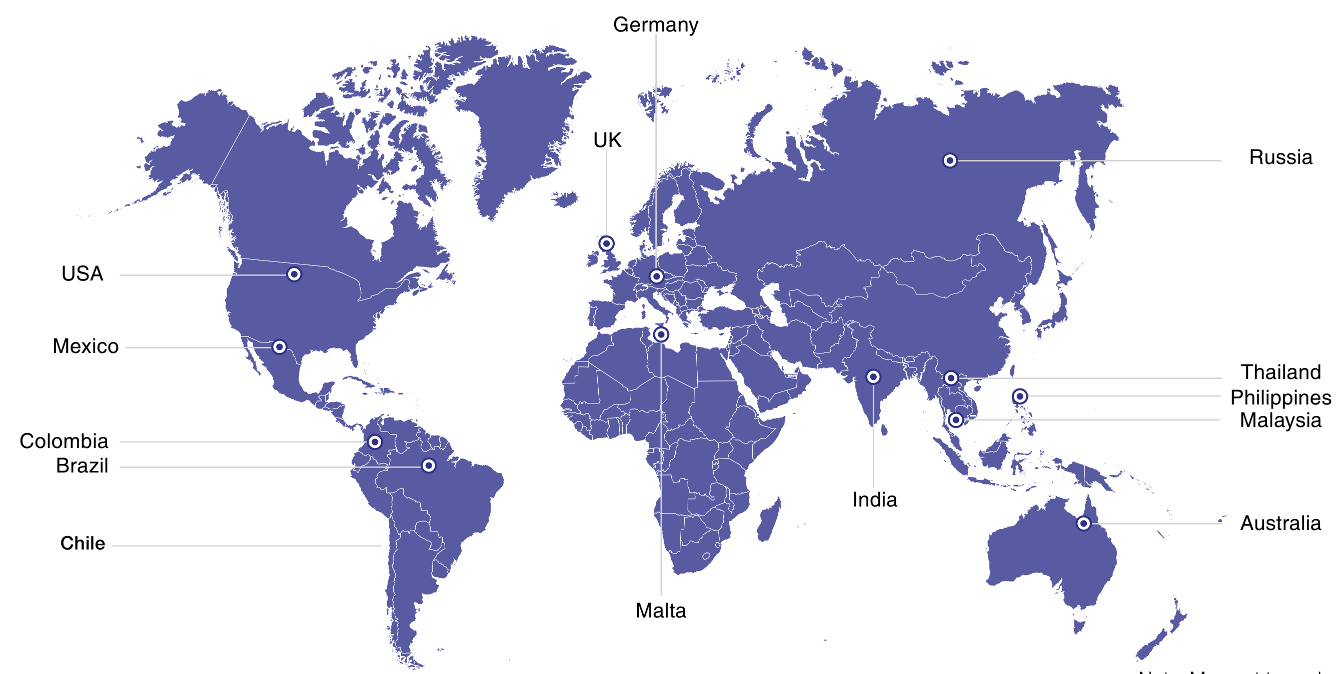
The sector remains relatively fragmented, offering significant opportunities for consolidation. Larger domestic players are increasingly streamlining their operations by focusing on core therapeutic areas and high-growth verticals. As a result, there is a growing trend of divesting non-core brands and business units, a strategy aimed at optimising capital allocation and improving operational focus. This trend is expected to continue through 2025, supported by evolving market dynamics and increased scrutiny on return on investment.

Overall, M&A is serving as a strategic tool for companies to reposition portfolios, gain scale, and unlock long-term value in an increasingly competitive and innovation-driven healthcare environment.

Performance Snapshot:

As a frontrunner in the industry, the Company has established itself as one of the leading players in the Indian pharmaceutical industry with a formidable presence in India as well as international markets. With a strong foundation, the Company remains poised for continued growth and success in an evolving landscape. Internationally, the Company's presence extends across diverse geographies through its subsidiaries, encompassing a broad spectrum of growth markets. Additionally, it maintains a global footprint in many other countries through different business models. The multifaceted approach ensures a robust and expansive reach, allowing the Company to effectively cater to the needs of diverse markets and capitalise on emerging opportunities.

Subsidiaries of the Company



Note: Map not to scale

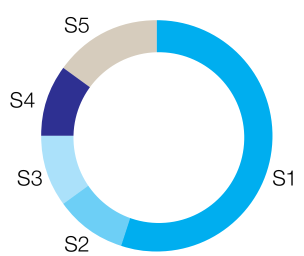
During the year 2024-25, the Company reported revenues of ₹11,516 crores, growth of 7% compared to ₹10,728 crores in the previous financial year.

The breakup of revenues under key territories is as under:

Revenue (in crores)	2024-25		2023-24		Growth
	Amount	Share	Amount	Share	%
India	6,393	55%	5,666	53%	13%
USA	1,100	10%	1,078	10%	2%
Germany	1,139	10%	1,074	10%	6%
Brazil	1,100	10%	1,126	10%	-2%
Others	1,784	15%	1,784	17%	0%
Total	**11,516**	**100%**	**10,728**	**100%**	**7%**

Core Competencies:

India, Brazil, Germany, US, are the top four markets for the Company. The Company's strategic priorities in India and Brazil and other branded markets continue to focus on strengthening specialties, field force productivity and brand building. These markets remain a key priority for the Company and offer higher visibility and sustainability to the business. The Branded business constitutes around 74% of the overall Company revenues.

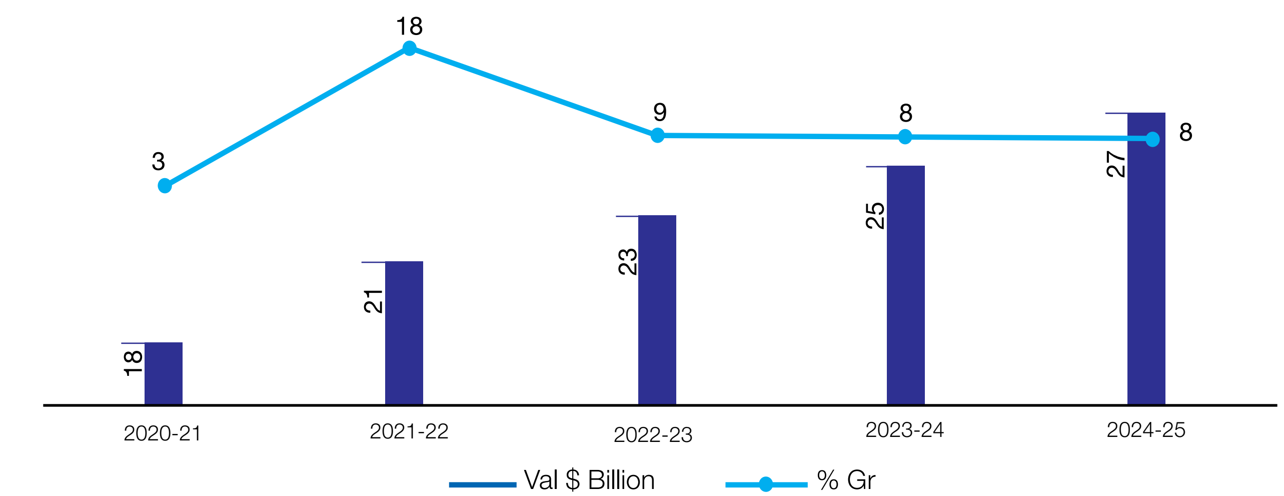


S1 - India	55%
S2 - USA	10%
S3 - Germany	10%
S4 - Brazil	10%
S5 - Others	15%

India:

The Indian pharmaceutical market (IPM) which is valued over $27 billion, grew at 8%. The market is expected to grow at high single digit over the near term, backed by factors such as increasing healthcare expenses, rising chronic diseases, expanding health insurance coverage, rising income levels and increasing government initiatives that aim to improve healthcare infrastructure and expand access to essential medicines. Initiatives such as the Jan Aushadhi Scheme, which aims to provide affordable generic medicines to the masses, have played a crucial role in improving access to healthcare in rural and underserved areas. Stable pricing environment and patent expiries in the recent past supported the new launch momentum and have made up for the tepid volume growth.

IPM growth trend (in value):



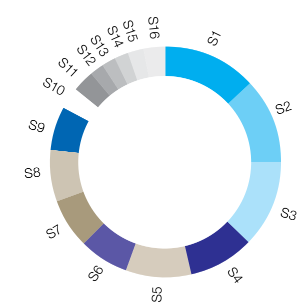
For the year ended 31st March 2025, India continues to be the largest business unit contributing 55% to the overall revenues.

The Company is ranked 7th in the IPM and continues to grow faster than the market (IPM 8% vs Torrent 13%). The Company ranks 6th in the combined chronic / sub chronic therapy areas. 21 Brands feature amongst Top 500 brands of the IPM and 18 brands (MBs) have revenues of more than ₹ 100 crores.

7th Largest Company in IPM	**6th** Rank in combined chronic / sub chronic segment	**6th** Rank by prescription at specialists
21 brands Among Top 500 brands in IPM	**18 brands (MBs)** Above ₹100 crores	Ranked amongst **Top 5** across Cardiac, CNS, GI, Cosmo Derma therapy areas

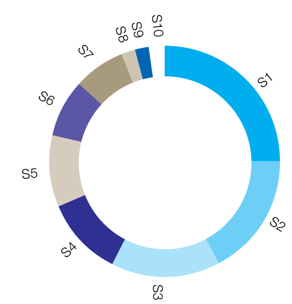
In IPM, Cardiac is the major contributor followed by Anti-Infective, Gastro-intestinal, Anti-diabetic and Vitamin Mineral Nutrients (VMN) segment. The Company has strong presence in Cardiac, Gastro-intestinal, CNS, Vitamin Minerals Nutrients, Anti-diabetic and Dermatology, with these therapies contributing to ~87% of sales.

IPM (%)

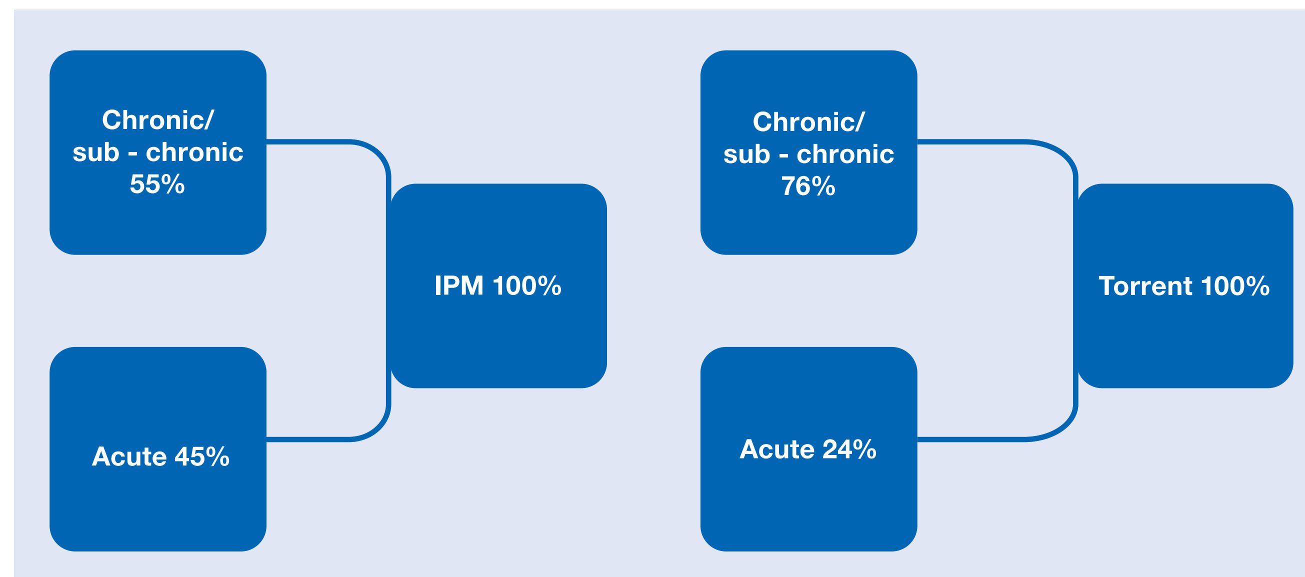


S1 - CARDIAC	13
S2 - GI	12
S3 - AI	12
S4 - AD	9
S5 - VMN	9
S6 - RESP	7
S7 - PAIN	7
S8 - CNS	7
S9 - DERMA	6
S10 - GYNEC	3
S11 - BR	3
S12 - ANTIENO	2
S13 - OPTHAL	2
S14 - URO	2
S15 - HORM	2
S16 - REST	3

TORRENT (%)



S1 - CARDIAC	25
S2 - GI	17
S3 - CNS	15
S4 - VMN	11
S5 - AD	10
S6 - DERMA	8
S7 - PAIN	7
S8 - GYNEC	2
S9 - AI	2
S10 - REST	2



The Company continues to focus on chronic and sub chronic therapies as its main area of focus and aims to gain market share in key sub-therapies. The Company has maintained its rank in major therapy areas like Cardiac, Anti-Diabetic, CNS, GI, Derma, with one rank improvement in Gynaecology.

Ranking	Cardiac	CNS	VMN	GI	Pain	Anti diab*	Dermatology
	2	3	6	4	8	6	7

*without Insulin

The Company forayed into the consumer health segment with Shelcal-500 (a calcium supplement) and has expanded presence with brands such as Ahaglow (face wash gel), Unienzyme (digestive enzymes tablet) and Tedibar (baby bathing bar). Consumer engagement campaigns are ongoing for these brands. There has also been channel expansion in Modern Trade and Quick Commerce. Overall, the consumer health segment has progressed well, aided by channel activations, increased distribution in newer towns and growth in the e-commerce business.

New introductions in key therapies have been a focus area for the Company to drive higher than market growth. The Company has strategically diversified and strengthened its presence in some of the key therapies linked to patent expiries such as Empagliflozin and its Fixed Dose Combinations (FDC) in the anti-diabetic segment. The Company has also launched skin care and hair care brands within derma therapy, improved constipation segment within GI therapy, Elagolix and Lactoferrin + Probiotic formulation in the gynaecology therapy, SGLT2 + Betablocker in the CVD segment, and Nutraceuticals in CNS. The launches have been identified in high potential segments.

In the coming year, the Company will continue to focus on new launches driven by patent expiries and brand extensions, which will help to address the unmet patient needs and complete its therapy basket.

The new introductions have been backed by expansion of the field force (FF) across key therapeutic areas of the Company. This expansion will help the Company to retain its competitive edge in all focus markets, without diluting focus on the existing portfolio. Expansion of field force has been done across key therapeutic areas including Cardiology, Diabetology, CNS & Multi specialty TAs. The current MR strength is ~6400.

Stable market, high chronic led growth, launch of a differentiating portfolio along with field force expansion has helped the Company to gain market share and strengthen its leadership position within the industry.

Brazil:

Brazil continues to be the largest pharmaceutical market in Latin America, representing almost half of the LATAM market in units and value (USD). It is currently the 8th largest in the world with an estimated market size of around BRL 236 Bn (US$ 39 Bn), growing at ~11%. The Brazilian pharma market is expected to grow at a CAGR of 9.7% (between 2025-29).

Brazil's GDP growth of 2024 is expected to be ~3.7%. Given the economic situation, the interest rate in 2024 was 10.75% which is expected to be at 13.25% in 2025 and projected GDP growth is likely to be 2.2%. Tax reforms have been recently announced by the government, which will be transitioned gradually. The government plans to reinforce growth in the health sector by restoring funds. This, however, does not limit the opportunity for pharmaceutical companies to gain from direct sales to consumers. Additionally, the government plans to strengthen local production of vaccines, medical equipment, devices and other categories and increase it from 42% to 70%.

The Brazil retail market continues to grow in units in 2024 and maintains a pace of 11.7% in value (excluding OTC). Approximately 65% of the retail market is driven by prescription products with mature promoted products growing at 9.7%, Patented (exclusive) products growing at 19.4% and Generics growing at 12.5%. On the non-retail front, the private market continues to register healthy growth of 14.2%. On the regulatory front, Brazilian Health Agency (ANVISA) restricted the drug registration process through clones, limiting it to companies within the same economic group only. This will benefit local pharma corporations at large.

During the fiscal year 2024-25, Brazilian operations registered a total revenue of BRL 728 Mn or ~ ₹1100 crores, registering constant currency growth of 9.4%. In the retail market, Torrent is ranked 21st in the Brazilian pharma market and 19th in the overall branded and generic market. In Branded Generics covered market, the Company maintains its leadership. The Company intends to gain market share through specialty focus, enhancing existing field force productivity and reach, and launch of new products. The Company is also preparing for entry into newer therapeutic segments in the near term.

Among the Indian companies, in terms of value, the Company ranks No. 1 (IQVIA dataset). Currently, it has commercialised 29 branded generics and 25 generic products. In its branded generic portfolio, the Company has 30 Branded and 24 Generics product filings awaiting approval and 23 new filings planned in the next 12 months.

Germany:

In major European countries like Germany, France, Italy, Spain and UK, medicine spending is expected to increase by US$ 70B over the next 5 years, from US$ 226 Bn in 2023 to US$ 296 Bn in 2028. CAGR from 2023 to 2028 is expected to be 4% to 7%.

Germany, where the Company has significant presence, is valued over $60 Bn and is expected to grow at a CAGR of 4% to 7% through 2028. The German healthcare market is highly regulated, and the legislative pressure on pharmaceutical businesses to lower the sales price of drugs for end-consumers is not very high. Generics, including biosimilars, are expected to add $15 Bn in growth over the next five years, about the same as in the past five years despite a larger impact of losses of exclusivity as volume gains will be offset by price deflation.

The Company has direct presence in Germany and UK.

Revenues from Germany operations during 2024-25 were ₹1139 Cr (Euro 125 Mn), registering growth of 6% in ₹ terms (Euro Growth 5%). Consistent tender win performance and new product launches are expected to support the growth momentum.

Among the generic players, the Company holds 5th position and is ranked No. 1 among Indian players in the German market.

USA:

The US pharmaceutical market is on a promising trajectory, expected to reach a value of $857 billion by 2030, rising from $613 billion in 2024. This steady growth, driven by a compound annual growth rate (CAGR) of 5.7% from 2025 to 2030, reflects the sector's adaptability and innovation. Traditional small-molecule drugs continue to dominate revenue streams, but biologics and biosimilars are gaining momentum as the fastest-growing segments. This evolution is fuelled by groundbreaking therapeutic developments, an increasing number of regulatory approvals, and enhanced research initiatives.

A major driver of innovation in recent years has been the success of GLP-1 receptor agonists and dual GLP-1/GIP agonists, which are setting new benchmarks for obesity treatment. These treatments have shown transformative outcomes, shifting the focus toward more customised and effective therapeutic solutions. Their success symbolises industry shift towards personalised medicine, where targeted therapies are developed to meet individual patient needs more precisely. This trend is expected to strengthen US leadership in global pharmaceutical revenue through 2030, as companies continue to invest heavily in cutting-edge R&D pipelines and clinical advancements across therapeutic areas.

In 2024, the U.S. Food and Drug Administration (FDA) approved 900 abbreviated new drug applications (ANDAs), including 92 complex generics.

In the current environment, there is rising pressure from both government and private players to reduce cost and ensure the value of drugs. This is further amplified in the US market by the consolidation of healthcare delivery into fewer, more complex and powerful healthcare systems, thereby increasing centralised control over the drugs. Further compounding these pressures are recent tariff proposals, which have raised alarms within the pharmaceutical industry and have sparked concern about escalating drug shortages and rising costs for American consumers. Generic manufacturers which operate on thinner margins, are particularly vulnerable to these changes, as they lack the pricing flexibility of their branded counterparts.

The Company is ranked No.11 amongst the US generic Indian companies. Sales from the US business were ₹1,100 crores (US$ 128 Mn) during the financial year 2024-25.

The Company has filed 4 ANDAs during FY 2024-25. The Company has 120 ANDA approvals (including 5 tentative approvals) and its pipeline consists of 19 pending approvals and 17 products under development to be filed over the next 3 years.

Manufacturing

The Company's state-of-the-art manufacturing facilities for formulation and API have significantly contributed to the fulfilment of demand for high-quality products and in sustaining its growth and success. During the year, the Company received USFDA Establishment Inspection Report (EIR) for its Indrad Plant, located in Gujarat and for the Pithampur facility at Madhya Pradesh. All four plants, which manufacture products for the US market, have been cleared by FDA and the Company has already started receiving new product approvals for USA.

Plants at Indrad, Dahej and Baddi were also audited by EU authorities and the approval has been received for all three sites, for the next 3 years.

Research and Development

To support the Company's interest in complex specialty generics, 2 Oncology products have been filed in the US as well as the EU, out of which one product has been filed with granted PFC application for CGT exclusivity. The Company has filed Complex OSD on NCE-1 and one Branded generic product was launched during the year through partnerships with patient support services. Furthermore, the pipeline recognises unmet medical needs by including convoluted generics, Derma, cosmeceutical products as well as complex injectables where vertical integration is not required, and competition is minimal. To gain a competitive edge, R&D has continued to focus on near-term assembly of commercial portfolio of biologics.

Ideation and decision making for intricate product development with vertical integration for several complex APIs provides a key competitive advantage for expanding the API Business. It also helps to identify external business partners/agents in key markets of US, Europe, Japan, China, Brazil, Korea and other emerging markets. To boost growth and to support inorganic activities, due diligence for external developments were stepped up and a network of external experts in complex dosage forms was formed.

The in-house Cutting-edge Bio-Evaluation Centre supports product development by means of conducting bioequivalence studies which have been audited and certified by various regulatory agencies. As part of the recent US FDA inspection, the clinical as well as bio analytical part of the centre has been successfully cleared with Zero 483 observations. Also, the clinical lab of IH BE centre has been granted NABL accreditation till 2028.

The R&D expenses for the year amounted to ₹581 crores, representing around 5% of the Company's total revenue.

Threats, Risks and Concerns

Strategic risk

The Company faces strategic risks due to delays in product development and launch, regulatory landscape, capital investments on new projects and inorganic growth opportunities.

The pharmaceutical product development lifecycle integrally carries high risk in terms of uncertainty in clinical outcomes, technical challenges related to development of complex products and significant expenditure. Timely launch of the product is of utmost important to recover the expenses already incurred in the R&D phase. Launch could be delayed or abandoned on account of delay in securing regulatory approvals or high probability of patent litigation. Moreover, simultaneous entry of competitors at the time of launch of product creates pricing pressure, adversely impacting margins of the Company. The Company manages such risks through careful market research for selection of new products, detailed project planning and continuous monitoring. R&D activities are complemented with insurance programmes suited to nature and propensity of risk.

The Company may launch a generic product based on legal and commercial factors, even though patent litigation is pending. The outcome of such patent litigation could affect the Company's business adversely in case it is established by the court of law that there has been a patent infringement. In addition to the substantial liabilities for patent infringement, the Company may also incur high costs of litigation for defending against the infringement. This risk is sought to be managed by a careful patent analysis prior to development and launch of the generic products and strategy of early settlement with the patent holders, on case-to-case basis, particularly in the US market.

The Company deploys capital to add manufacturing capacity to meet increasing demand of pharmaceutical products from various markets. The Company faces risks arising out of delay in implementation of project and results in cost overrun. There is also a possibility of demand slump by the time the project is completed and carries risk of underutilisation of capacities resulting in high manufacturing cost. The risks are sought to be mitigated through the formation of appropriate project management teams and management oversight.

The Company has a history of successful acquisitions and its integration with existing business operations. It continuously looks for new inorganic growth opportunities. Any such acquisition involves significant challenges in terms of integration of people, system and processes with existing operations, which requires considerable amount of time, resources and effort. This may lead to temporary disruption of ongoing business, affect relations with the employees and customers with whom the Company has been dealing.

Competition Risk and Pricing Pressure

The Company markets pharmaceutical products across different countries and has global operations. Generally, pharmaceutical products are affected by price erosion over a period, either due to intensified competition in the market or on account of pricing controls notified by local governments. Intense competition and threats from new entrants in existing key markets and therapies impede the Company's ability to drive improvements in market share.

In the Generics market, the Company is mainly exposed to pricing pressure in the US and Germany. In the US, consolidation of certain customer groups, emergence of large buying groups representing independent retail pharmacies, prevalence and influence of managed care organisations and similar institutions enable such groups to extract price discounts on the Company's products and it could adversely affect the overall price realisations of the Company. In Germany, insurance companies have been empowered to enter into rebate contracts and float tenders. Aggressive bidding by competitors in such tenders leads to continuous price erosion.

In the Branded Generics market, the Company is mainly exposed to pricing pressure in India and Brazil. In India, the Company is exposed to pricing pressure due to drug price control through National List of Essential Medicines (NLEM) as well as the promotion of generic medicines by the Government of India through various initiatives. In Brazil, the Company sells branded generics, the pure generic competition could adversely affect development of branded business.

A significant portion of the revenue in various markets would be derived from sales to limited number of customers. In case of loss of business from one such customer or difficulties experienced by the customer in paying us on time may impact business performance.

The risks are mitigated through careful market analysis, upgrading skills, marketing alliances and upscaling of volumes to bring down costs and management oversight. For Branded Generic Markets, mitigation strategies include Specialty-driven approach and building brands, resulting in high prescription stickiness. Evolving patients' needs are met through the delivery of innovative products in diverse dosage forms and fixed dosage combinations. Scientific detailing, delivery of quality products, competitive pricing, therapy focused sales structure together with low attrition will help to wither out competition risks. For Generics markets, continuous supply through a robust and agile supply chain and compliance at our manufacturing facilities, portfolio optimisation by incremental investment in R&D of complex drugs, introduction of diversified dosage forms and value-added generics, continuous cost optimisation structures and enhanced manufacturing productivity enables us to remain competitive and sustain margins.

Product Quality and Regulatory Risk

The Company operates in a highly regulated pharmaceutical sector. It is essential to comply with the highest quality standards as potential risks associated with Pharmaceutical products can have significant impact on human health. Risks of product efficacy, adverse drug reactions, unexpected side effects, drug interactions, medication errors etc. pose risk to the safety of patients.

Additionally, product manufacturing sites of the Company and those of our contract manufacturers and suppliers are regulated by government health and quality regulations. Failure to comply with the applicable regulations and cGMP requirements results in regulatory warnings, failure / delay to secure approvals for commercial launches, withdrawal of certification of manufacturing facility, product recalls and product liability claims or cancellation of approvals / licenses to manufacture. Inability to comply with quality requirements throughout the supply chain may lead to the risk of batch rejection. Overall, non-compliance to such requirements adversely impacts brand and Company reputation.

The Company assures product quality and regulatory compliance through robust quality management systems, adequately assisted by automated and system driven controls to adhere with applicable processes, pharmacovigilance function and stringent training programmes at its own and third-party manufacturing plants. The Company has established a global pharmacovigilance group comprising a team of experienced doctors and pharmacists in the field of pharmacovigilance. The global pharmacovigilance system supervises and integrates all affiliates' pharmacovigilance system. This ensures that any safety information or adverse events from any country are captured, evaluated and reported duly as per regional and global pharmacovigilance regulations. These risks are sought to be managed by appropriate laboratory and clinical studies for each new product, compliance with Good Manufacturing Practices and independent quality assurance system. Rigorous vendor and contract manufacturer audits on factors such as cGMP and quality management system compliance is in place to mitigate risks. The Company also has an adequate insurance cover for product liability. The Company is facing litigation on two of its products viz. Losartan and Valsartan in the US.

Supply Chain Risk

Although a major portion of the Company's finished formulations are being manufactured at in-house facilities, the Company also depends on third party suppliers for sourcing, for some of its markets. Any significant disruption at in-house facilities or any third-party manufacturing locations due to economic, regulatory, political and social factors, quality deficiencies in products or any other event may impair the Company's ability to produce, procure and / or ship products to the markets on time and could expose the Company to penalties and claims from customers.

The Company purchases Active Pharmaceutical Ingredients (API) and other materials that it uses in its manufacturing operations from foreign and domestic suppliers. Although the Company has a policy to actively develop alternate supply sources for key products, there would be certain cases where the Company has listed only one supplier in its application with regulatory agencies. An interruption in the supply from single source materials can impact the financial performance of the Company.

Continuous monitoring to identify potential disruptions, proactive deployment of mitigation measures, maintaining sufficient inventory balances for key products, logistics optimisation and cost rationalisation through rate contracts with vendors and prior scheduling of dispatches helps to manage the risk.

Financial Risks

The Company operates across the globe and risks associated with fluctuation in foreign currencies, changes in interest rates and tax landscape of respective foreign countries may impact the Company's operations.

Foreign currency risks mainly arise due to the Company's overseas operations and borrowings. The Company accrues revenue from export and import of raw materials, plant and machinery. It also avails services from different countries. All such transactions are in foreign currency and exposed to foreign currency risk. With respect to borrowings, the Company carries currency risk to the extent of foreign currency borrowings and is exposed to interest rate risk on borrowings linked to variable rate of interest.

The Company has potential tax exposure resulting from application of varying laws and interpretations in relation to various business transactions. Although the Company carries out cross-border transactions between affiliates on the basis of internationally accepted practices, tax authorities in various jurisdictions may have different views or interpretations and subsequently challenge the amount of profits taxed in their jurisdiction, resulting in increased tax liability, including interest and penalties, that may drive up the tax expense of the Company.

The Company has a defined risk management framework to manage currency and interest rate risks. The Company has also taken adequate measures to ensure compliance to the laws of respective countries.

Cyber Security and Data Privacy Risk

The pharmaceutical sector continues to be targeted by cyber criminals which may cause significant disruption to business operations. The Company depends upon complex and interdependent information technology systems, including internet and cloud-based systems, to support business processes. Moreover, there are dependencies on outsourced and collaborative systems, which require exchanging data and information. The size, complexity and interconnectivity of our computer systems make them potentially vulnerable to breakdown, malicious intrusion, computer viruses and other cyber-attacks.

Failure to protect personal data and comply with data privacy regulations of countries in which the Company operates may attract financial penalties, intervention by regulators and reputational loss.

The Company has internationally recognised framework of ISO 27001:2022 which includes Information security policy, secured IT system, robust access control and restricted administrator privilege to restrict unauthorised access. Adequate e-mails protection, multi-factor authentications, and laptop encryptions are also implemented. Independent vulnerability assessment and penetration tests (VAPT) are performed yearly to identify gaps in controlled framework and enhance effectiveness of controls. An IT disaster recovery plan is also in place for our key applications. It aims to minimise impacts from any unanticipated events and breakdowns. The Company continuously invests in information technology to reduce risks and has also opted for significant cyber security insurance cover.

Business Continuity Risks

Potential disruption or failure of the Company's operations due to unexpected events including natural disasters, supply chain disruptions, security breaches or cyberattacks, financial crisis, regulatory changes or pandemics may lead to business continuity risks. It can have significant impacts on a company's financial performance, reputation and ability to continue operations. The Company has identified key business, operational, strategic business continuity risks and have instituted various measures including alternate sourcing strategies, carrying adequate inventories, vertical manufacturing integration, digital interventions, periodic review BCP and DRP plans, training on Emergency Response Plan etc. to ensure timely availability and management of operations in times of disruptions.

Compliance Risks

As the Company operates in multiple geographies globally, each operating in a dynamic and complex regulatory landscape that continuously evolves, changes and undergoes increased scrutiny from the regulators, failure to identify and / or comply with applicable statutes and regulations globally may pose a threat to business operations, thereby affecting our financial and / or reputational standing. Regulatory risks are managed through a strong governance mechanism based on the philosophy of 'zero tolerance to non- compliance'. This is implemented through regular assessment of regulatory and compliance requirements, robust internal controls, continuous monitoring through compliance management systems and periodic reporting to senior management and the Board. Further, independent assessments and audit mechanisms are put in place.

Environment, Social and Governance Risks

Commercial activities may cause adverse impact on the environment and thereby impact society at large. Climate-related events such as weather pattern changes, rising sea water levels may cause disruption in manufacturing and supply chain cycles, resulting in financial losses. To sustain growth in a continuously evolving global ecosystem with unpredicted externalities, it is important to implement ESG measures. Failure to limit our environmental impact may have negative consequences on our reputation, operations and long-term sustainability of our Company's performance.

Sustainable value creation can no longer be agnostic of ESG risks, which has now evolved as a new yardstick in addition to profitability and capital efficiency returns. The Company has developed a structured ESG framework and strategy, based on international standards and structures such as GRI, SASB and many others. The Company has designed a multi-fold strategy, with four core ESG pillars, i.e. Responsible Consumption, Responsible Practices, Responsible Communication and Responsible Supply Chain, that will enable it to navigate its growth in a manner that maximises stakeholder value, consistently and sustainably.

Counterfeit Drugs Risks

The pharmaceutical industry has been increasingly challenged by the vulnerability of illegal counterfeit products in a growing number of markets and over the internet. Counterfeit medicines are fake medicines that are passed off as authentic, which may contain the wrong ingredients, contain too much, too little or no active ingredient at all or contain other harmful ingredients. Third parties may illegally distribute and sell counterfeit versions of our products, which do not meet the rigorous manufacturing and testing standards that our products undergo, making them unsafe and ineffective for consumption. The Company takes measures to prevent counterfeit by assessment of random samples from the market, implements packaging controls via serialisation, track and trace systems, hologram and barcodes. It helps to build a strong and reliable distribution network.

Geopolitical Risks

Since the Company operates across the globe, dynamic changes in geopolitical situations of countries may adversely impact operations of the Company. There could be possibilities of war, terror attacks, political unrest and government default in some of the geographies in which the Company has operations. Recently, the Company witnessed situations like war in Russia-Ukraine, the middle-east, political uncertainty in Sri Lanka, US trade policy changes and supply chain disruptions including the Red Sea crisis. These may have an adverse impact on the operations of the Company. It may impact the Company's growths, delay its cash inflows, increase procurement costs and increase foreign currency volatility. The Company manages risk through continuous evaluation of economic developments in such geographies, securing receivables through LCs / Bank Guarantee, hedging foreign currencies and entering into rate contracts. Overall, the Company keeps the exposure to such geographies to a minimum level.

Human Capital Risk

The Pharmaceutical industry is knowledge driven and requires highly skilled human resources in major operations of the Company to drive productivity. Inability to attract and retain skilled employees may adversely affect the complex operations of the Company. The Company manages to attract and retain talented employees by providing job rotations, creating a motivating working environment and development of team-building initiatives. Prioritisation of continuous learning and development initiatives foster innovation and develops a future-ready workforce. Further, the Company takes adequate measures to develop succession plans and de-risk critical roles.

Human Resources

The total employee strength of the Company at the end of financial year 2024-25 was 17,320 against 16,056 at the end of financial year 2023-24, an increase of 1,264 employees.

Internal Control System

The Company has a robust system of internal controls comprising authority levels and powers, supervision, checks and balances, policies and procedures. The system is reviewed and updated on an on-going basis. The Company continuously upgrades its internal control systems by taking measures such as strengthening of IT infrastructure and use of external management assurance services. The Company has in place a well-defined internal audit system whereby the internal audit is performed across locations of the Company and the results of the audit findings are reviewed by the audit committee.

Results of Operations for 2024-25 compared with 2023-24

Summary Financial Information:

Particulars	2024-25		2023-24	
	₹ crores	% to Revenues	₹ crores	% to Revenues
Sales and Operating Income (Revenues)	11,516	100%	10,728	100%
Gross Profit	**8,740**	**76%**	**8,041**	**75%**
Selling, General and admin expenses (SG&A)	4,438	39%	4,146	39%
Research and Development Spend	581	5%	527	5%
Operating EBITDA	**3,721**	**32%**	**3,368**	**31%**
Forex (Gain) /Loss	17	0%	4	0%
Other (Income)	(20)	(0%)	(50)	(1%)
Depreciation / amortisation	795	7%	808	8%
Net Interest expense / (Income)	232	2%	342	3%
Profit before tax and exceptional items	**2,697**	**23%**	**2,264**	**21%**
Exceptional Items	24	0%	(88)	(1%)
Profit before tax and after exceptional items	**2,673**	**23%**	**2,352**	**22%**
Income Tax	762	6%	696	6%
Profit after Tax	**1,911**	**17%**	**1,656**	**16%**

Financial Performance

- Revenues grew by 7% to ₹11,516 crores from ₹10,728 crores in the previous year
- Operating EBITDA grew by 10% to ₹3,721 crores from ₹3,368 crores in the previous year
- Borrowings reduced by ₹911 crores. Net Leverage stands at 0.62x.

Working Capital and Liquidity

The trade working capital i.e., net working capital investment excluding current investments, cash and cash equivalents, bank balances other than cash and cash equivalents, short term borrowings, current maturity of long-term debt and accruals on tender contracts (Germany) increased by ₹193 crores at the end of financial year 2024-25. The number of days of net trade working capital remained at 90 days at the end of financial year 2024-25.

Cash and cash equivalents including current investments and bank balances including fixed deposits was at ₹689 crores during the financial year 2024-25 compared to ₹1,005 crores at the end of financial year 2023-24.

Key Financial Ratios for 2024-25 compared with 2023-24

Particulars	2024-25	2023-24
Profitability ratios		
(a) EBITDA margin	32%	32%
(b) Net profit margin (Refer Note 1)	17%	15%
(c) Return on net worth	25%	24%
Working capital ratios		
(d) Debtors turnover (days)	60	64
(e) Inventory turnover (days)	82	79
Gearing ratios		
(f) Interest coverage	12.43	8.40
(g) Debt / equity	0.23	0.34
Liquidity ratios		
(h) Current ratio	1.36	1.20

Note:

1. Net profit margin is adjusted for exceptions items.

The ratios have been computed as follows:

- EBITDA margin : (Profit before tax and exceptional items + Net Interest expense / (income) + Depreciation / amortisation) / Revenues
- Net profit margin: Profit after taxes / Revenues
- Return on net worth: Profit after taxes / Net worth (Net worth = Share capital + Reserves and Surplus)
- Debtors days: (Trade receivables / Net Sales) * 365
- Inventory Days: (Inventory / Net Sales) * 365
- Interest coverage: (Profit after tax + Deferred tax + Depreciation and amortisation + Interest expense) / Interest expense
- Debt to equity: Debt / Net worth
- Debt: Long term borrowings (current and non-current portion)
- Net worth: Share capital + Reserves and surplus
- Current ratio: Current assets / [Current liabilities less Current Maturities of Long-term debt]

For and on behalf of the Board of Directors

Samir Mehta
Executive Chairman
DIN: 00061903

Mumbai
20th May, 2025

References

1. World Economic Outlook, International Monetary Fund, Jan 2025
2. Economic Review – Department of Economic Affairs 2024-25
3. The Global Use of Medicines 2024.
4. AIOCD MAT March 2025 data set.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

FOREWORD

At Torrent Pharma, we believe that sustainable and responsible practices have become essential to long term value creation. By embedding Environmental, Social, and Governance (ESG) principles into its strategic framework, the Company seeks to build a responsible, profitable, and enduring business that contributes meaningfully to sustainable development.

We continue to integrate principles of sustainability into decision making process through well defined goals and initiatives coupled with clear road map to achieve these objectives. Guided by the Core Value of "Concern for Society & Environment", the Company has made notable progress across its sustainability focus areas: Carbon Emission and Energy Management, Water Stewardship and Waste Management. Through continuous investments in new equipment, process improvements and adoption of sustainable practices, the Company strives to build a cleaner and better future.

The Company recognises that integrating sustainability into its core operations is imperative for addressing critical global challenges, including climate change, resource scarcity, social inequality, and biodiversity loss. At the same time, this commitment to sustainability fosters innovation, enhances organisational resilience, and creates pathways for long-term value creation.

As a responsible Corporate Citizen, we are dedicated to creating a robust business that operates responsibly, aligning with national priorities such as zero-carbon objectives and adhering to recognised global frameworks like GRI, SASB and UN SDGs. In our ongoing sustainability journey and commitment to the National Voluntary Guidelines, we are delighted to present our Business Responsibility and Sustainability Report (BRSR) which outlines our efforts to uphold ethical governance, promote inclusive growth, and ensure environmental stewardship, in alignment with the principles laid out in the National Guidelines on Responsible Business Conduct (NGRBC).

The BRSR framework is based on the NGRBC principles comprising of three sections:

Section A presents a comprehensive overview of the Company's business, encompassing the market it serves, financial performance, key employee statistics, engagement with related parties, Corporate Social Responsibility initiatives and transparency.

Section B outlines management and process disclosures related to the businesses highlighting the governance structures, policies and operational framework established to align with the NGRBC Principles and Core Elements.

Section C encompasses a comprehensive set of measurable Key Performance Indicators (KPIs) for each of the nine principles which include ethical business practices, product stewardship, employee wellbeing, safety & development, stakeholder engagement, human rights, environmental stewardship, public policy advocacy, inclusive growth and responsible customer relationship.

SECTION A: GENERAL DISCLOSURE

I. Details of the Company

1	**Corporate Identity Number (CIN) of the Company**	L24230GJ1972PLC002126
2	**Name of the Company**	Torrent Pharmaceuticals Limited
3	**Year of incorporation**	1972
4	**Registered office address**	Torrent House, Off Ashram Road, Ahmedabad – 380 009
5	**Corporate address**	Torrent House, Off Ashram Road, Ahmedabad – 380 009
6	**E-mail**	investorservices@torrentpharma.com
7	**Telephone**	+91 79 26599000
8	**Website**	www.torrentpharma.com
9	**Financial year for which reporting is being done**	2024-25
10	**Name of the Stock Exchange(s) where shares are listed**	BSE Limited, Mumbai (BSE); and National Stock Exchange of India Limited, Mumbai (NSE)
11	**Paid-up Capital**	₹169.23 crores as on 31st March, 2025
12	**Contact Person**	
	Name of the Person	Chintan Trivedi, Company Secretary
	Telephone	+91 79 26599000
	Email address	investorservices@torrentpharma.com
13	**Reporting Boundary**	
	Type of Reporting	Disclosures under this report are made on standalone basis for Torrent Pharmaceuticals Limited
14	**Assurance**	
	Name of assessment or assurance Provider	Grant Thornton Bharat LLP
15	**Type of assessment or assurance obtained**	Reasonable Assurance on BRSR Core attributes and limited assurance on nine principles of the BRSR framework

II. Products / Services

16	Details of business activities	S. No.	Description of Main Activity	Description of Business Activity	% Turnover of the Entity
		1	Research & Development, Manufacturing, Marketing, and Distribution of Pharmaceutical Products	We are one of the leading pharmaceutical companies in India and are engaged in research, development, manufacturing, marketing and distribution of branded and generic pharmaceutical formulations in India and Internationally.	100%

17	Products / Services sold by the entity	S. No.	Product/Service	NIC Code	% of Total Turnover contributed
		1	Pharmaceutical products	Division 21 Group 210 Class 2100	100%

III. Operations

18	Number of locations where plants and / or operations / offices of the entity are situated:	Location	Number of Plants	No. of Offices	Total
		National	9*	30	39
		International^	--	16	16

19	Market served by the entity	Locations	Numbers
	a. No. of Locations	**National (No. of States)**	PAN India
		International (No. of Countries)	More than 50 markets served across Asia, North America, Brazil, European Union & Rest of World
	b. What is the contribution of exports as a percentage of the total turnover of the entity?	Standalone – 30% Consolidated – 41%	
	c. A brief on types of customers	Torrent Pharma serves across all segments of customers. At the core, the final customers are the patients / consumers who buy the products of the Company based on their need / prescriptions from the Doctors. The primary channel of distribution is through the wholesale drug distributors, stockiest, retail and e-commerce channel partners. We also sell to the institutional segment which majorly includes government, semi-government institutions, hospitals, nursing homes, clinics, dispensing doctors etc.	

* includes R&D unit

^ includes offices of its Subsidiaries / Representative offices.

IV. Employees

20. Details as at the end of Financial Year:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
a.	**Employees and workers (including differently-abled)**					
Employees						
1	Permanent (D)	15,341	14,067	92%	1,274	8%
2	Other than Permanent (E)	222	208	94%	14	6%
3	**Total Employees (D+E)**	**15,563**	**14,275**	**92%**	**1,288**	**8%**
Workers						
4	Permanent (F)	544	517	95%	27	5%
5	Other than Permanent (G)	2,682	2,240	84%	442	16%
6	**Total Workers (F+G)**	**3,226**	**2,757**	**85%**	**469**	**15%**
b.	**Differently abled employees and workers**					
Differently Abled Employees						
7	Permanent (D)	25	20	80%	5	20%
8	Other than Permanent (E)	0	0	0%	0	0%
9	**Total Differently Abled Employees (D+E)**	**25**	**20**	**80%**	**5**	**20%**
Differently Abled Workers						
10	Permanent (F)	5	5	100%	0	0%
11	Other than Permanent (G)	10	9	90%	1	10%
12	**Total Differently Abled Workers (F+G)**	**15**	**14**	**93%**	**1**	**7%**

21. Participation / Inclusion / Representation of women

S. No.	Category	Total (A)	No. and % of females	
			No. (B)	% (B / A)
1	Board of Directors[1]	8	2	25%
2	Key Management Personnel	4	0	0%

[1]Dr. Maurice Chagnaud have completed his tenure as an Independent Director of the Company on 10th May, 2025.

Note: Key Managerial Personnel includes Executive Chairman, Whole time Director, Chief Financial Officer and Company Secretary.

22. Turnover rate for permanent employees and workers

Category	FY 2024-25 (Turnover rate in current Financial Year)			FY 2023-24 (Turnover rate in previous Financial Year)			FY 2022-23 (Turnover rate in the year prior to previous Financial Year)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	12.7%	22.2%	13.5%	15.8%	26.0%	16.6%	10.9%	25.2%	12.2%
Permanent Workers	3.2%	10.5%	3.6%	2.4%	12.5%	3.0%	0.5%	0.0%	0.5%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23	S. No	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether it is a holding / Subsidiary / Associate / or Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes / No)
	1.	Torrent Investments Limited (formerly known as Torrent Investments Private Limited)	Holding		All Policies / practices to the extent relevant are also applicable to the subsidiaries in conformity with the applicable laws
	2.	Zao Torrent Pharma	WOS	100%	
	3.	Torrent Do Brasil Ltda.	WOS	100%	
	4.	Torrent Pharma GmbH	WOS	100%	
	5.	Heumann Pharma GmbH & Co. Generica KG	WOS	100%	
	6.	Heunet Pharma GmbH	WOS	100%	
	7.	Torrent Pharma Inc.	WOS	100%	
	8.	Torrent Pharma Philippines Inc.	WOS	100%	
	9.	Laboratories Torrent, S.A. de C.V.	WOS	100%	
	10.	Torrent Australasia Pty. Ltd.	WOS	100%	
	11.	Torrent Pharma (Thailand) Co., Ltd.	WOS	100%	
	12.	Torrent Pharma (UK) Ltd.	WOS	100%	
	13.	Laboratories Torrent Malaysia SDN. BHD.	WOS	100%	
	14.	TPL (Malta) Ltd	WOS	100%	
	15.	Torrent Pharma (Malta) Ltd	WOS	100%	
	16.	Curatio Inc., Philippines	WOS	100%	
	17.	Torrent International Lanka (Pvt.) Ltd, Sri Lanka	WOS	100%	
	18.	Farmaceutica Torrent Colombia SAS	WOS	100%	
	19.	Torrent Pharmaceuticals Chile SpA^	WOS	100%	
	20.	UNM Foundation (Section 8 Company)	Associate	50%	

^ incorporated on 25th September, 2024

VI. CSR Details

24	i.	Whether CSR is applicable as per section 135 of Companies Act, 2013:	Yes
	ii.	Turnover (in ₹ crores)	9,485
	iii.	Net worth (in ₹ crores)	7,592

VII. Transparency and Disclosures Compliances

25	Complaints / Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct	Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes / No)	If Yes, then provide web-link for grievance redress policy	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
					Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
		Communities	Yes	Policies which are required by the law is available on the website of the Company and the policies which are internal to the Company are available on the intranet of the Company	0	0		0	0	
		Investors (other than shareholders)			0	0		0	0	
		Shareholders			25	1		17	0	
		Employees and workers			27	3		12	1	
		Customers*			1,576	54		1,756	13	
		Value Chain Partners			0	0		0	0	
		Others (Please Specify)	NA							

* One pending complaint pertaining to Curatio Health Care (I) Private Limited was transferred to the Company on account of its merger vide the Order dated 17th May, 2023 of the National Company Law Tribunal, Ahmedabad Bench, with an appointed date as 14th October, 2022.

26	Overview of the entity's material responsible business conduct issues	Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
		Product quality and safety	Risk	The use of high-quality and safe goods ensures that improved health outcomes are attained. Compromise on pharmaceutical product quality would imply a compromise on patients' overall health and wellbeing. This will also entail failure to comply with GxP (Good Laboratory Practices, Good Manufacturing Practices and Good Clinical Practices). Any lapse can lead to product withdrawals, recalls, regulatory action, decreased sales, reputational risk, increased litigation followed by increase in litigation expense.	• Drug product quality and patient safety are the fundamental principles for Torrent Pharma. The Company being in the healthcare sector, the nature of its business requires the utmost attention to the quality of its product. We have taken following measures to ensure resilience against the risk. • We have in place a strong Pharmacovigilance system through which all the stakeholders can access the adverse event / product complaint reporting form on the website of the Company or dedicated phone line and a dedicated mailbox. • The Pharmacovigilance department of the Company oversees monitoring and managing the safety of all our products throughout their lifespan, employing rigorous systems and procedures to ensure that manufacturing quality standards, GMP compliance, and other regulatory criteria are met. • Audits are conducted by the Quality Assurance department to ensure that our high-quality requirements are met. • Risks are sought to be managed by appropriate laboratory and clinical studies for each new product, compliance with Good Manufacturing Practices and independent quality assurance systems.	Negative
		Innovation: Strengthening R&D pipeline	Opportunity	Innovation and R&D play an important role in determining the long-term success of our Company. The cutting-edge research includes developing new processes for known APIs and developing value-added and differentiated formulations including complex generics. These developments come out as the differentiators for the Company, and thus, leads to an increase in revenues as well. We have committed to invest dedicatedly to tap opportunities and introduce new therapies, medical benefits, and formulations across the globe.		Positive

26	Overview of the entity's material responsible business conduct issues	Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
		Water and wastewater management	Risk	There is a great degree of dependency on uninterrupted supply of water for continued operations. Therefore, water management becomes crucial for the Company's operations. With changing climate and drought like conditions, water availability is increasingly becoming a risk across different geographies. Secondly, wastewater management is highly crucial for pharmaceutical industry. The presence of pharmaceutical compounds in the environment is recognised as emerging micro pollutants in aquatic environment, which can indirectly impact human and animal health. If not managed properly, it can lead to a high level of ecological risk.	The Company is not only adhering to the statutory criteria set forth by the Central Ground Water Authority, but it is also taking responsibility for reducing use through effective recycling. Water recycling systems are in place in water-stressed locations such as Pithampur manufacturing facility and R&D centre. The water efficient designs limit the amount of water that can be utilised in different operations. Water usage monitoring across units enables us to strategise the reduction efforts. We also make certain that our effluents are treated properly before being reused or discharged. At our manufacturing facilities, we have a high-tech ETP and a three-stage effluent recycling RO system. For more information, please refer to Natural Capital section of the Integrated Report.	Negative
		Energy efficiency and renewable energy	Opportunity	Renewable energy is expanding at a quicker rate than it has ever been before. The cost of renewable energy has dropped dramatically because of increased government support and continued research and development. Energy efficiency also serves as a major opportunity to reduce operational costs in the long term and is also one of the decarbonisation levers for our Company. For more information, please refer to Natural Capital section of the Integrated Report.		Positive
		Employee engagement, safety and well-being	Opportunity	Employees are our biggest assets. Robust employee engagement, safety, and well-being drives enhanced productivity for the Company. This material aspect is therefore an opportunity to integrate employees' views in the core functioning of the Company, while ensuring employee satisfaction and safety in each process.		Positive

26	Overview of the entity's material responsible business conduct issues	Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
		Equality	Opportunity	Investing in equality and diversity brings numerous benefits to the Company. From bringing skills to the team, respecting each employee's rights, promoting innovation and diverse views, enhancing a Company's reputation, and promoting new talent. We believe in giving equal opportunities to everyone irrespective of caste, gender, color, religion or any other bias.		Positive
		Ethics and business integrity	Risk	Torrent Pharma is a global Company with millions of stakeholders. Any ethical and business integrity breach can hamper the Company's credibility, employee morale and may result in significant fines and financial loss.	We have zero tolerance for any ethical and business integrity breach within the Company. The principles enshrined in the Company's Code of Business Conduct guide the work culture in terms of ethics and law. The Code in a real sense promotes honesty, trust, accountability and transparency. It establishes key corporate and organisational ideals that influence the value system and business operations. Every new employee receives a Code of Business Conduct orientation at the time of joining, ensuring that they fully comprehend, embrace, and adapt to the Code. Its implementation and adherence are aided by a powerful vigil mechanism that monitors deviations or disrespect in any form.	Negative
		Adherence to laws	Risk	Torrent Pharma operates in various territories and markets, each having its own regulatory landscape, which continuously evolves changes, and undergoes increased scrutiny from the regulators. Any non-compliance with regulations or scrutiny process can result in dilution of financial position or jeopardize the Company's reputation.	Regulatory risks are managed through a strong governance mechanism based on the philosophy of 'zero tolerance to non-compliance'. This is implemented through: • Assessment of regulatory and compliance requirements on regular basis • Robust internal controls • Compliance management systems and continuous monitoring • Internal communication and training on the ethics standards and compliance systems • Independent assessments and audits • Monitoring of Legal and regulatory compliance by Senior management and the Board	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

P1	Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment
P7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Policy and Management Processes									
1	**a. Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs. (Yes / No)**	Yes						NA	Yes	
	b. Has the policy been approved by the Board? (Yes / No)	The policies have been either approved by the Board or senior functional head authorised by the Board in this respect.								
	c. Web Link of the Policies, if available	Yes. All polices which are required to be disclosed under various governing regulations have been placed on the website **www.torrentpharma.com**								
2	**Whether the entity has translated the policy into procedures. (Yes / No)**	Yes						NA	Yes	
3	**Do the enlisted policies extend to your value chain partners? (Yes / No)**	Yes						NA	Yes	
4	**Name of the national and international codes / certifications / labels / standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.**	• Our ERM Framework is aligned with COSO Framework • Our product quality is aligned with GxPs (Good Laboratory Practices, Good Manufacturing Practices and Good Clinical Practices) • The facilities and operational systems are strengthened with integration of ISO 14001:2015 and ISO 45001:2018 standards. • Our certain facilities are certified with ISO 50001 (Energy Management System). • Our Dahej manufacturing facility has received IGBC (Indian Green Building Council) silver certification. • Our Indrad and Dahej manufacturing facilities are certified with ISO 9001: 2015 (Quality Management System). • We have updated ISO 27001:2013 to ISO 27001:2022 (Information Security Management System) Certification for all information assets used for provision of IT support services for its identified locations.								
5	**Specific commitments, goals and targets set by the entity with defined timelines, if any.**	The Company has drawn up an ESG roadmap which lays down the key aspects of Sustainability including timelines for achieving the targets.								
6	**Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.**	The key performance targets are set, reviewed, and implemented as per the objectives taken. The Corporate Social Responsibility and Sustainability Committee reviews the progress periodically.								

	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Governance, Leadership and Oversight									
7	**Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.** Torrent Pharma strives to deliver accessible, affordable and high quality medicines that improves patient's well being and quality of life. Our Company is built on Core values viz Integrity, Passion for Excellence, Participative Decision Making, Concern for Society & Environment, Fairness with Care and Transparency. Therefore, sustainability is ingrained in our ethos, evident in our values and behaviour towards sustainability and stakeholders alike. The Company firmly believes that embracing sustainability is vital for addressing global challenges posed by climate change, resource depletion, social inequality and bio-diversity loss. We acknowledge the global climate challenge and are dedicated to reducing carbon emission and energy consumption. To this end we actively reduce our environmental footprint by enhancing energy efficiency, increasing renewable energy use and optimising resource efficiency. In FY 2024-25, we achieved a 32% reduction in Scope 1 and 2 emissions compared to the 2019–20 baseline and expanded Scope 3 emissions reporting to improve transparency across our value chain. We also focus on water conservation efforts such as recycling and Zero Liquid Discharge systems, complemented by waste management focused on reduction, reuse, recycling and recovery frameworks. We balance environmental stewardship, social responsibility, and strong governance to create lasting value for our stakeholders and communities. Our commitment to sustainability extends to our suppliers and contractors, ensuring that sustainable practices are integrated throughout our operations.									
8	**Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).**	**DIN-** 08174906 **Name-** Aman Mehta **Designation-** Whole-time Director **Telephone No:** 079-26599000 **Email Id:** **investorservices@torrentpharma.com**								
9	**Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.**	Yes. The Corporate Social Responsibility and Sustainability Committee supports the Board on all matters relating to Sustainability. The Committee inter-alia reviews the implementation progress of sustainability strategy along with its key performance indicators and defines action plan as may be appropriate from time to time to achieve the same.								

10. Details of Review of NGRBCs by the Company:

	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee	Frequency (Annually / Half yearly / Quarterly / Any other – please specify)
Performance against above policies and follow up action	Yes	On a regular basis
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes	On a need basis

11. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes / No). If yes, provide name of the agency

The processes and compliances are assessed by internal auditors and Statutory auditors, as applicable. On the regular basis, the policies are reviewed and updated by senior functional heads and approved by the management, Committees of Directors or Board.

Further Grant Thornton Bharat LLP ("GT") has been engaged to provide assurance on Torrent Pharma's Integrated Annual Report including Business Responsibility and Sustainability Report for FY 2024-25. As a part of their assurance process GT has reviewed the effectiveness of the policies related to BRSR Core.

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

With respect to Principle 7, the answer is "Not Applicable" as the Company does not have a separate policy on public advocacy. For advocacies related to pharma industry, the Company works through industry associations such as Indian Pharmaceutical Alliance (IPA), Indian Drug Manufacturing Association (IDMA) and others. For more information, please refer to Principle 7.

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Our Corporate Governance philosophy is built on three inviolable principles of TRANSPARENCY, INTEGRITY, and ACCOUNTABILITY. These principles guide our actions and helps us to build trust and long term relationship with our stakeholders and create long term sustainable value for them. Corporate Governance at the Company is driven by a robust framework of policies, procedures and Code of Business Conduct that guides its decision making and operational conduct. We ensure that both the Company and its employees conduct themselves in a manner that is efficient, ethical, accountable, and transparent at all levels. By embedding ethical conduct, sustainability and responsible leadership into its governance framework, the Company reaffirms its commitment to creating a resilient, inclusive and future ready Organization.

Our Core Values, which we believe in and constantly strive to build are Integrity, Passion for Excellence, Participative Decision Making, Concern for Society & Environment, Fairness with Care and Transparency.

Each of these Timeless Values, a Pillar of Strength, ENSURES OUR LONGEVITY.

INTEGRITY: When Truth is Paramount

Thoughts and actions entail doing the right thing at all times and in all circumstances; whether or not anyone is watching. This requires inner courage and conviction, no matter what the consequences are. It is honouring one's commitments and being accountable for one's actions, end-to-end.

PASSION FOR EXCELLENCE: When best is not enough

Passion for excellence means not doing extra-ordinary things, but doing ordinary things in all pursuits exceedingly well. Passion and excellence are forces that fuel each other on the exclusive path to leadership. As we are what we repeatedly do, excellence then is not an act, but a habit.

PARTICIPATIVE DECISION MAKING: Involvement that engenders effectiveness

An ideal organisation facilitates participation and involvement of each of its members in various decision making processes, thus ensuring their commitment to such decisions as well as its outcome. It provides a platform for seeking and nurturing constructive ideas from individuals, teams and units which eventually yields exceptional results.

CONCERN FOR SOCIETY & ENVIRONMENT: When every smile matters

Concern for Society & Environment is a sense of responsibility and contribution to society that defines our existence. It entails making a difference in the quality of lives and environment surrounding us. It is important to encourage fellow-members on collective as well as individual basis to fulfil the responsibility of leaving behind a world rich in flora and fauna and rich in time tested values and ideals and above all rich in social fervour for our future generations.

FAIRNESS WITH CARE: Harnessing equality

Fairness and Care towards all fellow members are inextricably linked. Weaving the threads of equality, irrespective of caste, creed, religion and gender, into the day-to-day fabric, ensures fairness for each and every individual. Empathic care recognises needs and aspirations of all. Only such fairness and care eventually lead fellow members to the dawn of eternal success.

TRANSPARENCY: Openness that builds enduring trust

Transparency implies openness. It is the opposite of secrecy. It encourages more informed decision making and aids in creating enduring trust among all stakeholders.

Our Core values are aligned with the nine Principles of NGRBC.

At Torrent Pharma, we uphold the belief that robust governance practices are designed to ensure transparency, accountability, fairness, and responsibility in decision-making, thus contributing to the long-term sustainability of the Company and fostering trust among stakeholders. Inspired by the values of "INTEGRITY" and "TRANSPARENCY," we consistently maintain a high level of fairness in all our interactions with stakeholders.

The Board of Directors has established a Code of Business Conduct ("the Code"), which applies to all employees and Board Members of the Company. This Code outlines essential corporate ethical standards that shape our business practices and embody our cherished values. It offers guidance to employees in recognising and addressing significant ethical and legal issues, fostering a culture of honesty and accountability.

Furthermore, the Company has implemented a 'Whistle-blower Policy,' demonstrating our commitment to ethical standards, transparency, and accountability. This policy encourages stakeholders to report any instances of unethical behaviour, suspected fraud, or violations of the Company's Code of Business Conduct that could potentially harm the Company's operations, performance, or reputation

In order to protect investors' interest, we have adopted Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons.

The Related Party Transactions Policy of the Company provides the process for the approval of various types of Related Party Transactions (RPTs) and general principles governing RPTs. This brings necessary transparency in the RPTs and ensures that the transactions are fair and in compliance with the applicable laws and regulations.

The Policy on Materiality of Events or Information brings consistency in the disclosure of various events or information to the Stock Exchanges in accordance with the thresholds determined.

ESSENTIAL INDICATORS

1. **Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	12	The Directors of the Company at the time of their appointment are acquainted on the Company's Core Values, Code of Business Conduct and their roles and responsibilities as the director along with Company's operations / business and the industry in which it operates. Further at each meeting of the Board and Committees, the Directors and KMPs are apprised, inter alia, of the material developments in the Company & industry as a whole, material regulatory updates impacting the operations of the Company and key integrity matters that helps to reflect and focus on key strategies. During the year, various familiarisation programmes have been undertaken broadly covering the array of matters relating to Company's strategic plans, business regulations, regulatory changes, updates on CSR initiatives undertaken, Information Security, economy and environmental, social and governance parameters etc.	100%
Key Managerial Personnel	12		
Employees other than BOD & KMPs	1,938	At Torrent Pharma, we strongly believe in upskilling our employees by providing various functional as well as general training. We have identified various skills which are relevant to the employees and workers based on their work requirements. On joining, the employees and workers are oriented on various functional and non-functional aspects of the organisation. Detailed orientation programme is conducted on the Company's Core Values, Ethical Business Practices, Code of Business Conduct, Prohibition of Insider Trading Code and Organization's work culture. Further on the regular basis, along with functional aspects, they also undergo various training programmes on employee's wellbeing, Health & Safety, skill updating programmes, Whistle blower mechanism, Prevention of Sexual harassment at workplaces etc. Further details on training and development can be identified in 'Human Capital' section of Integrated Report	100%
Workers	1,610		100%

2. **Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators / law enforcement agencies / judicial institutions, in the financial year, in the following format. (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the Company's website)**

Monetary					
	NGRBC Principle	**Name of the regulatory / enforcement agencies / Judicial institutions**	**Amount (In ₹)**	**Brief of the case**	**Has appeal been preferred? (Yes / No)**
Penalty / Fine	Principle 1	Joint Commissioner of State Tax, Corporate Circle, Lucknow	3,88,809	The Order alleges difference in ITC received in current F.Y. but utilised in subsequent F.Y as disclosed in annual return (GSTR-9) and ITC availed on exempt supply made.	Yes
	Principle 1	Deputy Commissioner of State Tax, Ropar Division, Punjab	1,52,356	The Order alleges wrongful claim of Input Tax Credit (ITC) of GST by Torrent Pharmaceuticals Ltd. registered in for Punjab Location vide GSTIN No.03AAACT5456A1ZV for tax period Apr-18 to Mar-19.	Yes
	Principle 1	Deputy Commissioner State Tax, Special Circle-1, Kunchanapalli, Vijayawada, Andhra Pradesh.	538	The order alleges wrong availment of input tax credit in absence of document during FY 2018-19	No
	Principle 1	Deputy Commissioner of State Tax, Guwahati -A-99, Guwahati, Assam	3,39,842	The Order alleges excess claim of ITC under ISD and ITC availed on exempt supply made during FY 2018-19.	Yes
	Principle 1	Deputy Commissioner of State Tax Ghaziabad, Uttar Pradesh	20,000	The Order alleges 1. Outward supplies bearing HSN codes which are not a part of inward supplies. 2. Generation and later cancellation of Part-A of e-way bills by erstwhile Curatio Health Care (I) Private Limited ("Curatio") for tax period 2018-19. The Company had acquired Curatio in October 2022 which was subsequently merged into the Company.	Yes
	Principle 1	Sales Tax Officer Class II, AVATO, Ward 203, Zone -11, Delhi	10,81,477	The Order alleges 1. Under declaration of Output Tax from GSTR-1 vs GSTR-9 and E-way Bill 2. Excess claim of ITC under ISD, Exempt / Non-business supply and under declaration of ineligible credit along with ITC claimed from cancelled dealers, return defaulters & tax non-payers.	Yes
	Principle 1	National Pharmaceutical Pricing Authority, New Delhi	6,91,957	Notice alleges overcharging for 1 drug for the period January 2022 to April 2022	No
	Principle 1	State tax Officer, Royapettah Assessment Circle, Chennai	1,01,524	The Order alleges short payment of GST on outward supply and wrongful claim of Input tax credit of GST by Curatio Healthcare (I) Private Limited ("Curatio") for FY 2019-20. The Company acquired Curatio in October 2022 which was subsequently merged into the Company.	Yes
	Principle 1	Deputy Commissioner of State Tax, Patna Special, Bihar	42,088	The Order alleges excess claim of ITC under blocked credit and ITC availed on exempt supply made.	No
	Principle 1	Deputy Commissioner of State Tax, Ghaziabad, Uttar Pradesh	99,705	The Order alleges differences in value of outward E-way bill generated and total outward supply as per GST returns by erstwhile Curatio Health Care (I) Private Limited ("Curatio") for FY 2019-20. The Company acquired Curatio in October 2022 which was subsequently merged into the Company	No
	Principle 1	Sales Tax Officer Class II, AVATO, Ward 203, Zone -11, Delhi	1,36,738	The Order alleges 1) Non-reversal of ITC on account of exempt supplies as per Rule 42; 2) Non-reversal of ITC of ineligible blocked credit as per Section 17(5) 3) Non-reversal of ITC on account of ITC claimed from cancelled dealers, return defaulters & tax non-payers	Yes
	Principle 1	Deputy Director, National Pharmaceutical Pricing Authority, New Delhi	36,21,645	The Demand notice for launch of New drug wherein price approval was taken after the launch	No
	Principle 1	Director, National Pharmaceutical Pricing Authority, New Delhi	6,32,689	The Demand notice for launch of New drug wherein price approval was taken after the launch	No
	Principle 1	Assessment Unit, Income Tax Department	2,31,86,725	The order alleges penalty on certain tax adjustments (AY 13-14)	Yes
	Principle 1	Joint Commissioner of State Tax, Corporate Circle, Lucknow	20,96,197	The demand is raised in respect of alleged excess availment of ITC and alleged difference between B2B supply with Sale / Purchase register updated on Govt. Portal for the financial year 2020-21	*
	Principle 1	Assessment Unit, Income Tax Department	82,602	The order alleges penalty on certain tax adjustments. (AY 16-17)	Yes
	Principle 1	Assistant Commissioner of State Tax, Bhiwandi_605: Bhiwandi Raigad	20,000	The demand is raised in respect of alleged excess availment of ITC for the financial year 2020-21	*
	Principle 1	Superintendent of State Tax, Range-IV Dehradun	95,677	The demand is raised in respect of alleged excess availment of ITC for the financial year 2020-21	*
	Principle 1	Joint Commissioner of State Tax, Mohali Word, Punjab	20,000	The demand is raised in respect of alleged ITC availed on ineligible credit for the financial year 2020-21	No
	Principle 1	Office of Deputy Commissioner, Ghaziabad	20,000	The demand is raised in respect of alleged Generation Part-A of E-way bills and later discarded by Curatio Health Care (I) Private Limited for the financial year 2020-21. The Company acquired Curatio in October 2022 which was subsequently merged into the Company.	*
	Principle 1	Sales Tax Officer Class II / AVATO, Delhi State	40,000	The demand is raised in respect of alleged ITC availed on ineligible credit for the financial year 2020-21	No
	Principle 1	Assistant Commissioner of State Tax, Bihar State	4,80,441	The demand is raised in respect of alleged ITC availed on ineligible credit for the financial year 2020-21	*
Settlement	Nil				
Compounding fee					

* The Company may file an appeal with relevant authorities.

Non-Monetary				
	NGRBC Principle	**Name of the regulatory / enforcement agencies / Judicial institutions**	**Brief of the case**	**Has appeal been preferred? (Yes / No)**
Imprisonment	Nil			
Punishment				

3. **Of the instances disclosed in Question 2 above, details of the Appeal / Revision preferred in cases where monetary or non-monetary action has been appealed. –**

Case Details	Name of the Regulatory / enforcement agencies / judicial institutions
The Order alleges difference in ITC received in current F.Y. but utilised in subsequent F.Y as disclosed in annual return (GSTR-9) and ITC availed on exempt supply made.	Joint Commissioner / Commissioner (Appeal) under CGST Act 2017
The Order alleges wrongful claim of Input Tax Credit (ITC) of GST by Torrent Pharmaceuticals Ltd. registered in for Punjab Location vide GSTIN No.03AAACT5456A1ZV for tax period Apr-18 to Mar-19.	Joint Commissioner of State Tax (Appeal)
The Order alleges excess claim of ITC under ISD and ITC availed on exempt supply made during FY 2018-19.	Joint Commissioner / Commissioner (Appeal) under CGST Act 2017
The Order alleges 1. Outward supplies bearing HSN codes which are not a part of inward supplies. 2. Generation and later cancellation of Part-A of e-way bills by erstwhile Curatio Health Care (I) Private Limited ("Curatio") for tax period 2018-19. The Company had acquired Curatio in October 2022 which was subsequently merged into the Company.	Joint Commissioner / Commissioner (Appeal) under CGST Act 2017
The Order alleges 1. Under declaration of Output Tax from GSTR-1 vs GSTR-9 and E-way Bill 2. Excess claim of ITC under ISD, Exempt / Non-business supply and under declaration of ineligible credit along with ITC claimed from cancelled dealers, return defaulters & tax non-payers.	Joint Commissioner / Commissioner (Appeal) under CGST Act 2017
The Order alleges short payment of GST on outward supply and wrongful claim of Input tax credit of GST by Curatio Healthcare (I) Private Limited ("Curatio") for FY 2019-20. The Company acquired Curatio in October 2022 which was subsequently merged into the Company.	Deputy Commissioner of State Tax (Appeal)
The Order alleges 1) Non-reversal of ITC on account of exempt supplies as per Rule 42; 2) Non-reversal of ITC of ineligible blocked credit as per Section 17(5) 3) Non-reversal of ITC on account of ITC claimed from cancelled dealers, return defaulters & tax non-payers	Joint Commissioner / Commissioner (Appeal) under CGST Act 2017
The order alleges penalty on certain tax adjustments (AY 13-14)	CIT (Appeal)
The order alleges penalty on certain tax adjustments. (AY 16-17)	CIT (Appeal)

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

The Code of Business Conduct and Whistle Blower Policy adopted by the Company are in line with the legal and statutory framework on anti-bribery and anti-corruption in India. For further details, please refer preamble to Principle 1

5. **Number of Directors / KMPs / employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption:**

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Directors	Nil	Ni
KMPs		
Employees		
Workers		

6. **Details of complaints with regard to conflict of interest:**

	FY 2024-25 (Current Financial Year)		FY 2023-24 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the Directors	Nil		Nil	
Number of complaints received in relation to issues of conflict of interest of the KMPs				

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable

8. **Number of days of accounts payables ((Accounts payable *365) / Cost of goods / services procured)**

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)*
Number of days of accounts payables	67	71

*The financial figures for FY 2023-24 have been restated in accordance with Industry Standards note for BRSR Core. Number of days of accounts payable disclosed in BRSR for FY 2023-24 was 87 Days.

9. **Open-ness of business**

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties:

Parameter	Metrics	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Concentration of Purchases#	a. Purchases from trading houses as % of total Purchases	17%	9%
	b. Number of trading houses where purchases are made from	850+	130+
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	51%	69%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	74%	74%
	b. Number of dealers / distributors to whom sales are made	5700+	5700+
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	9%	9%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	*	*
	b. Sales (Sales to related parties / Total Sales)	24%	22%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0%	0%
	d. Investments (Investments in related parties / Total Investments made)	89%	100%

#Total purchases for FY 2023-24 includes raw material, packing material and trading goods. Data for FY 2024-25 is compiled based on Industry standard note on BRSR core, accordingly total purchases includes raw material, packing material, trading goods, stores, laboratory chemicals and capital expenditure. We have also reassessed number of trading houses. Hence, data for current year is not comparable with previous year.

* There are no purchases from related party of raw material, packing material and stock in trade

LEADERSHIP INDICATORS

1. **Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

Torrent Pharma is moving rapidly with respect to sustainable capacity building of all our stakeholders. We believe our suppliers play a critical role in our Business Responsibility and Sustainability agenda. We have taken on the responsibility for sensitising and encouraging our vendors to follow the path of sustainability. The Company has created supplier criteria to ensure that their goals and missions are aligned with its own. We have a strong emphasis on ESG factors in addition to general competences, finances, and capacity. Further, during the reporting year, a lot of attention was devoted to operations and procedures in order to reduce waste and make processes more energy efficient and we have also advanced the procurement process this year by ensuring that we work with environmentally and socially responsible vendors. For further details on our supplier engagement please refer to 'Manufactured Capital' section of Integrated Reporting.

2. Does the entity have processes in place to avoid / manage conflict of interests involving members of the Board? (Yes / No) If Yes, provide details of the same.

Yes. We have a Code of Business Conduct ("Code") for the Directors and Senior Management to ensure that they exercise the utmost care when engaging in any transaction that may conflict with the interest of the Company, either directly or indirectly. The Code covers the issues on Integrity, Gifts, Conflict of Interest, Legal compliance, Respect for people, Environmental commitment, Safety, Confidential & Proprietary Information, Financial Information, Company assets, Computer Network use & Security, Records maintenance and Management.

The Code adopted by the Company has been posted on the website of the Company. The members of the Board and Senior Management of the Company submit their affirmation on the compliance with the Code on an annual basis.

Designated Persons, whether dealing in personal or official capacity, are expected to avoid activities, agreements, positions, business investments or interests, and other situations that are in conflict or appear conflicting with interests of the Company or that may interfere with the discharge of their duties to the Company.

We, therefore, ensure 100% compliance to Code which ensures zero conflict of interest.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

The Company's core value "PASSION for EXCELLENCE" demonstrates its commitment to focus on Drug Product quality and patient safety. The Company is committed to delivering high quality medicines to patients worldwide, prioritizing both qualitative and quantitative aspects through robust manufacturing technologies and facilities. This underscores our commitment to delivering sustainable and secure products and services.

ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	Details of improvements in environmental and social impacts
R&D	3.75%	3.86%	R&D investments pertains to spending on various projects focused on improving the environmental and / or social impacts of our products and processes.
Capex	2.20%	5.00%	**FY 2024-25** • Commissioned Solar roof top system at Dahej manufacturing facility which lead to substantial generation of green energy and thereby reducing environmental impact / carbon footprint compared to previous financial year in Scope -2 emission. • Installed new energy efficient Centrifuge Chiller at Indrad manufacturing facility and Electric Blowers at Bileshwarpura manufacturing facility which resulted into energy conservation. • Purchased Electric Forklift at Baddi manufacturing facility and Electic loading Vehicle at Dahej manufacturing facility which reduces the consumption of Fossil fuel. • Installed tubular type diffuser system in ETP at Indrad Manufacturing facility to reduce energy consumption and carbon emission. • Installed heat pump system at R&D Centre which results in reduction of steam generation cost and carbon emissions. **FY 2023-24** • Commissioned Agro waste based (In briquette form) boiler at Indrad, Baddi and Dahej manufacturing facilities which led to substantial reduction in fossil fuel consumption and thereby significantly reducing environmental impact / carbon footprint compared to previous financial year in Scope-1 emission. • Installation of Heat pumps at Dahej manufacturing facility which results in reduction of steam generation cost and carbon emissions.

2. Does the entity have procedures in place for sustainable sourcing? (Yes / No). If yes, what percentage of inputs were sourced sustainably?

Torrent Pharma is on an ESG Transforming journey, and it believes supplier collaboration as crucial to doubling its effect. We have initiated sensitising and encouraging our vendors to follow the road of sustainability with the goal of driving sustainable behaviour beyond their manufacturing facilities. Keeping in mind the best interests of the patients, the Company endeavours to work with responsible suppliers who adhere to the uniform quality, social and environmental standards as Torrent Pharma.

We have standard operating procedures for the evaluation and selection of our vendors for sourcing of material. This includes the evaluation of the EHS resources and their compliance by suppliers and vendors for key raw materials / APIs and intermediates. We have system of identifying and / or developing alternate vendors where single vendor is considered critical for business continuity. For further details please refer to 'Manufactured Capital' section of Integrated report.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) Other waste.

Product		Process to safely reclaim the product
a.	Plastics (including packaging)	Under the Plastic Waste Management Rules, 2016, the Company is registered as a Brand Owner with Central Pollution Control Board (CPCB). Pursuant to this, 2,089 MT per annum equivalent quantity of plastic waste was collected from PAN India during the year under review and recycled and co-processed in cement industries. The Company is fully compliant with the Plastic Waste Management Rules as applicable.
b.	E-Waste	9.06 MT E-waste is disposed off through registered recycler.
c.	Hazardous Waste	Hazardous waste is disposed off through pre-processing, co-processing, incineration, landfill and by selling to authorised re-cycling & decontamination facility of registered recyclers. Expired / near expiry / rejected medicines are taken back from the distributors and disposed off (co-processed) in cement plants like other hazardous waste.
d.	Other Waste	Bio-medical waste is disposed off through Common Bio-medical Waste Treatment and Disposal Facility (CBWTF) incinerator.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, EPR is applicable to the Company's activities and the waste collection plan is in line with the EPR action plan submitted to Central Pollution Control Board (CPCB). The usage of plastic for packaging the finished product is as per norms as laid down by the Pollution Control Board. Further the process is in place for receipt and disposal of plastic and is in line with the applicable Statutory regulations.

LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product / Service	% of total turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by Independent external agency (Yes / No)	Results communicated in public domain (Yes / No). If yes, provide the web link
21009	Piribedil	NA (Only for Captive Consumption)	Cradle to Gate	No	Not applicable

2. **If there are any significant social or environmental concerns and / or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product / Service	Description of the risk / concern	Action taken
Piribedil	Not Applicable	No Action required as changes have positive impact on Environmental concerns. Process improvement done with adhering quality compliance by improving efficiency (1.6 x molar yield) along with atom efficiency increased by 2.5 x and reduction in E factor by 71 % & process cycle time by 50 %.

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate Input Material	Recycled or re-used input material to total material	
	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Solvent in API Process	73%	0

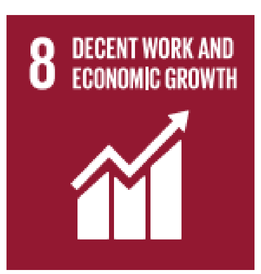
4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Reused	Recycled	Safely Disposed	Reused	Recycled	Safely Disposed
Plastics (including packaging)	-	1,130.00	959.00	-	529.00	1,082.00
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	439.84	-	-	382.60
Other waste	-	-	-	-	-	-

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Plastic Packaging	100% (As per applicable statutory norms)

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains



At Torrent Pharma, the Company places utmost importance on the health and wellbeing of its employees, evident in its core principles. We are dedicated to fostering a work environment that prioritises employee safety, promotes equality, and offers diverse and supportive opportunities. These values are encapsulated in our core tenets of "FAIRNESS WITH CARE" and "PARTICIPATIVE DECISION MAKING". Employees, business teams, vendors, and other stakeholders are supported and encouraged to adhere to best practices for human safety and the maintenance of safe working environments

ESSENTIAL INDICATORS

1. **a. Details of measures for the well-being of employees:**

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B / A)	No. (C)	%(C / A)	No.(D)	%(D / A)	No. (E)	%(E / A)	No. (F)	%(F / A)
Permanent Employees											
Male	14,067	14,066	100%	14,067	100%	0	0%	17^	0%	17^	0%
Female	1,274	1,272	100%	1,274	100%	1,274	100%	0	0%	1,012	79%
Total	**15,341**	**15,338**	**100%**	**15,341**	**100%**	**1,274**	**8%**	**17**	**0%**	**1,029**	**7%**
Other than Permanent Employees											
Male	208	208	100%	208	100%	0	0%	0	0%	0	0%
Female	14	14	100%	14	100%	14	100%	0	0%	14	100%
Total	**222**	**222**	**100%**	**222**	**100%**	**14**	**6%**	**0**	**0%**	**14**	**6%**

^ Paternity benefits and Day Care Facilities provided by the Government

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B / A)	No. (C)	%(C / A)	No.(D)	%(D / A)	No. (E)	%(E / A)	No. (F)	%(F / A)
Permanent Workers											
Male	517	517	100%	517	100%	0	0%	0	0%	0	0%
Female	27	27	100%	27	100%	27	100%	0	0%	27	100%
Total	**544**	**544**	**100%**	**544**	**100%**	**27**	**5%**	**0**	**0%**	**27**	**5%**
Other than Permanent Workers											
Male	2,240	2,240	100%	2,240	100%	0	0%	0	0%	0	0%
Female	442	442	100%	442	100%	442	100%	0	0%	437	99%
Total	**2,682**	**2,682**	**100%**	**2,682**	**100%**	**442**	**16%**	**0**	**0%**	**437**	**16%**

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the Company	0.37%	0.42%

2. **Details of retirement benefits, for Current and Previous Financial Year:**

Sr. No.	Benefits	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y / N / N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y / N / N.A.)
1	PF	100%	100%	Y	100%	100%	Y
2	Gratuity	100%	100%	Y	100%	100%	Y
3	ESI*	7%	48%	Y	10%	43%	Y
4	Others-Superannuation	42%	NA	Y	42%	NA	Y

*Those not covered under ESI, are covered through group Mediclaim policy.

3. **Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

At Torrent Pharma, we ensure disability inclusion in a holistic manner basis which the Company ensures that appropriate infrastructural facilities and amenities are provided to employees and workers with disabilities to enable them to discharge their duties safely and effectively in the Company premises. Our facilities are equipped with the necessary infrastructure to ensure accessibility and inclusivity for differently abled staff, in accordance with the provisions of the Rights of Persons with Disabilities Act, 2016

Accordingly , all employees and workers with disability are provided resources necessary for smooth functioning and create an inclusive environment.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Torrent Pharma cultivates an inclusive work culture and upholds a discrimination-free environment for all its employees, an intrinsic aspect of its Human Rights Policy. Aligned with our core values, we embrace diversity principles and uphold a zero-tolerance policy against discrimination based on race, gender, religion / beliefs, disability, marital or civil partnership status, age, sexual orientation, gender identity, gender expression, caring responsibilities, or any other protected class as defined by the country's laws. The said Policy is available on the website of the Company **www.torrentpharma.com**.

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Return to work rate	Retention Rate
Permanent Employees		
Male	NA	NA
Female	88.89%	80%
Total	**88.89%**	**80%**
Permanent Workers		
Male	NA	NA
Female	--	100%
Total	**--**	**100%**

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.**

	Yes / No (If yes, then give details of the mechanism in brief)
Permanent Workers Other than Permanent Workers Permanent Employees Other than Permanent Employees	At Torrent Pharma, we value our employees and believe that Torrent's success is an outcome of the collective contribution of all our employees. We have in place an appropriate grievance redressal mechanism wherein employees can directly report their concerns to their Head of Department, HR head or any members of Senior management. We have a Worker's Union for shop floor personnel, where their issues are addressed. We also have an Open-Door Policy / Whistleblower Policy for all employees.

7. **Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	%(D / C)
Permanent Employees						
Male	14,067	0	0%	12,902	0	0%
Female	1,274	0	0%	1,164	0	0%
Total	**15,341**	**0**	**0%**	**14,066**	**0**	**0%**
Permanent Workers						
Male	517	517	100%	535	535	100%
Female	27	27	100%	30	30	100%
Total	**544**	**544**	**100%**	**565**	**565**	**100%**

8. **Details of training given to employees and workers:**

a. **Details of Skill training given to employees and workers.**

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who received Skill Training (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who received Skill Training (D)	%(D / C)
Employees						
Male	14,275	14,270	100%	13,168	8,187	62%
Female	1,288	1,271	99%	1,183	992	84%
Total	**15,563**	**15,541**	**100%**	**14,351**	**9,179**	**64%**
Workers						
Male	2,757	2,716	99%	2,463	2,429	99%
Female	469	466	99%	457	457	100%
Total	**3,226**	**3,182**	**99%**	**2,920**	**2,886**	**99%**

b. **Details of training on Health and Safety given to employees and workers.**

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who received training on Health and Safety (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who received training on Health and Safety (D)	%(D / C)
Employees						
Male	14,275	14,259	100%	13,168	13,149	100%
Female	1,288	1,255	97%	1,183	1,147	97%
Total	**15,563**	**15,514**	**100%**	**14,351**	**14,296**	**100%**
Workers						
Male	2,757	2,716	99%	2,463	2,463	100%
Female	469	466	99%	457	457	100%
Total	**3,226**	**3,182**	**99%**	**2,920**	**2,920**	**100%**

9. Details of performance and career development reviews of employees and worker:

Over the year, the line managers regularly review and discusses possible improvements on the current performance and ensure the goals of the department are achieved. These interactions aid in aligning the employee's contributions to overall business needs. The goal of Performance Enhancement Program is to gain a better understanding of an employee's strengths and weaknesses, provide constructive feedback for future skill development and assist with Goal Planning. During the Annual Performance Management exercise, every employee is subjected to the annual performance evaluation process.

We have an inbuilt robust tool for ensuring the conduct of Performance Appraisal process in a fair and impartial manner. A strong in-built mechanism ensures that the Performance Appraisal process is conducted in a fair and impartial manner. The process is comparable across all the Torrent Group's entities and is initiated by the Group HR across the companies. The Annual Performance Review comprises the following features:

1. Informing all employees of the Annual Performance Appraisal process
2. Ensure the performance review is conducted as per the defined process
3. Every employee is evaluated based on the set targets and defined competencies and accordingly scores are awarded. Weightage is also given for employee's contribution to specific projects.
4. Later the appraisal tool normalises the scores and based on the normalised score increment is awarded

With regards to workers in manufacturing facilities, we have Wage settlement in place and increments are given to the workers as per the Agreement signed.

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	14,275	10,763	75%	13,168	9,899	75%
Female	1,288	760	59%	1,183	760	64%
Total	**15,563**	**11,523**	**74%**	**14,351**	**10,659**	**74%**
Workers						
Male	517	517	100%	535	535	100%
Female	27	27	100%	30	30	100%
Total	**544**	**544**	**100%**	**565**	**565**	**100%**

Note: Out of 15,563 employees, 11,523 employees were eligible for performance and career development reviews during the year.

10. Health and safety management system:

All the major manufacturing facilities of the Company are certified for ISO 45001: 2018. The Company prioritises the health, safety, and wellness of all its employees above all. The Company is dedicated to establishing a secure and healthy work environment for every employee throughout the Organization. Our Environmental Health and Safety (EHS) function operates effectively under a well-defined EHS Policy, uniformly applied across all our manufacturing facilities, Corporate Offices, and R&D Centre. Our contractors benefit from comprehensive coverage through various Health, Safety, and Environment (HSE) initiatives. Continual improvement in Health, Safety, Environment, and Sustainability involves a proactive, ongoing process of identifying and implementing improvements to enhance performance, reduce risks, and promote a culture of safety and sustainability. Accordingly, the Company has revamped the HSE policy during the year. We prioritise safety, health and environmental responsibility through our comprehensive HSE Policy which is aligned with legal regulations and ISO standards.

We have following measures in place to create a safe working environment for our employees and to address work related hazards:

- Near misses and incidents are frequently eliminated through routine safety inspections.
- The department head issues a permit to work system for non-routine activities and critical works for a set length of time.
- Internal audits are carried out by internal professionals to guarantee that safe practises are best implemented.

- External audits are conducted by subject experts in order to ensure safe practices.
- Every essential process undergoes HAZOP studies, which include hazard identification and risk assessment by departmental activity.

We have the system of incident reporting which allows us to keep track of any incidents that occur at any location and based on such reporting Corrective Action and Preventive Action ('CAPA') / Learning from Incident ('LFI') reporting is issued to all the concerned persons, which help us to prevent re-occurrence of similar incidents in future.

We have full-time doctor(s) at all our manufacturing facilities, who attend to any medical issues that arise. Employees and their immediate families have medical insurance or are covered under ESI benefits that covers hospitalisation costs in the event of an accident or other unforeseen medical emergencies.

11. Details of safety related incidents, in the following format:

Safety Incident / Number	Category	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees and Workers	0.05	0.15
Total recordable work-related injuries	Employees	0	2
	Workers	1	1
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

Note: Includes figures of industrial premises only

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company has implemented following best practices to ensure a safe and healthy workplace:

1. Workforce are proactively engaged and involved in aspects related to their safety and wellbeing. The workforce is encouraged to report workplace related near-misses, unsafe acts and unsafe conditions in HSE portal.
2. Standard Operating Procedures are available and also accessible in local language which systematically addresses the identification of hazards at the workplace, communication of the risks and also the application of controls to prevent and mitigate these risks.
3. The workforce undergoes an induction before starting work so that they are familiarised with the work processes, safety rules and also the hazards and the related controls in their respective tasks.
4. Established a robust process for hazard identification and risk assessment for tasks that may pose a risk, and puts in place control measures to mitigate the identified risks.
5. The workforce are continuously involved in analysis of workplace conditions in an effort to identify and eliminate potential or existing hazards, this ensures they are aware of the hazards for each job and process and the role that they have in controlling the hazard.

13. Number of Complaints on the Working Conditions and Health & Safety made by employees and workers:

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	Nil					
Health & Safety						

14. **Assessments for the year:**

Topic	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	

15. **Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

We have implemented various activities as proactive measures and risk assessments such as:

- The Company has established inhouse HSE portal which is used to manage reporting, investigating root cause, Corrective action and preventive action of each safety related incidents across all its manufacturing facilities.
- Safety related incidents of all manufacturing facilities are investigated and tracked to closure.
- This ensures we learn from investigations and take preventive actions across the Organization.

LEADERSHIP INDICATORS

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y / N) (B) Workers (Y / N).**

The Company extend the benefit of medical insurance and Group Personal Accident Policy for all its employees. Further, the Company has in place the Conviction of Safety Policy which substantially compensates the employees who have been adversely affected by accident and the unfortunate event of Death or Permanent / Temporary disablement. The Company also has in place a policy on financial support that compensates on the event of demise. Benefits like provident fund, extended gratuity payment and superannuation are settled on a priority basis.

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

At Torrent Pharma, we always adhere to the regulatory and applicable compliance with numerous laws. We ensure that our value chain partners also follow relevant compliance, and it is an essential part of the contract agreed with the service provider. We also collect previous month deposit challans before releasing money to the service provider for statutory payments.

3. **Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees / workers		No. of employees / workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Employees	Nil			
Workers				

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes / No).**

For employees who are about to get retired, we offer them retirement planning advice. Also, we provide 4-6 weeks' time to an employee who is transferred internally so that they get adequate time to adapt to the change.

5. **Details on assessment of value chain partners:**

Topic	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100% All LLM sites were audited according to a set of guidelines.
Working Conditions	

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

No significant risks / concerns were observed owing to extreme vigilance and efforts put on health and safety within the Company.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

At Torrent Pharma, we acknowledge the significance of fostering trust and cultivating robust relationships with our Stakeholders. This includes Patients, Channel Partners, Suppliers, Health Care Professionals, Government and Regulators, Industry Associations, Investors and Shareholders, Communities, and Employees. The Company deploys diverse mechanisms to engage with key stakeholder groups and gather feedback at need based frequencies. This open and transparent approach forges enduring ties and gives stakeholders a clear view of its ongoing activities and future course of action. We have always prioritised partnering with our stakeholders and sharing the benefits of socio-economic progress. These measures are integral to our business continuity, transparency, and sustainability agenda.

ESSENTIAL INDICATORS

1. **Describe the processes for identifying key stakeholder groups of the entity:**

At Torrent Pharma, we believe that establishing robust relationship with stakeholders across the value chain drives informed decision making leading to its value creation process and sustainability. The Company has identified key stakeholders based on those who are impacted and those who have a significant impact on the business as part of stakeholder's engagement and materiality assessment exercise. Consequently it engages continuously with the identified stakeholder groups throughout the year.

For further details on stakeholder identification, please refer to 'Stakeholder Engagement' section of our Integrated Report.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:**

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes / No)	Channels of communication	Frequency of engagement	Purpose and scope of engagement
Patients	No	• Website • Clinical studies • Pharmacovigilance	Need Basis	Patients are the ultimate customers of Torrent Pharma. The Company interacts with patients proactively to understand the end users' expectations in terms of timely delivery of quality products at an affordable price range.
Channel Partners	No	• Meetings • Field visits • Digital Communication	Need Basis	Channel partners play an important role in the distribution of products across different geographies and ensure accessibility of products to Patients. We interact with them to discuss product distribution strategies and monitor the operations on a regular basis.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes / No)	Channels of communication	Frequency of engagement	Purpose and scope of engagement
Suppliers	No	• Meetings • Supplier audit • Facility visits	Need Basis	Suppliers are contacted regularly to ensure material quality, safety and timely availability amongst other critical services to ensure continuity of business operations. We also connect for supplier training, audits on operational and sustainability matters.
Healthcare Professionals	No	• Meetings • Conferences • Seminars • Field visits • CME events	Need Basis	Healthcare professionals act as a link between patients and our products. They are the direct representatives of our medicines and thus, we interact with them to understand market outlook, patient demands, patient's reviews, and their feedback including any adverse event reporting, if any.
Government and Regulators	No	• Meetings • Conferences • Facility visits • Official Communications • Statutory Publications	Need Basis	Policies and regulatory changes impact operations as well as provide opportunities. Strict compliance with the laws and regulations together with ethical business conduct is crucial for business viability. In the fast-changing world of sustainability related regulations and laws, we interact with Government and Regulators to deep dive into requirements for our Company, and pharmaceutical sector in general.
Industry Associations	No	• Industry Conferences • Representations on policy matters	Need Basis	Public policy advocacy and awareness on our contribution to society are major topics of discussions with industry associations. We also share the best-case practices for cumulative development of pharmaceutical industry.
Shareholders and Investors	No	• Earning calls • Meetings • Investor Conferences • AGM • Website	Quarterly	Shareholders and Investors forms an integral part of the Stakeholder group, influencing decisions of the Company. We believe in maintaining financial transparency with our investors and shareholders. We share quarterly financial results through our website regularly and connect with our investors to understand their expectations & grievances and perform consultations on ESG topics amongst other topics.
Communities	Yes	• Interactions through CSR initiatives	Carried out continually throughout the year	The Company strives to create positive impact on the local communities where it operates. Being a responsible corporate citizen, we believe in "Giving back to the society, for all the years of care, support and nurturance that have been bestowed upon the organisation". Starting from community need assessments, grievance resolution to having extensive CSR programs, we contribute towards community development through our foundation. The Company fulfils its manpower requirement by employing the people from the nearby location where it has its business operation to the extent possible.
Employees	No	• Senior management interactions • HR Communications • Engagement Programme	Need basis	The Company believes that employees are its greatest asset(s) who help augment the growth and success. We interact with our employees every day, since they are the pillar of our reputation, our functioning and are the torchbearers of the Company in future. Employee engagement, training, grievance redressal, feedbacks, consultations are major reasons of our interactions.

LEADERSHIP INDICATORS

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Engagement and dialogue enable us to understand the needs and views of stakeholders.

In recent years, we have gathered opinions and insights from all replace it with the stakeholders that had an influence on the organisation's material topics. The input of stakeholder were used to determine topics that are material to the Company. The outcome of that materiality exercise was translated into an Integrated Strategy for the Company using various other global standards and requirements. This strategy framework was further detailed including specific sustainability focus, pillars, goals and targets.

Apart from this recent exercise, we believe in consultations with our stakeholders on sustainability to implement our major initiatives. Many of the engagements take place during the routine course of business, in day-to-day interactions with the stakeholders. Engagements on sustainability includes sensitising suppliers towards sustainability, receiving product feedbacks in terms of safety from healthcare professionals and patients, undertaking hundreds of sustainability initiatives and volunteering programs with employees and increasing healthcare accessibility with channel partners amongst other things. Also, the Board interacts with Senior management personnel of the Company on various matters relating to the above.

Meaningful output from these discussions is channelled to the respective departmental heads, which are further taken to senior management and the Board if required.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Torrent Pharma conducted a detailed materiality assessment by gathering opinions and insights from all its stakeholders. It assessed the impact of environmental, social, governance and economic issues, critical for long-term viability and sustainability of the organisation. This evaluation helped in identifying and prioritising the issues that were most important to the sustainability of our business and value creation.

Thus, with our materiality exercise we understood our stakeholder priorities and areas of concerns. These inputs were mathematically analysed to develop our ESG Materiality Matrix, our Integrated Strategy and Roadmap.

3. Provide details of instances of engagement with and actions taken to, address the concerns of vulnerable / marginalised stakeholder groups.

Vulnerable or marginalised stakeholders are identified by the Company based on gender, caste, age, Occupation and Persons with disabilities. A portion of our resources and activities are channelled towards enabling meaningful social, ethical, and environmental impact. We believe in the development of vulnerable and marginalised groups around our premises and operational areas. We conduct community need assessments to identify the needs of the communities every year.

The Company engages with vulnerable or marginalised stakeholders through the CSR outreach programmes. As a part of Corporate Social Responsibility philosophy, the Company strives to positively impact communities in three thrust areas of Community Healthcare, Sanitation & Hygiene, Education & Knowledge Enhancement and Social Care & Concern. Through these projects, we are committed to working towards enhancing the access to quality healthcare, to improve the lives of the people across communities and promote welfare of the underprivileged segments. For more information on our CSR activities, please refer to 'Social and Relationship Capital' section of Integrated Report.

PRINCIPLE 5: Businesses should respect and promote human rights

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

At Torrent Pharma, we believe in integrating the aspects of Human Rights into all our operations and functions.. As part of our commitment, we have in place several policies including structured Human rights Policy and initiative to ensure that our practices align with international human rights standards.

Right to life and health, Right to Education, Prohibition of Child Labour, Elimination of All Forms of Discrimination, Equal Rights of Women in Relation to Employment, Right to Equality and Non-discrimination are the various Human Rights amongst others that Torrent Pharma supports and promotes.

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity:

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	15,341	15,109	98%	14,066	13,945	99%
Other than Permanent	222	214	96%	285	285	100%
Total	**15,563**	**15,323**	**98%**	**14,351**	**14,230**	**99%**
Workers						
Permanent	544	544	100%	565	565	100%
Other than Permanent	2,682	Refer Note (1)		2,355	Refer Note (1)	
Total	**3,226**			**2,920**		

Note 1: Workers are provided several training on different topics of Human rights. They are made aware of the Company's Code of Business Conduct, various HR Policies etc. Further several informal discussions are held with workers by their functional head to make them aware about the Human rights. Such sessions are currently not tracked. Further, the Code of Business Conduct is available for reference on the Company's website and on the Company's intranet portal. They are expected to read and understand this Code, uphold these standards in day-to-day activities, and comply with all applicable laws, rules and regulations, and all applicable policies and procedures adopted by the Company.

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2024-25 (Current Financial Year)					FY 2023-24 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent										
Male	14,067	129	1%	13,938	99%	12,902	260	2%	12,642	98%
Female	1,274	52	4%	1,222	96%	1,164	78	7%	1,086	93%
Total	**15,341**	**181**	**1%**	**15,160**	**99%**	**14,066**	**338**	**2%**	**13,728**	**98%**
Other than Permanent										
Male	208	16	8%	192	92%	266	119	45%	147	55%
Female	14	2	14%	12	86%	19	5	26%	14	74%
Total	**222**	**18**	**8%**	**204**	**92%**	**285**	**124**	**44%**	**161**	**56%**
Workers										
Permanent										
Male	517	0	0%	517	100%	535	0	0%	535	100%
Female	27	0	0%	27	100%	30	0	0%	30	100%
Total	**544**	**0**	**0%**	**544**	**100%**	**565**	**0**	**0%**	**565**	**100%**
Other than Permanent										
Male	2,240	1,463	65%	777	35%	1,928	1,333	69%	595	31%
Female	442	127	29%	315	71%	427	142	33%	285	67%
Total	**2,682**	**1,590**	**59%**	**1,092**	**41%**	**2,355**	**1,475**	**63%**	**880**	**37%**

3. Details of remuneration / salary / wages:

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration / salary / wages of respective category	Number	Median remuneration / salary / wages of respective category
Board of Directors (BoD)	6	68,00,000	2	65,50,000
Key Managerial Personnel	4	5,63,47,846	0	-
Employees other than BoD and KMP	14,271	5,63,592	1,288	4,26,000
Workers	517	5,18,208	27	5,14,608

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Gross wages paid to females as % of total wages*	7%	6%

* excluding employees at representative offices of the Company.

4. Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes / No)

We recognise the significance of human rights. We also acknowledge that there may be problems that hinder our efforts to establish a secure workplace devoid of any kind of unfair or immoral behaviour. We address any such issues that are reported affecting human rights in any form through the heads of various welfare committees, union representatives, department heads, and HR heads. The Company has dedicated mail id where complaints related to human rights issues can be registered .In order to address complaints of sexual harassment at work, the Company has implemented a POSH policy that is in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Individual dignity shouldn't be compromised, and we work to uphold it via a variety of internal procedures.

In the endeavour to create consistent value propositions for all the stakeholders and to ensure highest level of honesty, integrity and ethical behaviour in all its operations, the Company has adopted 'Whistle-Blower Policy'. Through this Policy the Company encourages stakeholders to bring any instances of unethical behaviour and actual or suspected misconducts of fraud or violation of Company's Code of Conduct that could adversely impact Company's operation, business performance and / or reputation.

Under this Policy, the Company investigates any aforesaid incidents, when reported, in an impartial manner and takes appropriate action to ensure that required standards of professional and ethical conduct are maintained. The Company ensures protection of the employees who bring forth any such incidents to its attention. The outcome of the investigation is informed to all the concerned parties and a written report of the findings are prepared.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

The Company has in place the grievance redressal mechanism to redress grievances related to human rights issues. The Company supports the Open door policy, wherein the employees can directly report their concerns to their Head of Department, HR head or any members of Senior Management. We have a Worker's Union for shop floor personnel, where their issues are addressed. Further, the grievances can also be reported under the mechanism of Whistle Blower Policy and Prohibition of Sexual harassment at workplace.

6. **Number of Complaints made by employees and workers:**

Torrent Pharma has policies and procedures to uphold human rights. The endeavour is to do the business in a fair and transparent manner maintaining highest ethical standards that supports and protects Human Rights and has demonstrated a zero-tolerance for any type of unethical behaviour or misconduct. In order to encourage professionalism, fairness, dignity, and ethical behaviour among our employees and stakeholders, we have implemented a rigorous vigil mechanism, i.e., the whistle blower mechanism to report unethical activity. The Company's whistle blower mechanism with which it seeks to provide a mechanism for the Stakeholders to disclose their concerns and grievances on unethical behaviour and improper / illegal practices and wrongful conduct taking place in the Company that are to be addressed.

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	Nil			Nil		
Discrimination at workplace						
Child Labour						
Forced Labour / Involuntary Labour						
Wages						
Other human rights related issue						

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees / workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

In accordance with the provisions of the Sexual Harassment Against Women at Work (Prevention, Prohibition and Redressal) Act 2013 and the rules promulgated thereunder, we have adopted a policy to protect women from sexual harassment at work for the women employees. This encourages female employees to pursue their careers without fear of prejudice, gender bias, sexual harassment and / or any such orientation, implicit or explicit. For this purpose, complaints arbitration committees are formed at administrative units / offices. Inquiries under this Policy will be conducted in the strictest confidentiality. Anyone who is entrusted with the processing of complaints and violates the duty of confidentiality is liable to be prosecuted. In addition, we have a Whistle blower Policy that provides the necessary safeguards for all whistle blowers to make disclosures in good faith and any party assisting the investigation.

9. **Do human rights requirements form part of your business agreements and contracts? (Yes / No)**

Yes, in, certain business agreements and contracts where relevant.

10. **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced / involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	--

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

Not Applicable

LEADERSHIP INDICATORS

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances / complaints.**

We have Human Rights Policy which is developed in accordance with the Universal Declaration of Human Rights and United Nations Guiding Principles on Business and Human Rights (UNGP) which include processes of respecting, protecting and remediating human rights issues including those fundamental conventions identified by the International Labour Organization (ILO) and principles of National Guidelines on Responsible Business Conduct (NGRBC)

During the year, no complaints were received. Through various training mechanisms and a well-defined vigil system in place, the Company ensures that its workforce is aware about Human Rights policy and more sensitive to human rights. Furthermore, our employees have received training on our human rights policies and processes. The Human Rights Policy is also uploaded on Company website **www.torrentpharma.com**

2. **Details of the scope and coverage of any Human rights due diligence conducted.**

No such external due diligence was either warranted or conducted.

3. **Is the premise / office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes. We have ensured accessibility of all the premises / offices for differently abled visitors.

4. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	100% of LLM sites were assessed
Discrimination at workplace	
Child labour	
Forced / involuntary labour	
Wages	
Others – please specify	--

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Not Applicable.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Torrent Pharma recognises the significance of environmental sustainability and is dedicated to the prudent utilisation of natural resources while endeavouring to lessen its environmental impact. Mindful of the global climate change crisis, we are committed to reducing our footprint by expanding the utilisation of renewable energy in our operations and actively contributing to environmental restoration efforts.

Moreover, our Health, Safety, and Environment Department takes a proactive approach to regularly monitor the Company's environmental performance. This includes conducting internal audits and facilitating external audits to ensure compliance with international standards such as ISO 14001 and ISO 50001.

ESSENTIAL INDICATORS

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
From Renewable Sources		
Total electricity consumption (A) [Giga Joules (GJ)]	98,328	83,157
Total fuel consumption (B) (GJ)	2,66,514	1,72,187
Energy consumption through other sources (C) (GJ)	0	0
Total energy consumption from renewable sources (A+B+C) (GJ)	**3,64,842**	**2,55,344**
From Non-Renewable Sources		
Total electricity consumption (D)	3,89,177	3,83,472
Total fuel consumption (E)	1,24,893	2,07,996
Energy consumption through other sources (F)	0	0
Total energy consumed from Non renewable sources (D+E+F)	**5,14,070**	**5,91,468**
Total Energy Consumed (A+B+C+D+E+F)	**8,78,912**	**8,46,812**
Energy intensity per rupee of turnover (Total energy consumed / revenue from operations)	90.77 GJ / crore	99.24 GJ / crore
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / revenue from operations adjusted for PPP)*	1875.38 GJ / crore	2270.58 GJ / crore
Energy intensity in terms of physical output	126.99 GJ / metric ton	125.62 GJ / metric ton
Energy intensity (optional) – the relevant metric may be selected by the entity		

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2025 by International Monetary Fund for India which is 20.66.

Note: Indicate if any independent assessment / evaluation /assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency.

Yes. Indrad, Dahej, Bileshwarpura and Baddi manufacturing facilitates and R&D Centre is certified for Energy Management System ISO 50001 by ISOQAR (Registered under UKAS Management System) and Baddi manufacturing facility is certified by BSI (Registered under ANAB).

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y / N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

No. The PAT Scheme is not applicable to the pharmaceutical industries.

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water withdrawal by source (in Million m^3)		
(i) Surface water	0.803	0.817
(ii) Groundwater	0.301	0.265
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others (Water recycled and reused)	-	-
Total volume of water withdrawal (in Million m^3) (i + ii + iii + iv + v)	1.104	1.082
Total volume of water consumption (in Million m^3)	0.986	0.974
Water intensity per rupee of turnover (Total Water consumed / revenue from operations)	0.00010 million m^3 / crore	0.00011 million m^3 / crore
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / revenue from operations adjusted for PPP)*	0.0021 million m^3 / crore	0.0026 million m^3 / crore
Water intensity in terms of Physical Output	0.00014 million m^3 / metric ton	0.00014 million m^3 / metric ton
Water intensity (optional) – the relevant metric may be selected by the entity		

* The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2025 by International Monetary Fund for India which is 20.66.

Note: Indicate if any independent assessment / evaluation /assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency.

Yes. Water Audit was conducted by Pollucon Laboratories (FICCI empanelled CGWA Auditor) at R&D Centre.

4. **Provide the following details related to water discharged:**

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water discharge by destination and level of treatment (in Million m^3)		
(i) **To Surface water**		
- No treatment	0	0
- With treatment – please specify level of Treatment	0	0
(ii) **To Groundwater**		
- No treatment	0	0
- With treatment – please specify level of Treatment	0	0
(iii) **To Seawater**		
- No treatment	0	0
- With treatment – please specify level of Treatment	0	0
(iv) **Sent to third parties**		
- No treatment	0	0
- With treatment – please specify level of Treatment (sent to CETP after primary treatment at Vizag, Tertiary treatment at Dahej and Baddi manufacturing facility)	0.1189	0.1085
(v) **Others**		
- No treatment	0	0
- With treatment – please specify level of Treatment	0	0
Total water discharged (in Million m^3)	**0.1189**	**0.1085**

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an externalagency? (Y / N) If yes, name of the external agency.

Yes. Water discharge monitoring was carried out at Dahej manufacturing facility by NABL Approved Laboratory and PCB allocated Schedule - 1 Environment Auditor on regular intervals. Further water audits are conducted at certain manufacturing facilities by respective PCBs. Common Effluent Treatment Plant (CETP) agencies monitor the discharge for quantity and quality also.

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Yes. The Company has implemented mechanism for zero liquid discharge (ZLD), within the Company's manufacturing facilities and at R&D Centre. The Company has adopted reduce, reuse, recycle and recharge strategy to conserve water.

Our Waste Water ZLD system comprises of Effluent Treatment Plant (ETP), RO Membrane plant, Multiple Effect Evaporator (MEE) and allied system.

Treated process wastewater is recycled in utilities as boiler feed and cooling tower make up water and reused for maintaining and developing in-house green belt.

6. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
NOx	MT	19.20	23.79
SOx	MT	67.97	106.20
Particulate matter (PM)		-	-
Persistent organic pollutants (POP)		-	-
Volatile organic compounds (VOC)		-	-
Hazardous air pollutants (HAP)		-	-
Others – please specify		-	-

Note: Indicate if any independent assessment / evaluation /assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency.

Yes. Air emission monitoring was carried out by NABL Approved Laboratories and respective PCBs.

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Please specify unit	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available) (Emissions from Non-renewable fuels)	tCO_2e	8,937	15,294
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	tCO_2e	78,592	76,268
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	tCO_2e	9.04 tCO_2e / crore	11 tCO_2e / crore
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)*	tCO_2e	186.76 tCO_2e / crore	245.51 tCO_2e / crore
Total Scope 1 and Scope 2 emissions intensity in terms of physical output	tCO_2e	12.65 tCO_2e / metric ton	13.58 tCO_2e / metric ton
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2025 by International Monetary Fund for India which is 20.66.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency.

No

8. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide detail**

The Company had taken a target of reducing its Scope 1 & Scope 2 emissions by 21% by 2025. We have continuously invested capital and resources in achieving the same in FY 2024-25. Our key areas of action include:

A. **Energy efficiency measures: We undertook several energy initiatives, which include:**

- Installed energy efficient equipment at all locations.
- At Indrad manufacturing facility, high consumed electricity Surface Aerators replaced with lower power consumption diffuser system. Resulting into saving of 23KW power per hour.
- At Indrad manufacturing facility, Optimisation of Nitrogen generation plant in Central Utility & API Utility. Minimised the operation of API Nitrogen plant.
- At Indrad manufacturing facility, replacement of old centrifugal chiller with efficient new chiller.
- At Bileshwarpura manufacturing facility, 3 Nos. of EC blowers installed for AHU in place of Conventional Blower.
- At Bileshwarpura manufacturing facility, installation of Electrical Hot water generation system to reduce Boiler fuel (Natural Gas).
- At Vizag manufacturing facility, Installation of energy efficient pumps for Brine compressor RT water circulation pump and Evaporator circulation pump. Saving of 80,000 KWH power per annum.
- At Baddi manufacturing facility, Introduction of Electrical driven 3 nos forklifter / loader / refrigerated van instead of HSD driven forklifter / loader / van resulting in fuel savings of 5 KL HSD / per annum.
- At Baddi manufacturing facility, increase in electrical contract demand from 3,800 KVA to 4,250 KVA contract demand resulting in stopage of DG set running due to over demand resulting in saving of 15 KL HSD / per annum.

B. **Enhanced data monitoring:**

- Optimisation of Manufacturing operation and cleaning which resulted in reduction in hazardous waste generation by 13% compared to last fiscal.

C. **Alternative fuel usage:**

- 8TPH Briqueete boiler taken in opeartion from April 2024 at Baddi manufacturing facility. Reduction in consumption of Fossil fuel 2000 Ton (LSHS) per annum.

D. **Renewable energy:**

- Installed 1.0MW capacity roof top solar at Dahej manufacturing facility.

E. **Offsetting:**

- The Company has developed above 43% state-of-the-art green belt across all the manufacturing facilities PAN India to offset carbon emissions naturally.

More details on our GHG reduction projects are provided in 'Natural Capital section' of the Integrated Report.

9. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Waste generated (in metric tons)		
Plastic waste **(A)**	714.43	567.75
E-waste **(B)**	9.06	3.05
Bio-medical waste **(C)**	37.73	49.06
Construction and demolition waste **(D)**	0	0
Battery waste **(E)**	29.01	14.07
Radioactive waste **(F)**	0	0
Other Hazardous waste (waste for landfill, Incineration, co-processing and recyclable) **(G)**	2,240.48	3,208.48
Other Non-hazardous waste generated (H) (Solid waste)	1,936.98	1,841.86
Total (A + B + C + D + E + F + G + H)	**4,967.69**	**5,684.27**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.51 metric tons / crore	0.67 metric tons / crore
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)*	10.60 metric tons / crore	15.24 metric tons / crore
Waste intensity in terms of physical output	0.72 metric tons / metric ton	0.84 metric tons / metric ton
Waste intensity (optional) – the relevant metric may be selected by the entity		

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2025 by International Monetary Fund for India which is 20.66.

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)		
Plastic Waste		
(i) Recycled	714.43	567.75
Hazardous waste		
(i) Recycled	706.32	1,772.80
Non-hazardous waste		
(i) Recycled	1,936.98	1,841.86
Battery waste		
(i) Recycled	29.01	14.07
E-waste		
(i) Recycled	9.06	3.05
Total	**3,395.80**	**4,199.53**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)		
Plastic Waste		
(i) Co-processing	0	0
Bio-medical waste		
(i) Incineration	37.73	49.06
Hazardous waste		
(i) Incineration	47.38	55.48
(ii) Landfilling	276.58	425.05
(iii) Co-processing	1,210.20	955.15
Total	**1,571.89**	**1,484.74**

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes.

Environment Audits were conducted by Nirma University at Indrad manufacturing facility, Charotar University of Science and Technology at Dahej manufacturing facility and Go Green Mechanism at R&D Centre.

10. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Torrent Pharma has standard operating procedures for handling waste and follows CPCB / SPCB regulations for the same.

1. The Company's waste management plan includes a strategy for waste minimisation, segregation, and safe disposal.
2. The Company has implemented a number of measures to reduce manufacturing rejects aligned with its resource optimisation and waste minimisation objectives.
3. The Company complies with the requirements of Extended Producer Responsibility (EPR) by collecting end-of-use plastic and improving its management of plastic waste.
4. Additionally, the Company has adopted initiatives to divert greater amounts of hazardous waste toward co-processing and recycling over other disposal mechanisms, such as Incineration and landfilling, as part of the hazardous waste disposal mechanism.

More details on our waste management projects are provided in 'Natural Capital' section of the Integrated Report.

11. **If the entity has operations / offices in / around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

Sr No	Location of operations / offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y / N) If no, the reasons thereof and corrective action taken, if any
The Company does not have any of its manufacturing facilities in ecologically sensitive areas.			

12. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No	Date	Whether conducted by independent external agency (Yes / No)	Result communicated in public domain (Yes / No)	Relevant web link
Not Applicable					

13. **Is the entity compliant with the applicable environmental law / regulations / guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y / N). If not, provide details of all such non-compliances, in the following format:**

Sr No	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
The Company is compliant with all the applicable laws / regulations / guidelines in India				

LEADERSHIP INDICATORS

1. **Water withdrawal, consumption, and discharge in areas of water stress:**

(i) Name of the water stressed area: Pithampur manufacturing facility and R&D Centre

(ii) Nature of operations: Manufacturing and R&D

(iii) Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water withdrawal by source (in Million m³)		
(i) Surface water	0.052	0.590
(ii) Groundwater	0.110	0.107
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in Million m³)	**0.162**	**0.697**
Total volume of water consumption (in Million m³)	**0.162**	**0.697**
Water intensity per rupee of turnover (Water consumed / turnover)	0.00001 million m³ / crore	0.00008 million m³ / crore
Water intensity (optional) – the relevant metric may be selected by the Entity		
Water discharge by destination and level of treatment (in Million m³)		
(i) **Into Surface water**		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) **Into Groundwater**		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) **Into Seawater**		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) **Sent to third parties**		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) **Others**		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in Million m³)	**0**	**0**

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency.

Yes. Water Audit was conducted by Pollucon Laboratories (FICCI empanelled CGWA Auditor) at R&D Centre.

2. Please provide details of total Scope 3 emissions & its intensity

We have undertaken an assessment of the 15 categories of Scope 3 emissions as per the GHG protocol to determine the relevance of each category to our business. Out of 15 categories, we are reporting under 10 categories.

For more information, please refer to "Natural Capital' section of the Integrated Report.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Torrent Pharma does not have any manufacturing facilities in ecologically sensitive areas.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Improved operation and efficiency by latest technology and ideas in Utilities equipments (i.e ETP, HVAC, Chillers, AHU etc)	Energy efficiency improvement projects -- 1) Replaced existing surface Aerator system with New tubular type diffuser system in ETP at Indrad manufacturing facility.	1. Saving of 80,000 KWH per annum.
		2) Installed new technology chiller condensor tube cleaning system at Dahej manufacturing facility.	2. Saving of 60,000 KWH per annum.
		3) Replaced old chiller with energy efficient chiller at Indrad manufacturing facility.	3. Saving of 1,40,000 KWH per annum.
		4) Optimisation of Nitrogen generation plant at central utility at Indrad manufacturing facility.	4. Saving of 96,000 KWH per annum.
		5) Conventional Blower replaced with EC (Elecronically Commutated) Blower in AHU at Bileshwarpura manufacturing facility.	5. Saving of 1,50,000 KWH per annum.
2	Installed energy efficient equipments (i.e. LED light, occupancy sensor for AC, Ceiling Fan, etc)	Efficient Lighting and energy management at all manufacturing sites and R&D Centre.	Savings of more than 3,60,000 KWH per annum.
3	Installation of 1.0 MW Roof top Solar Power System at Dahej Manufacturing facility.	Installed Solar roof top renewable energy generation in FY 2024-25.	Green energy generation of 3,30,000 KWH.
4	Adopt Electricle vehicle concept	1) At Dahej manufacturing facility, replaced HSD operated vehicle with Electric vehicle (EV).	1. Resulted into saving of fuel and reduction in carbon emission.
		2) At Baddi manufacturing facility, existing HSD driven Forklift replaced with electrical driven forklift	2. Resulted into saving of 5,000 Litres HSD fuel per annum and reduction in carbon emission.
7	Electricity Contract Demand	At Baddi manufacturing facility, increase in electricity contracted demand from 3,800 KVA to 4,250 KVA from FY 2025.	The revised contract demand minimised the operation of DG sets and resulted in saving of 15,000 Litres HSD per annum. Scope 1 emission reduced.
8	Maintenance of power factor near to Unity	Operational efficiency of electrical system at various manufacturing facilities.	Power factor maintained at near unity at all manufacturing facilities resulted in curtailment of power losses and rebate from State Electricity Boards.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words / web link.

Yes, the Company has a business continuity and on-site emergency plan for all its locations.

This business continuity plan includes introduction, definitions, details of the organisation, factory layout plan, objectives, process, process hazard and their control measures, various emergency scenarios, natural calamities and their control measures, Environment Impact Assessment Plan, Emergency Evacuation plan, Emergency declaration procedures, Plant safe shut down procedures and Organogram of Emergency action plan amongst other important things.

The Company continuously enhances its existing plan by incorporating inferences and observations from disruptions faced in unprecedented situations. Further, the Company's risk management plan enables the minimisation of disaster-linked losses, by assessing the potential for major disruption with its consequent risks to the business, and by providing appropriate mitigation action plans.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

   No significant adverse impact has been observed during value chain assessments.

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impact**

   100% LLM sites have been assessed for environmental impacts during audit conducted as per predefined checklist.

8. **How many Green Credits have been generated or procured:**

   a. By the listed entity - Nil
   b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners - Not Available.

PRINCIPLE 7: Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Torrent Pharma, as a responsible Organisation actively participates and engage with various associations and Industry Chambers to help to facilitate the Government in developing regulations that are suited to and aligned with the needs of the industry and Country at large.

ESSENTIAL INDICATORS

1. a) **Number of affiliations with trade and industry chambers / associations.**

   The Company is associated with 7 trade and Industry chambers / associations.

   b) **List the top 10 trade and industry chambers / associations (determined based on the total members of such body) the entity is a member of / affiliated to.**

S.no	Name of the trade and industry chambers / associations	Reach of trade and industry chambers / associations (State / National)
1	Indian Pharmaceutical Alliance (IPA)	National
2	Indian Drug Manufacturing Association (IDMA)	National
3	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
4	Pharmaceuticals Export Promotion Council of India (PHARMEXCIL)	National
5	Gujarat Chamber of Commerce and Industry (GCCI)	State
6	The Advertising Standards Council of India (ASCI)	National
7	The Federation of Telangana Chambers of Commerce and Industry (FTCCI)	State

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities**

Name of Authority	Brief of the case	Corrective action taken
There were no adverse orders passed by regulatory authorities against the Company related to anti-competitive conduct.		

LEADERSHIP INDICATORS

1. **Details of public policy positions advocated by the entity**

   The Company does not have a separate policy on public advocacy. The Company takes an active role in industry associations and forums to enhance processes, regulatory frameworks, and product quality. Through advocating for industry needs, it plays a pivotal role in policy development, positioning itself as a leader within the industry. The objective is to collaborate with the government in crafting regulations that align with the economy's requirements.

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.

The philosophy of **"Think of others also when you think about yourself,"** set forth by Late Shri U.N. Mehta, the founder serves as the guiding principle driving the Company's CSR initiative focused on improving the lives of underprivileged communities. Additionally, the Company places a great emphasis on cultivating strong relationships with its stakeholders to drive mutual growth and greater societal impact.

Torrent Pharma is committed to promoting the holistic growth of the communities surrounding its operations. The Company channels a portion of its resources and activities towards enabling meaningful social, ethical and environmental impact. It remains dedicated to advancing efforts aimed at creating a more inclusive and improved society through the Group's targeted community development initiatives. Our focus areas include Community Healthcare, Sanitation and Hygiene, Education & Knowledge Enhancement and Social Care and Concern.

ESSENTIAL INDICATORS

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No	Date of notification	Whether conducted by independent external agency (Yes / No)	Result communicated in public domain (Yes / No)	Relevant web link
Company has not initiated any green field project in the financial year and hence no Social Impact Assessment was conducted					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:**

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not Applicable						

3. **Describe the mechanisms to receive and redress grievances of the community**

   We are taking suitable and sufficient actions to address complaints received from stakeholders. We ensure timely follow up on closure of the issues to avoid reoccurrence of such complaints. Our Whistle blower Policy has specific clauses and a systematic operational procedure to act on stakeholder grievances. The Policy also outlines the reporting procedure and investigation mechanism to be followed.

4. **Percentage of input material (inputs to total inputs by value) sourced from local or small-scale suppliers:**

   We consciously endeavour to source procurement of goods and services from medium and small vendors of the local areas, wherever feasible. It improves operational efficiency and saves on transportation costs and inventory management. We provide detailed specifications as well as technical knowhow to improve capacity and capability of local and small vendors.

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Directly sourced from MSMEs / Small producers	15%	13%
Directly from within India	86%	92%

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2024-25* (Current Financial Year)	FY 2023-24* (Previous Financial Year)
Rural	19%	20%
Semi-Urban	29%	30%
Urban	23%	21%
Metropolitan	29%	29%

*Excluding the employees of Representative offices of the Company

(Place to be categorised as per RBI Classification system – rural / semi-urban / urban / metropolitan)

LEADERSHIP INDICATORS

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of Negative social impact identified	Corrective action taken
Not Applicable	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

The Company undertakes the CSR initiatives in the surrounding locations where it has its business presence. We have not undertaken any CSR projects in aspirational districts as per the 'Transformation of Aspirational Districts' programme of the Government. Hence, this question is not applicable to us.

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised / vulnerable groups? (Yes / No)**

(b) **From which marginalised / vulnerable groups do you procure?**

(c) **What percentage of total procurement (by value) does it constitute?**

Yes, we aim to procure our material locally wherever it is possible. The focus during the fiscal remained on local suppliers and local contractors. This has a dual benefit of promoting the local economy and reducing negative externalities associated with transportation of material. We actively monitor supply chain continuity and focus on getting quality materials locally.

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge**

Sr. No.	Intellectual Property based on traditional knowledge	Owned / Acquired (Yes / No)	Benefit shared (Yes / No)	Basis of calculating benefit shared
Not Applicable				

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of Authority	Brief of the Case	Corrective Action taken
Not Applicable		

6. **Details of beneficiaries of CSR Projects.**

As a part of Corporate Social Responsibility philosophy, Torrent Pharma strives to positively impact communities in three thrust areas of Community Healthcare, Sanitation & Hygiene, Education & Knowledge Enhancement and Social Care & Concern. Through our initiatives in the areas of healthcare like preventive healthcare programmes, enhancing women health and hygiene and providing access to as specialist medical services through proactive interventions, including awareness campaigns and educational support, we aim to improve lives and promote well-being of the Community. For further details on beneficiaries of our CSR projects, please refer to 'Social and Relationship Capital' section of Integrated Report.

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in responsible manner

In the evolving pharmaceutical landscape, Torrent Pharma is committed to enhancing patients' lives by addressing unmet medical needs through innovation. The Company is committed to ensuring accessibility and affordability by focusing on complex generics primarily in the CNS, Cardio, Diabetes, Pain, GI, VMN and Cosmetic categories. The Company being in the business of healthcare, the nature of its business requires the utmost attention to the quality of its product.

The Company prioritises product safety through a robust pharmacovigilance system, ensuring continuous monitoring from drug development to market availability. This proactive approach is crucial for identifying and addressing potential safety concerns promptly.

All safety information received by the Company is processed in a validated global safety database adhering to international guidelines set by the International Council for Harmonisation (ICH). This centralised system enables efficient capture, evaluation and reporting of safety related data.

ESSENTIAL INDICATORS

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Torrent Pharma places great emphasis on the quality of its products. The Company treats customer complaints with utmost importance and has established a mechanism for addressing and redressal of customer complaints. It provides swift connection channels to all its customers, mainly healthcare professionals, patients, retailers, and others. We have both digital and offline mechanisms to receive feedback and address complaints.

Digital mechanisms include:

- Dedicated page on Company's website on adverse event reporting.
- Dedicated E-mail ID, **pv@torrentpharma.com**
- Dedicated customer care toll free number i.e., 1800-120-3001, which is available 24 x 7 for our customers.

Our channels receive feedback regarding customer satisfaction, product complaints and recalls, customer privacy, or any other issue pertaining to the consumer. With the goal of preventing any future customer complaints and continuously increase customer value, solutions are applied in a systematic manner and are given the utmost priority. Customers' feedback on the management and resolution of their complaints are also encouraged.

Furthermore, we have put in place a rigorous Pharmacovigilance system to ensure that prompt action is taken in the event of any adverse side effects from our medicines. We place very high value on quality and all our products are rigorously tested for safety and efficacy in clinical studies before being approved for use. Our goal is to offer high-quality medications with minimal side effects, and our pharmacovigilance system assists us in doing so. We collaborate with regulators to improve mechanisms for tracking the safety and benefit-risk profile of our medications throughout the product lifecycle.

For further details, please visit 'Intellectual Capital' section of Integrated Report.

2. **Turnover of products and / services as a percentage of turnover from all products / service that carry information about:**

	As a percentage to total turnover
Environment and Social parameters relevant to product	--
Safe and responsible usage	100%
Recycling and / or safe disposal	--

The Company complies with all the regulatory requirements in relation to the display of information on product label. The pharmaceutical industry is an extremely regulated sector when it comes to the marketing and labelling of the products, and thus we ensure responsible communication to all our customers.

3. Number of consumer complaints

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber Security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Others (Product related complaints)*	1,576	54		1,756	13	

*One pending complaint pertaining to Curatio Health Care (I) Private Limited was transferred to the Company on account of its merger vide the Order dated 17th May, 2023 of the National Company Law Tribunal, Ahmedabad Bench, with an appointed date as 14th October, 2022.

4. Details of instances of product recalls on account of safety issues

	Number	Reason for recall
Voluntary recalls	10	Quality issue
Forced recalls	2	Regulatory authority initiative

5. Does the entity have a framework / policy on cyber security and risks related to data privacy? (Yes / No) If available, provide a web-link of the policy.

Yes, we believe that keeping medical information secure and confidential helps to build trust in our users. Data breaches can directly hamper our reputation and operations. Therefore, we comply with the highest standards of data privacy through our privacy policy.

The policy is available to internal stakeholders and is placed on the intranet of the Company.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

The Company has taken following actions to avoid re-occurrence of instances of product recalls:

- Manufacturing process and equipment related enhancements, where necessary
- Product Information leaflet related enhancements, where necessary
- Analytical specification and testing frequency related enhancements, where necessary
- Ceased manufacturing from respective LLM / P2P sites

Further no Penalty / action has been taken by regulatory authorities against any of above stated recall.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches
b. Percentage of data breaches involving personally identifiable information of customers
c. Impact if any, of the data breaches

The Company has not witnessed any instances of data breaches during the year.

LEADERSHIP INDICATORS

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

We have a weblink containing prescription information for medicines. The page can be accessed here: **https://www.torrentpharma.com/index.php/site/info/prescribing_info**

2. Steps taken to inform and educate consumers about safe and responsible usage of products and / or services.

The Company adheres to relevant regulatory requirements by disclosing information to our stakeholders on the safe and responsible usage of our products. On every pharmaceutical product's primary pack, there are clear instructions depicting the active ingredients of the product, caution for consumption or usage, possible side effects and guidelines for storage / disposal. Further, we provide very specific disclaimers on all the medicines to ensure the usage only as per the direction of healthcare professionals.

Also, all the drug related information is available in detail on Company's website on Prescribing Information, which can be accessed here: **https://www.torrentpharma.com/index.php/site/info/prescribing_info**

3. Mechanisms in place to inform consumers of any risk of disruption / discontinuation of essential services.

As the Company is part of the branded generics pharma business, there are multiple other Companies providing similar products. Hence, the discontinuation of any of the Company's products will not impact the communities at large.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes / No / Not Applicable)? If yes, provide details in brief.

Yes, besides the mandatory information, the Company also displays the general information for patients in order to guide them with respect to usage on certain products. We adhere to the national and international standards for product safety.

Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes / No)

The marketing team of the Company regularly interacts with the Doctors and other Healthcare professionals and takes their feedback on the products.

Independent Practitioner's reasonable assurance report on non-financial information pertaining to CORE attributes of BRSR ("BRSR Core Information") and limited assurance report on non-financial information pertaining to identified attributes other than core attributes of BRSR ("other selected indicators of BRSR other than BRSR Core Information") in Torrent Pharmaceuticals Limited's Business Responsibility and Sustainability Report (BRSR)

To
The Board of Directors
Torrent Pharmaceuticals Limited
Ahmedabad, Gujarat, India

1. We have been engaged to perform an assurance engagement for Torrent Pharmaceuticals Limited ('Torrent Pharma' or 'the Company') vide our engagement letter dated 24th March, 2025 to provide reasonable assurance on non-financial information pertaining to CORE attributes of BRSR ("BRSR Core Information") and limited assurance on non-financial information pertaining to identified attributes other than core attributes of BRSR ("other selected indicators of BRSR other than BRSR Core Information") (collectively referred as 'the Identified Sustainability Information') in accordance with the criteria stated below. This Identified Sustainability Information is included in the Business Responsibility and Sustainability Report (BRSR) of the Company for the financial year ended 31st March, 2025. This engagement was conducted by a multidisciplinary team including assurance practitioners and engineers.

Identified Sustainability Information

2. The BRSR Core Information for the year ended 31st March, 2025 included in BRSR report is summarised below:

Attribute	Principle	Key Performance Indicator
Energy footprint	Principle 6 Essential Indicator 1	• Total energy consumption (in Joules or multiples) and energy intensity • % of energy consumed from renewable sources • Energy intensity
Water footprint	Principle 6 Essential Indicators 3 and 4	• Total water consumption • Water consumption intensity • Water Discharge by destination and levels of Treatment
Greenhouse (GHG) footprint	Principle 6 Essential Indicator 7	• Greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity
Embracing circularity - details related to waste management by the entity	Principle 6 Essential Indicator 9	• Details related to waste generated by the entity (category wise) • Waste intensity • Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations • For each category of waste generated, total waste disposed by nature of disposal method
Enhancing Employee Wellbeing and Safety	Principle 3 Essential Indicator 1(c)	Spending on measures towards well-being of employees and workers (including permanent and other than permanent)
	Principle 3 Essential Indicator 11	Safety related incidents: • Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) • Total recordable work-related injuries • No. of fatalities • High consequence work-related injury or ill-health (excluding fatalities)
Enabling Gender Diversity in Business	Principle 5 Essential Indicator 3(b)	Gross wages paid to females as % of total wages paid by the entity
	Principle 5 Essential Indicator 7	Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Attribute	Principle	Key Performance Indicator
Enabling Inclusive Development	Principle 8 Essential Indicator 4	Percentage of input material (inputs to total inputs by value) sourced from suppliers
	Principle 8 Essential Indicator 5	Job creation in smaller towns – Wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the locations, as % of total wage cost
Fairness in Engaging with Customers and Suppliers	Principle 1 Essential Indicator 8	Number of days of accounts payables
	Principle 9 Essential Indicator 7	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events
Open-ness of business	Principle 1 Essential Indicator 9	Details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties

3. The other selected indicators of BRSR other than BRSR Core Information for the year ended 31st March, 2025 included in BRSR report is summarised below:

Section	Principle	Key Performance Indicator
A.I	-	Details of listed entity
A.II	-	Products / Services
A. IV (20,21 and 22)	-	• Employees and workers • Differently abled employees and workers • Participation / Inclusion / Representation of women • Turnover rate for permanent employees and workers
A.V	-	Holding, Subsidiary and Associate Companies (including joint ventures)
A.VI	-	CSR Details
A. VII (25)	-	Number of Complaints / Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:
B (1a, 1b, 1c and 4)	-	• Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs • Has the policy been approved by the Board? • Web Link of the policies, if available. • Name of the national and international codes/certifications/labels/ standards
C	Principle 1 Essential Indicator 1	Percentage coverage by training and awareness programmes on any of the Principles.
	Principle 1 Essential Indicator 2	Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators / law enforcement agencies / judicial institutions
	Principle 1 Essential Indicator 5	Number of Directors / KMPs / employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption
	Principle 1 Essential Indicator 6	Details of complaints with regard to conflict of interest
	Principle 1 Leadership Indicator 1	Awareness programmes conducted for value chain partners on any of the Principles
	Principle 2 Essential Indicator 1	Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity
	Principle 2 Leadership Indicator 3	Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry)
	Principle 2 Leadership Indicator 4	Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed

Section	Principle	Key Performance Indicator
	Principle 2 Leadership Indicator 5	Reclaimed products and their packaging materials (as percentage of products sold) for each product category
	Principle 3 Essential Indicator 1(a) and 1(b)	• Details of measures for the well-being of employees • Details of measures for the well-being of workers
	Principle 3 Essential Indicator 2	Details of retirement benefits
	Principle 3 Essential Indicator 5	Return to work and Retention rates of permanent employees and workers that took parental leave.
	Principle 3 Essential Indicator 7	Membership of employees and worker in association(s) or Unions recognised by the listed entity
	Principle 3 Essential Indicator 8	Details of training given to employees and workers
	Principle 3 Essential Indicator 9	Details of performance and career development reviews of employees and worker
	Principle 3 Essential Indicator 13	Number of Complaints on the following made by employees and workers: • Working Conditions • Health & Safety
	Principle 3 Essential Indicator 14	Percentage of your plants and offices that were assessed (by entity or statutory authorities or third parties) for: • Health & safety practices • Working conditions
	Principle 3 Leadership Indicator 3	Number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:
	Principle 3 Leadership Indicator 5	Percentage of value chain partners (by value of business done with such partners) that were assessed for: • Health & safety practices • Working conditions
	Principle 5 Essential Indicator 1	Employees and workers who have been provided training on human rights issues and policy(ies) of the entity
	Principle 5 Essential Indicator 2	Details of minimum wages paid to employees and workers
	Principle 5 Essential Indicator 3 (a)	Median remuneration / wages of respective category • Board of Directors (BoD) • Key Managerial Personnel • Employees other than BoD and KMP • Workers
	Principle 5 Essential Indicator 6	Number of Complaints on the following made by employees and workers, on: • Sexual Harassment • Discrimination at workplace • Child labour • Forced labour / Involuntary labour • Wages • Other human rights related issues

Section	Principle	Key Performance Indicator
	Principle 5 Essential Indicator 10	Percentage of your plants and offices that were assessed (by entity or statutory authorities or third parties) for: • Child labour • Forced labour / Involuntary labour • Sexual Harassment • Discrimination at workplace • Wages • Others – please specify
	Principle 5 Leadership Indicator 4	Percentage of value chain partners (by value of business done with such partners) that were assessed for: • Sexual Harassment • Discrimination at workplace • Child labour • Forced labour / Involuntary labour • Wages • Others – please specify
	Principle 6 Essential Indicator 2	Sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.
	Principle 6 Essential Indicator 6	Details of air emissions (other than GHG emissions) by the entity
	Principle 6 Essential Indicator 11	Operations / offices in / around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required
	Principle 6 Leadership Indicator 1	Water withdrawal, consumption and discharge in areas of water stress
	Principle 6 Leadership Indicator 7	Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts
	Principle 7 Essential Indicator 1	• Number of affiliations with trade and industry chambers/ associations • Top 10 trade and industry chambers / associations (determined based on the total members of such body) the entity is a member of / affiliated to.
	Principle 9 Essential Indicator 2	Turnover of products and / services as a percentage of turnover from all products/service that carry information about • Environmental and social parameters relevant to the product • Safe and responsible usage • Recycling and / or safe disposal
	Principle 9 Essential Indicator 3	Number of consumer complaints in respect of the following: • Data Privacy • Advertising • Cyber-security • Delivery of essential services • Restrictive trade practices • Unfair Trade Practices • Other
	Principle 9 Essential Indicator 4	Details of instances of product recalls on account of safety issues
	Principle 9 Essential Indicator 5	Does the entity have a framework / policy on cyber security and risks related to data privacy?

4. Boundary of the report covers the Company's operations in India and overseas, which includes the following sites selected for data review and verification:
   (i) Corporate Office, Ahmedabad
   (ii) Branch Office, Mumbai
   (iii) Branch Office, Delhi
   (iv) Branch Office, Bangalore
   (v) Branch Office, Kolkata
   (vi) Branch Office, Chennai
   (vii) Research & Development Centre, Ahmedabad
   (viii) Manufacturing facility, Indrad
   (ix) Manufacturing facility, Dahej
   (x) Manufacturing facility, Baddi
   (xi) Manufacturing facility, Pithampur
   (xii) Manufacturing facilities (Unit I,II and III), Sikkim
   (xiii) Manufacturing facility, Visakhapatnam
   (xiv) Manufacturing facility, Bhileshwarpura
   (xv) Project Site, Virochannagar
   (xvi) Representative Office, Russia
   (xvii) Representative Office, Vietnam
   (xviii) Sales field Operations
   (xix) Warehouse, Barwala

5. Our assurance engagement is with respect to the Identified Sustainability Information for the reporting boundary as mentioned above for financial year ended 31st March, 2025 only unless otherwise stated and we have not performed any procedures with respect to earlier periods or any other elements included in the BRSR and therefore, do not express any opinion / conclusion thereon.

Criteria

6. The criteria used by the Company to prepare the Identified Sustainability Information is summarised below (hereinafter referred to as 'Criteria'):
   a. Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR Regulations') as amended, read with SEBI Master circular SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11th November, 2024 and SEBI Circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2025/42 dated 28th March, 2025; and
   b. SEBI Circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177 dated 20th December, 2024 read with BRSR Core Reporting Standard formulated by Industry Standards Forum.

Management's Responsibilities

7. The Company's management is responsible for selecting or establishing suitable criteria for preparing the Identified Sustainability Information, taking into account applicable laws and regulations, if any, related to reporting on the Identified Sustainability Information, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of the BRSR and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

Inherent limitations

8. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

Practitioner's Independence and Quality Control

9. We have complied with the independence and other ethical requirements of International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants' ('IESBA'), which is founded on fundamental principles of integrity, objectivity, professional competence, and due care, confidentiality and professional behaviour

10. Our firm applies International Standard on Quality Management (ISQM) 1, "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's Responsibility

11. Our responsibility is to express a reasonable assurance in the form of an opinion on BRSR Core Information and express a limited assurance in the form of a conclusion on other selected indicators of BRSR other than BRSR Core Information, based on the procedures we have performed and evidence we have obtained.

12. We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), "Assurance Engagements other than Audits or Reviews of Historical Financial Information" ('ISAE 3000 (Revised)') issued by the International Auditing and Assurance Standards Board ('IAASB'). This standard requires that we plan and perform our engagement to obtain reasonable assurance about whether the BRSR Core Information is prepared, in all material respects, in accordance with the Criteria and limited assurance about whether the other selected indicators of BSRS other than BRSR Core Information is free from material misstatement.

13. A reasonable assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of the BRSR Core Information, assessing the risks of material misstatement of the BRSR Core Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances and evaluating the overall presentation of the BRSR Core Information.

14. A limited assurance engagement undertaken in accordance with ISAE 3000 involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of the other selected indicators of BRSR other than BRSR Core Information, identifying areas where material misstatement is likely to arise in the other selected indicators of BRSR other than BRSR Core Information whether due to fraud or error, designing and performing procedures to address identified risk areas as necessary in the circumstances and evaluating the overall presentation of the other selected indicators of BRSR other than Core Information.

15. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

16. The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.

17. Given the circumstances of the engagement, in performing the procedures listed above, we:
   - Physically visited the site at the corporate office and R&D centre at Ahmedabad and site visit at Indrad, Gujarat, for walkthrough and discussion with individual data owners for understanding business processes, data management processes, and to verify data and documents;
   - Conducted desk reviews of the field operations, Russia representative office and manufacturing locations at Baddi and Pithampur;
   - Carried out discussions at the corporate office and manufacturing facilities for data and document verification;
   - Interviewed senior executives to understand the reporting process, governance, systems and controls in place during the reporting period.
   - Reviewed the records and relevant documentation including information from audited financial statements or statutory reports submitted by the Company to support relevant performance disclosures within our scope.
   - Evaluated the suitability and application of Criteria and that the Criteria have been applied appropriately to the Identified Sustainability Information.

- Selected key parameters and representative sampling, based on statistical audit sampling tables and agreeing claims to source information to check accuracy and completeness of claims such as source data, meter data, etc.
- Re-performed calculations to check accuracy of claims,
- Reviewed data from independent sources, wherever available,
- Reviewed data, information about sustainability performance indicators and statements in the report.
- Reviewed and verified information / data as per the Criteria;
- Reviewed accuracy, transparency and completeness of the information / data provided;

18. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our reasonable assurance opinion on BRSR Core Information.

19. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the other selected indicators of BRSR other than BRSR Core Information have been prepared, in all material respects, in accordance with the Criteria.

Exclusions:

20. Our assurance engagement scope excludes the following and therefore we do not express an opinion or conclusion on the same:
    - Aspects of the BRSR and data / information (qualitative or quantitative) other than the Identified Sustainability Information.
    - Operations of the Company other than those mentioned in paragraph 2 and 3 above on Scope of Assurance.
    - Data and information outside the defined reporting period
    - Data related to Company's financial performance, strategy and other related linkages expressed in Identified Sustainability Information.
    - The Company's statements that describe expression of opinion, belief, aspiration, expectation, forward looking statements provided by the Company and assertions related to Intellectual Property Rights and other competitive issues.
    - Mapping of Identified Sustainability Information with reporting frameworks other than those mentioned in Criteria above.
    - While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.
    - The procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

Opinion

21. Based on the procedures we have performed and the evidence we have obtained, the BRSR Core Information included in the BRSR report for the financial year ended 31st March, 2025 is prepared in all material respects, in accordance with the Criteria.

Conclusion

22. Based on the procedures performed and evidences obtained and the information and explanations given to us along with the representation provided by the management, nothing has come to our attention that causes us to believe that the other selected indicators of BRSR other than BRSR Core Information included in the BRSR report for the year ended 31st March, 2025, is not prepared, in all material respects in accordance with the Criteria.

Restriction on use

23. The Assurance Report is prepared for the Company's management solely for the purpose of inclusion in Annual Report of the Company for the year ended 31st March, 2025. This report issued by us has been prepared and addressed to the Board of Directors of the Company at the request of the Company solely to assist the Company in reporting on the Company's sustainability performance and activities. Accordingly, this report may not be suitable for any other purpose and should not be used, by any other party other than the Board of Directors of the Company, without our prior written consent. Further, we do not accept or assume any duty of care or liability for any other purpose or to any other party to whom this report is shown or into whose hands it may come without our prior consent in writing.

Grant Thornton Bharat LLP

Abhishek Tripathi
Partner

Dated: 23rd May, 2025
Place: Grant Thornton Bharat LLP
Plot No. 19A, 2nd Floor, Sector – 16A,
Noida – 201301,
Uttar Pradesh, India

REPORT ON CORPORATE GOVERNANCE

MAXIMUM GOVERNANCE – THE TORRENT WAY

At Torrent Pharma, we believe that strong governance framework plays a pivotal role in growing a sustainable and successful business and creating a long-term value for the Stakeholders. Our Corporate Governance practices are built on three inviolable principles of TRANSPARENCY, INTEGRITY (comprehensive all round disclosure plus financial controls) and ACCOUNTABILITY. This report sets out the governance systems and processes of the Company, as set out in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time, for the financial year ended 31st March, 2025. The Company is in full compliance with the Corporate Governance norms as stipulated in Listing Regulations.

The Company has a strong legacy of fair, transparent and ethical governance practice.

1. BOARD OF DIRECTORS

An empowered Board comprising of diverse group of experienced leaders brings rich experience, expertise, strategic directions and takes the Company forward on the path of sustainable progress. Your Company has, an Accounting Professional, Entrepreneurs of leading Companies including from Healthcare, a Pharma Professional and an Accomplished Professional as Independent Directors. The Sharp entrepreneurial ability, a strong leadership and years of experience are represented in the rest of the Board. The Board of Directors (Board) comprises of eight directors[1] as on 31st March, 2025. Out of total Board strength, six are Non-Executive Directors (NEDs) (75% of Board strength) and five are Independent Directors (IDs) (63% of the Board strength) including two Independent Women Directors.

In order to effectively discharge its duties, it is necessary that collectively the Board holds the appropriate balance of skills and experience. The Board seeks a complementary diversity of skills and experience across its members. The table below summarises the key qualifications, skills, expertise and competencies possessed by Directors of the Company:

	Skills / Expertise / Competencies	Director who possess such skills / expertise / competencies
Strategic Leadership	Significant leadership experience to think strategically and develop effective strategies to drive change and growth in context of the Company's overall objectives.	Entire Board
Industry Experience	Experience and / or knowledge of the industry in which the Company operates.	Samir Mehta Aman Mehta Ameera Shah Dr. Maurice Chagnaud
Financial Expertise	Qualification and / or experience in accounting and / or finance coupled with ability to analyze key financial statements; critically assess financial viability and performance; contribute to financial planning; assess financial controls and oversee capital management and funding arrangements.	Samir Mehta Ameera Shah Nayantara Bali Dr. Maurice Chagnaud Manish Choksi Nikhil Khattau Jinal Mehta
Governance, Risk and Compliance	Knowledge and experience of best practices in governance structures, policies and processes including establishing risk and compliance frameworks, identifying and monitoring key risks.	Entire Board
Diversity	Representation of gender, cultural or other such diversity that expand the Board's understanding and perspective.	Ameera Shah Nayantara Bali Dr. Maurice Chagnaud

An annual calendar of meetings is established after consulting all Directors to facilitate their presence and meaningful participation. It has been the Company's endeavour to have meetings at various plants / locations of the Company too, to get Directors to witness the practices and to get under the skin of the Company's business model.

During the financial year, the Board of the Company met six times on 23rd April, 2024, 24th May, 2024, 10th June, 2024, 23rd July, 2024, 25th October, 2024 and 24th January, 2025. Time elapsed between any two consecutive meetings never exceeded 120 days.

1 Dr. Maurice Chagnaud has completed his tenure as an Independent Director of the Company on 10th May, 2025.

Details of the composition of the Board, the Board meetings held during the year, attendance of Directors at Board meetings and at the last Annual General Meeting (AGM) are as under:

Name & Designation of the Director	Category[1]	No. of Board Meetings held during the tenure	Board meetings attended	Attendance at the last AGM
Samir Mehta, Executive Chairman	Executive Chairman (Promoter)	6	6	Yes
Ameera Shah	ID	6	5	No
Nayantara Bali	ID	6	6	Yes
Dr. Maurice Chagnaud[2]	ID	6	6	Yes
Manish Choksi	ID	6	6	Yes
Nikhil Khattau	ID	6	6	Yes
Jinesh Shah, Director (Operations)[3]	WTD	3	3	Yes
Jinal Mehta[4]	NED (Promoter)	5	4	Yes
Aman Mehta, Whole-time Director	WTD (Promoter)	6	6	Yes

Notes:

1. NED – Non-Executive Director (other than ID); ID – Independent Director; WTD – Whole-time Director.
2. Dr. Maurice Chagnaud has completed his tenure as an Independent Director of the Company on 10th May, 2025 pursuant to which he ceased to be the Director of the Company.
3. Jinesh Shah, Whole time Director has stepped down as the Director of the Company with effect from 23rd July, 2024.
4. Jinal Mehta was appointed as Non-Executive Non-Independent Director with effect from 24th May, 2024.

Details of Directorships as on 31st March, 2025 and other related matters are as under:

Name & Designation of the Director	No. of other Directorship Held[1]		Name of the other listed entities where Directorship held & Category of Directorship	No. of other Board Committees of which Member / Chairperson[1]
	Listed Company	Other Company		
Samir Mehta, Executive Chairman	1	1	1. Torrent Power Limited, Executive Chairman (Promoter)	1 (Member)
Ameera Shah	2	2	1. Metropolis Healthcare Limited, Executive Director 2. ACC Limited, Independent Director	1 (Member)
Nayantara Bali	1	-	1. Marico Limited, Independent Director	1 (Member)
Dr. Maurice Chagnaud[2]	-	-	-	-
Manish Choksi	3	1	1. Asian Paints Limited, Non-Executive Director & Vice Chairman 2. Vedant Fashions Limited, Independent Director 3. Birlasoft Limited, Independent Director	4 (Member)
Nikhil Khattau	2	-	1. Marico Limited, Non Executive Non-Independent Director 2. Kaya Limited, Independent Director	2 (Chairperson) 2 (Member)
Jinal Mehta, Non-Executive Non-Independent Director[3]	1	3	1. Torrent Power Limited Managing Director (Promoter)	-
Aman Mehta, Whole-time Director	-	2	-	-

Note:

1. These numbers exclude the Directorship / Committee Membership held in the Company and in private limited companies, foreign companies, companies registered under Section 8 of the Companies Act, 2013. Further, it includes only the Chairmanship / Membership of the Audit Committee and Stakeholders' Relationship Committee. All Directors have informed the Company about the committee positions they occupy in other companies as per Regulation 26 of Listing Regulations, which were placed before the Board.
2. Dr. Maurice Chagnaud has completed his tenure as an Independent Director of the Company on 10th May, 2025.
3. Jinal Mehta was appointed as Non-Executive Non-Independent Director with effect from 24th May, 2024.

Aman Mehta is son of Samir Mehta. None of the other Directors are related to any other Director on the Board in terms of definition of 'relative' as per the Companies Act, 2013.

Shareholding of Non-Executive Directors:

Details of the equity shares held by Non-Executive Directors as on 31st March, 2025 are as under:

Name of the Director	Nos of Equity shares
Ameera Shah	1,865#
Jinal Mehta*	200

#holds 1500 shares & 365 shares as second holder jointly with Sushil Kanubhai Shah and Duru Sushil Shah respectively.

*appointed as Non-Executive Non-Independent Director with effect from 24th May, 2024.

Dr. Maurice Chagnaud has completed his tenure as an Independent Director of the Company on 10th May, 2025. Jinesh Shah, Whole time Director has stepped down as the Director of the Company with effect from 23rd July, 2024. Jinal Mehta was appointed as Non-Executive Non-Independent Director with effect from 24th May, 2024. Aman Mehta is liable to retire by rotation at the forthcoming AGM and being eligible, has offered himself for re-appointment. Appointment of Aman Mehta as Managing Director of the Company w.e.f. 01st August, 2025 is proposed for consideration in the ensuing AGM. Relevant details pertaining to him are provided in the notice of the AGM.

All IDs of the Company have furnished declarations that they qualify the conditions of being independent as per Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations. These were placed before the Board. The Board, based on such declarations, has verified the veracity of such disclosures and confirmed that the IDs fulfil the conditions of Independence specified in the Listing Regulations and are independent of the management of the Company.

The IDs of the Company met on 24th January, 2025 under the chairmanship of Manish Choksi without the presence of Non-Independent Directors to review the performance of Non-Independent Directors, the Board, Committees and the Chairperson. The meeting also reviewed the quality, quantity and timeliness of flow of information between the Company and the Board.

The terms and conditions of appointment of Independent Directors have been placed on the website of the Company **www.torrentpharma.com**. The details of familiarisation programmes for Independent Directors have been provided in the Directors' Report and posted on the website of the Company and can be accessed at the web link **https://www.torrentpharma.com/pdf/cms/Familiarization_Programme_2024-25.pdf**

During the year, all the recommendations of all the Committees were accepted by the Board.

The Company Secretary also acts as Secretary to all the Committees of the Board and provided secretarial support to the Committees.

2. AUDIT COMMITTEE

During the year under review, four meetings of the Audit Committee were held on 24th May, 2024, 23rd July, 2024, 25th October, 2024 and 24th January, 2025. Time elapsed between two meetings never exceeded 120 days.

The composition of the Committee as well as the particulars of attendance at the Committee meetings during the year and other related details are given in the table below:

Name & Designation of Director	Category of Directorship	Qualification	No. of meetings held during the tenure	No. of meetings attended
Nikhil Khattau, Chairman[1]	ID	Fellow of the Institute of Chartered Accountants in England and Wales and Bachelor's degree from University of Mumbai	4	4
Ameera Shah	ID	Degree in Finance (University of Texas)	4	4
Nayantara Bali	ID	Post Graduate Diploma in Business Management (IIM, Ahmedabad)	4	4
Dr. Maurice Chagnaud[2]	ID	Doctor of Medicine and MBA (Marketing, Strategy, Finance and Administration) from IAE Aix- en-Provence, France. Strategic Finance Program (IMD, Lausanne, Switzerland)	4	4

1. Nikhil Khattau was selected as Chairman of the Committee with effect from 24th May, 2024.
2. Dr. Maurice Chagnaud ceased to be Member of the Committee due to completion of his term on the Board on 10th May, 2025.

The Chairman of the Committee attended the last AGM of the Company.

The Committee meetings are attended by the Chief Financial Officer and Vice President (Finance). The Statutory Auditors, Internal Auditors, Cost Auditors and other related functional executives of the Company also attended the meeting when required.

The Committee holds meetings with Statutory Auditors and Internal Auditors on one to one basis as and when it deems fit and had ascertained that they didn't have any unexpressed concerns.

The total fees for all services paid by the Company and its subsidiaries to the statutory auditor and all entities in the network firm / network entity of which the statutory auditor is a part, amounts to ₹2.42 crores for the year 2024-25.

The principal terms of reference of the Committee as approved by the Board and as revised / updated from time to time by the Board are:

1. Financial Information Review

i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

ii. To examine the financial statement and the auditors' report thereon.

iii. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

A. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report;

B. Changes, if any, in accounting policies and practices and reasons for the same;

C. Major accounting entries involving estimates based on the exercise of judgment by management;

D. Significant adjustments made in the financial statements arising out of audit findings;

E. Compliance with listing and other legal requirements relating to financial statements;

F. Disclosure of any related party transactions; and

G. Modified opinion(s) in the draft audit report.

iv. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.

v. Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of public issue or rights issue or preferential issue or qualified institutional placement and making appropriate recommendations to the Board to take steps in this matter.

vi. To review the utilisation of loans and / or advances from / investment by the Company in the Subsidiary exceeding ₹100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

vii. To review the following details mandatorily:

A. Management discussion and analysis of financial condition and results of operations;

B. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

C. Management letters / letters of internal control weaknesses issued by the Statutory Auditors if any;

D. Internal audit reports relating to internal control weaknesses.

E. The appointment, removal and terms of remuneration of the Chief Internal Auditor.

F. Statement of deviations:

a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of Listing Regulations.

b) Annual statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7) of Listing Regulations.

viii. To review the financial statements of unlisted subsidiary companies, and in particular, the investments made by them.

2. Internal Controls and Policies for Maintaining Vigil

i. Scrutiny of inter-corporate loans and investments.

ii. Valuation of undertakings or assets of the Company, wherever it is necessary.

iii. Evaluation of Internal Financial Controls and Risk Management systems.

iv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

v. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

vi. To review the functioning of the Whistle Blower (Vigil) mechanism.

vii. To approve the appointment of Chief Financial Officer (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.

viii. Investigate any activity within its terms of reference and any matters referred to it by the Board.

ix. To review the frauds reported by the Statutory Auditors, Cost Auditors and Secretarial Auditors, if any.

x. Monitoring the end use of funds raised through public offers and related matters.

xi. Reviewing with the Auditors and Management, if required, about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and any related issues there with.

xii. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

3. Relationship with Statutory, Internal & Cost Auditors

i. Recommend to the Board for appointment, remuneration and terms of appointment of Auditors of the Company.

ii. Approval of payments to Statutory Auditors for any other services rendered by them.

iii. Review and monitor the auditor's independence and performance and effectiveness of audit process.

iv. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

v. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

vi. Discussion with Internal Auditors of any significant findings and follow up there on.

vii. Reviewing, with the management, performance of Statutory and Internal Auditors, adequacy of the internal control systems.

4. Related Party Transactions

i. Approval or any subsequent modification of transactions of the Company with related parties.

ii. To lay down the criteria for granting the omnibus approval in line with the policy on related party transactions.

iii. To review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given.

The Committee has full access to information and records of the Company and can seek information from any employee of the Company and may invite such executives, as it considers appropriate, to be present at the meetings of Committee. The Committee may access external professionals and obtain legal advice, if so required, and secure attendance of outsiders with relevant expertise, if it considers necessary, in discharge of its functions.

In addition to the above, the Committee shall have such functions / role / powers as may be specified in the terms of reference of the Audit Committee under applicable laws or as required by any statute.

3. RISK MANAGEMENT COMMITTEE

The principal terms of reference of the Risk Management Committee as approved by the Board are as under:

1. Formulation of a detailed risk management policy and recommending the same to the Board which shall include:

   a. A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee

   b. Measures for risk mitigation including systems and processes for internal control of identified risks.

   c. Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks including cyber security risk associated with the business of the Company.

3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.

4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.

5. To review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any).

6. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.

During the year under review, two meetings of the Committee were held on 02nd April, 2024 and 25th October, 2024.

The composition of the Committee as well as the particulars of attendance at the Committee meetings held during the year and other related details are given in the table below:

Name & Designation of Director	Category	No. of meetings held during the tenure	No. of meetings attended
Nikhil Khattau, Chairman[1]	ID	2	2
Nayantara Bali	ID	2	2
Dr. Maurice Chagnaud[2]	ID	2	2
Sudhir Menon	CFO	2	2

1. Nikhil Khattau was selected as Chairman of the Committee with effect from 02nd April, 2024.
2. Dr. Maurice Chagnaud ceased to be Member of the Committee due to completion of his term on the Board on 10th May, 2025.

4. SECURITIES TRANSFER AND STAKEHOLDERS RELATIONSHIP COMMITTEE

The Securities Transfer & Stakeholders Relationship Committee considers and oversees resolution of grievances of security holders and investors of the Company.

The composition of the Committee as well as the particulars of attendance at the Committee meeting held during the year on 24th May, 2024 and other related details are given in the table below:

Name & Designation of Director	Category	No. of meetings held during the tenure	No. of meetings attended
Ameera Shah, Chairperson[1]	ID	1	1
Nikhil Khattau	ID	1	1
Aman Mehta	WTD	1	1

1. Ameera Shah was selected as Chairperson of the Committee with effect from 24th May, 2024

The Committee passed various circular resolutions for issuance of duplicate share certificates and other routine matters. Chintan Trivedi, Company Secretary is designated as the Compliance Officer.

99.85% of the equity shares of the Company are held in dematerialised form.

Pursuant to Section 124 of the Companies Act, 2013 read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company had transferred 18,088 equity shares to the demat account of Investor Education and Protection Fund (IEPF) Authority during the year 2024-25. As on 31st March, 2025, 3,82,716 equity shares are lying with IEPF Authority.

During the year, the Company has received 25 (Twenty Five) complaints from shareholders which were attended within a reasonable period of time. 1 (One) complaint was pending as on 31st March, 2025.

5. APPOINTMENT & REMUNERATION OF DIRECTORS

Nomination and Remuneration Committee

The Nomination and Remuneration Committee recommends the appointment of Directors and remuneration of such Directors other than Independent Directors. The level and structure of remuneration of senior management of the Company as per the Remuneration Policy is also overseen by this Committee.

During the year, two meetings of the Committee were held on 24th May, 2024 and 23rd July, 2024.

The composition of the Committee as well as the particulars of attendance at the Committee meetings during the year and other related details are given in the table below:

Name & Designation of Director	Category	No. of meetings held during the tenure	No. of meetings attended
Manish Choksi, Chairman[1]	ID	2	2
Nayantara Bali	ID	2	2
Ameera Shah	ID	2	2

1. Manish Choksi was selected as the Chairman of the Committee with effect from 24th May, 2024.

Pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, Nomination and Remuneration Committee has the following principal terms of reference:

1. To evaluate and recommend the composition of the Board of Directors and sub-committees thereof.
2. To identify persons who are qualified to become Directors and who may be appointed in senior management positions in accordance with the criteria laid down, recommend to the Board their appointment and removal.
3. To determine whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
4. To specify the manner for effective evaluation of performance of Board, its Committees and individual directors to be carried out either by the Board, by the Committee or by an independent external agency and review its implementation and compliance.
5. To evaluate the balance of skills, knowledge and experience on the Board for every appointment of an Independent Director and on the basis of such evaluation prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description.
6. For the purpose of identifying suitable candidates for appointment as Independent Directors, the Committee may use the services of an external agencies, if required; consider candidates from a wide range of backgrounds, having due regard to diversity; and consider the time commitments of the candidates.
7. Devising a Policy on Board Diversity.
8. Formulate the criteria for determining qualifications, positive attributes and independence of a Director.
9. To recommend a Policy to the Board relating to the remuneration for the Directors, KMP and other employees, for its approval.
10. The Committee shall, while formulating the policy, ensure the following:
    (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
    (b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
    (c) Remuneration to Directors, KMP and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

    Senior Management for the above purpose shall mean personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the CEO / MD / WTD / Manager (including CEO / Manager, not part of the board) and shall specifically include the functional heads, by whatever name called and the persons identified and designated as KMP, other than board of directors by the Company.
11. To recommend to the Board remuneration proposed to be paid, to Executive Directors, Non-executive Directors (other than Independent Directors), Whole-time Key Managerial Personnel and Senior Management, with proper justification for such remuneration.
12. To seek information from management and have full access to the Company's records relevant to it's functioning in discharge of its obligations.
13. To make recommendations to the Board on any matter within its purview, by passing appropriate resolutions.
14. To note information on recruitment and remuneration of Senior Officers just below the level of Board of Directors, including appointment or removal of Chief Financial Officer and the Company Secretary.
15. To undertake related activities, functions and duties as the Board of Directors may from time to time, after deliberations, prescribe or as may be required to be undertaken in terms of any statutory or regulatory provisions.

    On the recommendation of the Nomination and Remuneration Committee, the Board has, inter alia, approved the following evaluation criteria for the Independent Directors:

    - Participation in Board in terms of adequacy (time & content);
    - Contribution at meetings;
    - Guidance / support to Management outside Board / Committee meetings;
    - Fulfilment of functions;
    - Independent views and judgement.

Senior Management

Details of Senior Management Personnel ("SMP") as on 31st March, 2025 are as follows:

Sr. No.	Name	Designation
1	Jinesh Shah[1]	Chief Operating Officer
2	Hasmukh Patel	Dy. Chief Operating Officer
3	Amal Kelshikar	Executive Director (India Business)
4	Ashish Hajarnis[2]	Executive Director (Operations)
5	Sunil Nadkarni	Executive Director (Product Development)
6	Sushil Jaiswal	Executive Director (Quality)
7	Sudhir Menon	Executive Director (Finance) & CFO
8	Chintan Trivedi	Company Secretary

1. re-designated as Chief Operating Officer with effect from 24th July, 2024.
2. elevated from position of Vice President (Manufacturing) to Executive Director (Operations) with effect from 01st April, 2024.

During FY 2024-25, Pranav Mehta was elevated from position of Vice President to Executive Director (Strategic Planning) with effect from 01st April, 2024 and further pursuant to his resignation he ceased to be SMP with effect from 26th February, 2025.

Remuneration Policy, details of remuneration and other terms of appointment of Directors

The Remuneration Policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The Company endeavours to attract, retain, develop and motivate the high-caliber executives and to incentivise them to develop and implement strategy, thereby enhancing the business value and maintaining a high performance workforce. The policy ensures that the level and composition of remuneration of the Whole-time Directors / Executive Directors are optimum. Remuneration package for Executive Directors are designed with optimum combination of fixed component and / or performance linked pay reflecting the physical (quantitative and qualitative) and financial performance of the Company. The salient features of the Remuneration Policy forms a part of the Director's Report.

Appointment and Remuneration of Executive Chairman / Whole-time Directors

The re-appointment and remuneration of Samir Mehta as Executive Chairman of the Company was decided by the Board and approved by the shareholders in its 51st AGM held on 23rd July, 2024. The appointment is for a period of 5 (five) years effective from 01st April, 2025 till 31st March, 2030

Jinesh Shah, Whole time Director stepped down as the Director of the Company with effect from 23rd July, 2024.

Aman Mehta was appointed as Whole Time Director of the Company for the period of 5 (five) years effective from 01st August, 2022. The shareholders through Postal Ballot resolution dated 08th September, 2022 approved the said appointment. He being a director liable to retire by rotation at the forthcoming AGM and being eligible, has offered himself for re-appointment.

Appointment of Aman Mehta as Managing Director of the Company w.e.f. 01st August, 2025 is proposed for consideration in the ensuing AGM.

Remuneration of Non-Executive Directors including Independent Directors

1. The shareholders at the AGM held on 23rd July, 2019 approved the payment of commission to the Non-Executive Directors (NEDs), in accordance with and upto the limit laid down under the provisions of the Companies Act, 2013 for the period of 5 (five) years commencing from 01st April, 2020 and authorised the Board of Directors or any Committee of the Board, specifically authorised for the purpose, to decide the actual amount of commission for each year. The commission is determined based on the participation of the directors in the meetings of the Board and / or Committees thereof, as well as on industry practice, performance of the Company and contribution by the Directors, etc. Further, the Board has approved the payment of sitting fees at the rate of ₹1 lakh per meeting to the IDs for each Board and Committee meeting attended by them.
2. In case of absence or inadequacy of profits in any financial year, the NEDs shall be paid such remuneration as approved by the Board or its Committee authorised for the purpose, subject to such approval as may be necessary.
3. The commission for any financial year shall be paid on its approval by the Board.

Details of remuneration of Directors for the year ended 31st March, 2025 are as under:

(₹ in lakhs)

Name & Designation of Director$	Salary & Perquisites	Commission##	Sitting Fees++	Total
Samir Mehta, Executive Chairman	0.40**	3,000.00	Nil	3,000.40
Ameera Shah	Nil	47.00	13.00	60.00
Nayantara Bali	Nil	54.00	17.00	71.00
Dr. Maurice Chagnaud	Nil	54.00	14.00	68.00
Manish Choksi	Nil	42.00	11.00	53.00
Nikhil Khattau	Nil	54.00	14.00	68.00
Jinesh Shah, Director (Operations)^	204.75#**	Nil	Nil	204.75
Jinal Mehta, Non-Executive Director*	Nil	Nil	Nil	Nil
Aman Mehta, Whole time Director	757.36#**	Nil	Nil	757.36
Total	**962.51**	**3,251.00**	**69.00**	**4,282.51**

Notes:

$ The terms of appointment of Executive Chairman / Whole-time Director are governed by the resolutions of the shareholders and applicable rules of the Company.

^ Jinesh Shah, Whole time Director has stepped down as the Director of the Company with effect from 23rd July, 2024.

* Jinal Mehta was appointed as Non-Executive Non-Independent Director with effect from 24th May, 2024.

Includes house rent allowance, contribution to provident fund & value of perquisites provided.

Commission as approved by the Board pursuant to the shareholders' approval within the limit specified in the Companies Act, 2013.

++ Sitting Fees as approved by the Board under Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

** In addition they are covered under group personal accident and group mediclaim policy as per Company's Rules.

Mac Healthcare Consulting AG, in which Dr. Maurice Chagnaud, an Independent Director is founder & CEO, were paid ₹0.05 crores as professional fees for advisory services provided during the year. Apart from above, there were no other pecuniary relationships / transactions with the Independent Directors vis-à-vis the Company.

During the year, the Company and its subsidiaries has not provided any loans and advances in the nature of loans to any firms / companies in which directors are interested.

6. CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY COMMITTEE

Pursuant to Section 135 of the Companies Act, 2013, the Company has constituted Corporate Social Responsibility and Sustainability Committee, inter alia, to formulate Corporate Social Responsibility (CSR) Policy, to recommend the amount of expenditure to be incurred on social activities and to monitor the CSR Policy.

During the year, two meetings of the Committee were held on 24th May, 2024 and 25th October, 2024.

The composition of the Committee as well as the particulars of attendance at the Committee meetings during the year and other related details are given in the table below:

Name & Designation of Director	Category	No. of meetings held during the tenure	No. of meetings attended
Nayantara Bali, Chairperson	ID	2	2
Manish Choksi	ID	2	2
Dr. Maurice Chagnaud[1]	ID	1	1
Jinesh Shah[2]	WTD	1	1
Nikhil Khattau[3]	ID	-	-

Note:

1. Dr. Maurice Chagnaud was appointed as the Member of the Committee with effect from 23rd July, 2024 and has completed his tenure as an Independent Director of the Company on 10th May, 2025, pursuant to which he ceased to be the Member of the Committee.
2. Jinesh Shah stepped down as Director of the Company with effect from 23rd July, 2024, pursuant to which he ceased to be the Member of the Committee.
3. Nikhil Khattau was appointed as the Member of the Committee with effect from 06th May, 2025.

7. GENERAL BODY MEETINGS

Details of the AGM held during last three years are as under:

AGM	Date	Time	Venue	No. of special resolutions passed
49th AGM	29th July, 2022	09:30 AM	Meeting conducted through VC / OAVM	1
50th AGM	07th August, 2023	09:30 AM		3
51st AGM	23rd July, 2024	09:30 AM		2

No postal ballot was conducted during the financial year 2024-25. At present there is no immediate proposal for passing any resolution through postal ballot.

8. DISCLOSURES

a. Legal Compliances

The Company follows a formal management policy and system of legal compliance and reporting to facilitate periodical review by the Board of compliance status of laws applicable to the Company and steps taken to rectify non-compliances, if any.

There were no instances of material non-compliance and no penalties were imposed on the Company either by SEBI, Stock Exchanges or any statutory authorities on any matter related to capital markets during the last three years.

b. Code of Business Conduct

The Code of Business Conduct ("Code") lays down important corporate ethical practices that shape the Company's value system and business functions and represents cherished values of the Company. The Code provides guidance to employees in recognising and dealing with important ethical and legal issues and fosters a culture of honesty and accountability. The Code of Conduct includes Integrity, Gifts, Conflict of Interest, Legal compliance, Respect for people, Environmental commitment, Safety, Confidential & Proprietary Information, Financial Information, Company assets, Computer Network use & Security, Records maintenance and Management.

The Code adopted by the Company has been posted on the website of the Company. The members of the Board and Senior Management of the Company have submitted their affirmation on compliance with the Code for the effective period. The declaration by the Executive Chairman to that effect forms part of this report as Annexure 1.

c. Prevention of Insider Trading

The Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons ("Insider Trading Code") is aimed to prevent any insider trading and applicable to all the designated persons who are expected to have access to the unpublished price sensitive information relating to the Company. The Insider Trading Code was amended on 23rd July, 2024 and 20th May, 2025 to harmonise with the amendments carried out by SEBI in the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("Insider Trading Regulations"). The Company lays down the guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing in shares of the Company. The Company has also adopted the Policy for determination of legitimate purposes which forms part of Fair Disclosure Code. The Fair Disclosure Code was amended on 20th May, 2025 to harmonize with the amendments carried out by SEBI in the Insider Trading Regulations. The Company conducted the quiz for the employees covered under the Designated Persons and also sends the advisory mails on regular basis to reinstate the basic understanding of the provisions of Insider Trading Code / Insider Trading Regulations.

The Audit Committee reviews cases of non-compliances, if any and the said non – compliances are promptly intimated to the Stock Exchanges in the prescribed format.

d. Related Party Transactions

Pursuant to Regulation 23 of the Listing Regulations and applicable provisions of the Companies Act, 2013, the Company has formulated Policy on Materiality of and dealing with Related Party Transactions ("Related Party Transactions Policy") for dealing with related party transactions. All the related party transactions are entered in compliance to the provisions of the law and the Related Party Transactions Policy. The Related Party Transactions Policy has been revised w.e.f. 24th January, 2025 and 20th May, 2025 to harmonize it with the amendments carried out under SEBI Regulations. A copy of the Related Party Transactions Policy for dealing with related party transactions is available on the website **https://www.torrentpharma.com/pdf/investors/Related_Party_Transactions_Policy.pdf**

The Company has also formulated Policy on Determining Material Subsidiaries as required under Listing Regulations. The said policy has been revised with effect from 24th January, 2025 to harmonize with the amendments carried out in the Listing Regulations. A copy of this policy is available on the website **https://www.torrentpharma.com/assets/Policy_for_determination_of_Material_Subsidiaries.pdf**

All the related party transactions are duly approved by Audit Committee / Board as required under the provisions of the Companies Act, 2013 and Listing Regulations as well as the Related Party Transactions Policy of the Company. During the year, the Company did not enter into any transaction with related parties which were material in nature as defined in the Listing Regulations. Please refer to Note 41 of Standalone Financial Statements, forming part of the Annual Report for details of the related party transactions during the year.

e. CEO / CFO Certification

The Executive Chairman and Chief Financial Officer (CFO) of the Company give an annual certificate on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations. The Executive Chairman and CFO also give quarterly certificate on financial results while placing the financial results before the Board in terms of Regulation 33(2)(a) of the Listing Regulations.

f. Reconciliation of Share Capital Audit

As required by SEBI, quarterly audit of the Company's share capital is being carried out by a Practicing Company Secretary to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) (collectively Depositories) and held in physical form, with the total issued and listed capital. The Certificate confirming the same is submitted to BSE Limited and the National Stock Exchange of India Limited on a quarterly basis and is also placed before the Board of Directors.

g. Certificate from Company Secretary in Practice regarding appointment and continuation of directors

The Company has obtained the Certificate from the Practising Company Secretary certifying that none of the directors of the Company are debarred or disqualified from being appointed or continuing as directors of Company by SEBI / MCA or any such authority.

h. Details of unclaimed shares as per Listing Regulations

In terms of Regulation 39(4) of the Listing Regulations, the Company reports the following details in respect of equity shares transferred from the "Torrent Pharmaceuticals Limited – Unclaimed Suspense Account" during the year and the balance in the same at the beginning and at the end of the year:

Particulars	Number of shareholders	Number of Equity shares
Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account at the beginning of the year i.e. 01st April, 2024	9	5,760
Number of shareholders who approached the Company / Registrars and Transfer Agents (RTA) for transfer of shares from unclaimed suspense account during the year ended 31st March, 2025	-	-
Number of shareholders to whom shares were transferred from Unclaimed Suspense Account during the year ended 31st March, 2025	-	-
Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account at the end of the year i.e. as on 31st March, 2025	9	5,760

The voting rights on such shares shall remain frozen till the rightful owner claims the shares.

i. Disclosure of certain types of agreements binding listed entities

No agreements have been entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its holding, subsidiary or associate company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company.

j. Whistle Blower Policy

The Company has institutionalised a Whistle Blower Policy to create consistent value propositions to all stakeholders. The Code of Business Conduct ("the Code") lays down the important corporate ethical practices that shape the Company's business practices and represents the ever cherished value of the Company. The Whistle Blower Policy aids in assuring all stakeholders that the Code is followed by one and all in the organisation. It provides a protected and confidential channel for employees and other stakeholders to report genuine concerns apart from unethical or improper conduct.

Going a step forward, the Company has introduced a new channel for reporting these complaints and this channel is managed by a designated consultancy. This helps in bringing more transparency in the entire process.

Employees are sensitised to practice highest level of honesty, integrity and ethical behaviour in all of its operations. Through this policy, the Company encourages employees, stakeholders, shareholders and directors to report any instance of unethical conduct, actual or suspected fraud or violations of the Company's Code that could adversely affect Company's operations, business performance and / or reputation.

In accordance with this Whistle Blower Policy, the Company conducts an impartial investigation when any of the above incidents are reported and appropriate action is taken to ensure required standards of professional and ethical conduct are met. Employees who report such incidents to the Company are suitably protected. The investigation results are communicated to all those involved and a written report of the results is drawn up. The Audit Committee (AC) reviews the operation of the Company's whistle blower mechanism on a quarterly basis. The Policy can be viewed on the Company's website at **www.torrentpharma.com**

The policy also sets out the reporting and investigation procedures to be followed. All protected disclosures must be reported using the contact information provided in the Policy, with the additional reporting of financial matters using the contact information of the Company's Chief Financial Officer (CFO). If the protected disclosures involve the CFO, CEO, or any other Director of the Company, the relevant disclosures must be made directly to the Chair of the AC. Phone calls, emails, and letters can all be used as modes of communication to make protected disclosures.

No person has been denied access to the Chairman of the AC.

k. Commodity price risk and hedging activities

The Company purchases Active Pharmaceutical Ingredient (API) and other materials that are used in the manufacturing of drugs. The prices of raw material generally fluctuate in line with commodity cycles over short period of time.

Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. The Company also has Risk Management framework to pro-actively mitigate the impact through measures like cost based price increases, cost reduction measures, portfolio rationalisation, renegotiating procurement contracts etc. Additionally, the Company also develops on an ongoing basis alternate supply sources for key products subject to economic justification. Most of these materials are sourced from the domestic market and therefore do not have significant foreign exchange fluctuation risks. The Company does not use any derivative contracts to hedge exposure to fluctuations in commodity prices.

l. Policy on Protection of Women against Sexual Harassment at Workplace

In order to ensure a safe and harassment-free workplace for its women employees, the Company has implemented a Policy on the Protection of Women against Sexual Harassment at Workplace. This policy encourages women employees to pursue their careers without fear of prejudice, gender bias, sexual harassment and / or other implicit or explicit orientations. In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013, Complaints Resolution Committees are established at administrative units / offices for this purpose.

In 2024-25 there were no complaints of Sexual Harassment registered in the Company.

m. Details of material subsidiaries of the Company:

The details of Material Subsidiaries during the financial year are given below:

Sr. No.	Name of Subsidiaries	Date of Incorporation	Place of Incorporation	Name of Statutory Auditor	Date of appointment of Statutory Auditor
1.	Torrent Pharma Inc.	13^{th} January, 2004	United States	BSR & Co. LLP, Chartered Accountants	2015-16
2.	Torrent Do Brasil Ltda	16^{th} January, 2006	Brazil	KPMG Auditores Independentes Ltda	2017-18

n. Mandatory & Non-Mandatory Clauses

The Company has complied with all mandatory requirements laid down by Listing Regulations including those specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46.

The non-mandatory requirements complied with are disclosed below:

Audit Qualification: The Company's financial statements for the year 2024-25 do not contain any modified audit opinion.

Reporting of Internal Auditors: The Internal Auditors present their internal audit observations quarterly to the Audit Committee.

9. COMMUNICATION TO SHAREHOLDERS

During the year, audited quarterly and annual financial results on standalone basis and un-audited quarterly and audited annual financial results on a consolidated basis of the Company were submitted to the stock exchanges soon after the Board meeting approved these and were published in leading newspapers viz The Financial Express and The Indian Express in all editions of English language and The Financial Express in Gujarati language. These were also promptly put on the Company's website **www.torrentpharma.com**. All official news release of relevance, quarterly / annual results and presentations made by the Company to investors / analysts were also made available on the Company's website. The Company sends soft copies of Annual Report to those shareholders whose e-mail ids are registered with the Depository Participants and / or with the Company's Registrars and Transfer Agents, unless opted by them to get the physical copy, to support the "Green Initiative in Corporate Governance" of the Ministry of Corporate Affairs.

10. GENERAL SHAREHOLDER INFORMATION

a. 52^{nd} AGM

Date & Time	Monday, 28^{th} July, 2025 at 09:30 AM
Venue	The Company is going to conduct the meeting through VC / OAVM pursuant to the MCA circular dated 05^{th} May, 2020 read with MCA circular dated 19^{th} September, 2024 and as such there is no requirement to have a venue for the AGM. For details, please refer to the Notice of this AGM.

b. Tentative Financial Calendar for the year 2025-26

Financial year	01^{st} April to 31^{st} March
First Quarter results	Fourth week of July 2025
Half Yearly results	First week of November, 2025
Third Quarter results	Second week of February, 2026
Results for year-end	Second week of May 2026

c. Record date

20^{th} June, 2025

d. Dividend payment date

The proposed dividend, if approved at the ensuing AGM will be distributed around 04^{th} August, 2025.

e. Listing on Stock Exchanges and Security Codes

Name of Stock Exchange	Security Code
A. Equity shares	
BSE Limited, Mumbai (BSE) 01st Floor, New Trading Ring, P. J. Towers, Dalal Street, Fort, Mumbai - 400 001	500420
National Stock Exchange of India Limited, Mumbai (NSE) Exchange Plaza, 5th Floor, Plot No. C/1, G. Block, Bandra - Kurla Complex, Bandra (E), Mumbai – 400 051	TORNTPHARM
B. Non-Convertible Debentures	
National Stock Exchange of India Limited, Mumbai (NSE) Exchange Plaza, 5th Floor, Plot No. C/1, G. Block, Bandra - Kurla Complex, Bandra (E), Mumbai – 400 051	
C. Commercial Papers	
National Stock Exchange of India Limited, Mumbai (NSE) Exchange Plaza, 5th Floor, Plot No. C/1, G. Block, Bandra - Kurla Complex, Bandra (E), Mumbai – 400 051	

The Company has paid the annual listing fees for the year 2025-26 to both the above stock exchanges.

f. Distribution of shareholding as at 31st March, 2025

By size of shareholding:

Category (Shares)	Mode of Holding	No. of Shares	% To Equity	No. of Holders	% To Holders
1 - 1,000	Electronic	5,548,750	1.64	84,222	95.10
	Physical	112,444	0.03	342	0.39
1,001 - 2,000	Electronic	3,125,948	0.92	2,063	2.33
	Physical	319,520	0.09	201	0.23
2,001 - 10,000	Electronic	4,207,555	1.24	972	1.10
	Physical	55,200	0.02	16	0.02
10,001 - 20,000	Electronic	2,816,126	0.83	200	0.23
	Physical	32,000	0.01	2	0.00
Above 20,000	Electronic	322,227,897	95.21	546	0.62
	Physical	--	--	--	--
Total	**Electronic**	337,926,276	99.85	88,003	99.37
	Physical	519,164	0.15	561	0.63
	Total	**338,445,440**	**100.00**	**88,564**	**100.00**

By category of shareholders:

Category	No. of Shares		Total Shares	% of Holding
	Electronic	Physical		
Promoter's Group	231,185,400	--	231,185,400	68.31
Mutual Fund	17,014,101	--	17,014,101	5.03
Bank, FIs, AIFs & Insurance Companies	4,805,737	--	4,805,737	1.42
Foreign Institutional Investors / NRIs	55,755,907	--	55,755,907	16.47
Bodies Corporate	1,306,931	4,600	1,311,531	0.39
Indian Public	16,985,675	514,564	17,500,239	5.17
Others	10,489,809	--	10,489,809	3.10
IEPF	382,716	--	382,716	0.11
Total	**337,926,276**	**519,164**	**338,445,440**	**100.00**

Top 10 Shareholders of the Company (other than Promoters and Promoter Group) as on 31st March 2025

Name of Shareholders	No. of Shares	% of total shares
NPS Trust	6,099,267	1.80
Kotak Mahindra Trustee Co Ltd	3,106,007	0.92
Nippon Life India Trustee Ltd	2,197,781	0.65
UTI	2,014,436	0.60
Government of Singapore	1,963,738	0.58
ICICI Prudential Life Insurance Company Limited	1,816,749	0.54
Goldman SACHS Funds	1,609,537	0.48
Vanguard Total International Stock Index Fund	1,518,445	0.45
Stichting Depository APG Emerging Markets Equity	1,459,467	0.43
Vanguard Emerging Markets Stock Index Fund	1,392,098	0.41

g. Dematerialisation of securities

The equity shares of the Company are traded compulsorily in the dematerialised segment of BSE Limited and National Stock Exchange of India Limited and are under rolling settlement. Approximately 99.85% of the shares have been dematerialised. Shares held by promoters are all in dematerialised form. The demat security (ISIN) code for the equity share is INE685A01028.

h. Share transfer system

SEBI vide its master circular no SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated 07th May, 2024, has mandated that listed companies shall issue the securities in dematerialised form only, in order to enhance ease of dealing in securities markets by investors, for transactions including Issue of duplicate securities certificate, claim from unclaimed suspense account, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates / folios, transmission and transposition of shares. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website under the link at **https://www.torrentpharma.com/investors/share-holder/investor-services/**. The details of transmission, name change or name deletion approved by the delegates are noted by the Securities Transfer and Stakeholders Relationship Committee. The Company has signed necessary agreements with two depositories currently functional in India viz. National Securities Depository Limited & Central Depository Services (India) Limited. The transfer of shares in electronic mode need not be approved by the Company.

i. Request for Updation of PAN, KYC & Nomination details:

As per circulars issued by SEBI from time to time, it is mandatory for holders of physical securities to furnish PAN, KYC, Bank details and Nomination / Opt-out of Nomination details before getting any investor service request processed. Security holders holding securities in physical form, whose folio(s) do not have PAN, KYC or Bank details, shall be eligible for dividend in respect of such folios, only through electronic mode with effect from 01st April, 2024.

Members who are yet to update details in their physical folios are, therefore, urged to furnish PAN, KYC, Bank details and Nomination / Opt-out of Nomination by submitting the prescribed forms duly filled, to the RTA by email from their registered email id to **einward.ris@kfintech.com** or by sending a physical copy of the prescribed forms duly filled and signed by the registered holders to M/s. KFin Technologies Limited at Selenium Tower-B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana - 500 032.

In accordance with the SEBI master circular no SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated 07th May, 2024, the Company will be sending intimations to those Members, holding shares in physical form, whose PAN, KYC, Bank detals and / or Nomination details are not updated, requesting them to update the details. Attention of the Members holding shares of the Company in physical form is invited to go through the said important communication under the web link at **https://www.torrentpharma.com/investors/share-holder/investor-services/**

j. Credit Ratings

Details of all credit ratings obtained by the Company for its borrowings including debt instruments are as follows:

ICRA Ltd has assigned credit rating of -

- [ICRA] AA+ (Stable) for banking facilities and non-convertible debentures.
- [ICRA] A1+ for commercial paper programme of the Company.

India Ratings and Research Private Limited ("India Ratings") has assigned rating of -

- IND AA+ (Stable) for Non-convertible debentures and term loans.

There has been no change in the Credit ratings during the year.

k. Outstanding GDRs / ADRs / Warrants / any other convertible instruments

The Company does not have any outstanding instruments of the captioned type.

l. Registered Office

Torrent House, Off Ashram Road, Ahmedabad – 380 009, Gujarat, India

Phone: + 91 79 26599000

Fax: + 91 79 26582100

m. Plant Locations

1. Village Indrad, Taluka Kadi, Dist. Mehsana (Gujarat)
2. Village Bhud, Baddi, Teh. Nalagarh, Dist. Solan (Himachal Pradesh)
3. 32 No. Middle Camp, NH-10, East District, Gangtok (Sikkim) – Unit I & Unit II
4. NH-10, Bagheykhola Village, Majhitar, Rangpo, East Sikkim (Sikkim) – Unit III
5. Plot No 810, Sector III, Industrial area, Pithampur, Dist - Dhar (Madhya Pradesh)
6. Plot No.77 & 78, J N Pharma City, Thanam Village, Parawada-Mandal, Vizag (Andhra Pradesh)
7. Plot No. Z104-106, Dahej SEZ Phase II, Taluka Vagra, Dist. Bharuch (Gujarat)
8. Bileshwarpura, Taluka Kalol, District Gandhinagar (Gujarat)

n. Project Site

1. Virochannagar, Ahmedabad-Viramgam Highway, Sanand, Ahmedabad (Gujarat)

o. Research & Development Facility

Village Bhat, Dist. Gandhinagar - 382 428 (Gujarat)

p. Compliance Officer

Chintan M. Trivedi
Company Secretary
Torrent House, Off Ashram Road, Ahmedabad – 380 009, Gujarat, India
Phone: + 91 79 26599000 Fax: + 91 79 26582100
E-mail ID: **chintantrivedi@torrentpharma.com**

q. Investor Services

E-mail ID: **investorservices@torrentpharma.com**

r. Registrars & Transfer Agents (RTA)

KFIN Technologies Limited
Unit: Torrent Pharmaceuticals Limited
Selenium Tower-B, Plot No. 31 & 32, Financial District,
Nanakramguda, Hyderabad - 500 032, India
Toll free No / Whatsapp no: 18003094001 / +91 9100094099
Contact person: Dnyanesh Gharote
E-mail ID: **einward.ris@kfintech.com**

s. Debenture Trustee

IDBI TRUSTEESHIP SERVICES LIMITED
Universal Insurance Building,
Ground Floor, Sir P.M. Road,
Fort, Mumbai – 400001
Website: **https://idbitrustee.com/**
E-mail ID: **itsl@idbitrustee.com**
Tel. No: + 91 22 4080 7000
Fax No: +91 22 6631 1776

For and on behalf of the Board of Directors

Samir Mehta
Executive Chairman
DIN: 00061903

Mumbai
20th May, 2025

ANNEXURE 1 TO CORPORATE GOVERNANCE REPORT

To
The Shareholders,

Affirmation of Compliance with Code of Business Conduct

I, Samir Mehta, Executive Chairman, declare that the Board of Directors of the Company has received affirmation on compliance with the Code of Business Conduct for the period from 01st April, 2024 or the date of their joining the Company, whichever is later, to 31st March, 2025 from all Members of the Board and employees under Senior Management Cadre comprising CEO / Executive Directors (not a Member of the Board), Vice Presidents and General Managers.

Samir Mehta
Executive Chairman
DIN: 00061903

Mumbai
20th May, 2025

Independent Auditor's Report

To the Members of
Torrent Pharmaceuticals Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Torrent Pharmaceuticals Limited (the "Company") which comprise the standalone balance sheet as at March 31, 2025, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment testing of goodwill

See Note 4.8.2, 8 and 9 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
The Company tests goodwill for impairment annually, or more frequently when there is an indication that the cash generating unit to which goodwill has been allocated may be impaired. We identified the annual impairment assessment of goodwill as a key audit matter because the assessment process is complex and judgemental by nature and is based on assumptions on: • projected future cash inflows; • expected growth rate and profitability; • discount rate; • perpetuity value based on long-term growth rate.	Our audit procedures included the following: • Testing operating effectiveness of controls over determination of the recoverable amounts of cash generating units. Cash generating units for this purpose are those to which the goodwill is allocated; • Evaluating the model used in determining the recoverable value of the cash generating units; • Assessing the reasonableness of prior period cash flow forecasts of the Company by reference to actual performance to assess forecast accuracy; • Challenging the significant assumptions and judgements used in impairment analysis, such as forecast revenue, margins, long-term growth and discount rates in comparison to economic and industry forecasts with the assistance of our valuations specialist; • Performing sensitivity analysis of the key assumptions, such as future revenue growth rates, future gross margins, and the discount rate used in determining the recoverable value; • Evaluating the adequacy of disclosures, including disclosures of key assumptions, judgements and sensitivities.

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

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2025, April 1, 2025 and April 11, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(a) The Company has disclosed the impact of pending litigations as at March 31, 2025 on its financial position in its standalone financial statements - Refer Note 42 to the standalone financial statements.

(b) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 40 (i) to the standalone financial statements.

(c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

(d) (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 47 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 47 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

(e) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend. The interim dividend declared and paid during the year by the Company until the date of this audit report is in accordance with Section 123 of the Act. As stated in Note 50 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

(f) Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account, which along with an access management tool as applicable, has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid/payable by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Sadashiv Shetty
Partner
Membership No.: 048648
ICAI UDIN: 25048648BMNYIB2479

Place: Mumbai
Date: May 20, 2025

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Torrent Pharmaceuticals Limited for the year ended March 31, 2025

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

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

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

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right-of-Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit has been physically verified by the management during the year. For goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any security or advance in the nature of loan, secured or unsecured to companies, firms, limited liability partnership or any other parties. The Company has made investments in companies, limited liability partnership and other parties, provided guarantees to companies and granted unsecured loans to other parties during the year, in respect of which the requisite information is as below. The Company has not made investments in firms and not granted loans, secured or unsecured to companies, firms or limited liability partnership during the year.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans or stood guarantee as below:

(₹ in crores)

Particulars	Guarantees	Loans
Aggregate amount during the year		
Subsidiaries*	179.72	-
Others (to employees)	-	5.96
Balance outstanding as at balance sheet date		
Subsidiaries*	898.60	-
Others (to employees)	-	7.59

*As per the Companies Act, 2013.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided and the terms and conditions of the grant of loans and gurantees provided during the year are not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans or provided any security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the guarantees given and investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective July 1, 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (₹ in crores)	Amount paid under protest (₹ in crores)
The Central Excise Act, 1944	Cenvat Credit/Input service tax/demand of duty & penalty	CESTAT	2012-13, 2013-14, 2016-17 to June 2017	18.40	0.43
Finance Act, 1994	Demand of Service Tax/Interest/Penalty	CESTAT	2013-14 to 2015-16	7.06	-

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Torrent Pharmaceuticals Limited for the year ended March 31, 2025 (Continued)

Name of the statute	Nature of the dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (₹ in crores)	Amount paid under protest (₹ in crores)
Finance Act, 1994	Demand of Service Tax/Interest/Penalty	Supreme Court of India	2007-08 to June 2012	64.52	-
Finance Act, 1994	Demand of Service Tax/Interest/Penalty	Commissioner of GST & Central Excise-Ahmedabad	July -2012 to Sept 2013 October-2013 to March-2015	12.65	-
The Central Goods & Service Tax Act, 2017	Input Tax Credit	CESTAT	FY 2017-18	0.81	0.02
Madhya Pradesh Entry Tax Act, 1976	Entry Tax demand	Asst Commissioner of Commercial Tax, Madhya Praesh	2015-16 and 2016-17	0.15	0.03
Madhya Pradesh VAT Act, 2002	Demand of Tax	Asst Commissioner of Commercial Tax, Madhya Pradesh	2014-15, 2015-16 and 2016-17	0.06	0.01
Uttar Pradesh Trade Tax Act, 1948	Demand of Tax	Joint Commissioner, Commercial Tax, Uttar Pradesh	2003-04 and 2005-06	0.41	0.08
Andhra Pradesh Value Added Tax Act, 2005	Demand of Tax	Commercial Tax Officer	2015-16	0.08	-
Kerala Value Added Tax Act, 2003	Demand of Tax	Asst Commissioner of Commercial Tax	2007-08	0.19	0.02
UPGST/CGST Act 2017	Demand of Tax	Joint Commissioner of State Tax, Uttar Pradesh	2017-18	2.00	0.08
DGST/CGST Act 2017	Demand of Tax	Asst Commissioner of State Tax	2017-18	0.20	0.01
TGST/CGST Act 2017	Demand of Tax	Asst Commissioner of State Tax	2017-18	0.39	-
KAGST/CGST Act 2017	Demand of Tax	Assistant Commissioner of Commercial Taxes	2017-18	1.71	-
BGST/CGST Act 2017	Demand of Tax	Assistant Commissioner of State tax	2020-21	0.57	-
MGST/CGST Act 2017	Demand of Tax	Assistant Commissioner of State tax	2020-21	0.03	-
UPGST/CGST Act 2017	Demand of Tax	Deputy Commissioner	2020-21	0.03	-
RGST/CGST Act 2017	Demand of Tax	Deputy Commissioner of State Tax	2018-19	1.82	0.08
PGST/CGST Act 2017	Demand of Tax	Joint Commissioner(Appeals) of State tax	2018-19	0.16	0.15
UPGST/CGST Act 2017	Demand of Tax	Joint Commissioner, Corporate Circle (II) State Tax	2018-19 & 2020-21	4.66	0.04
DGST/CGST Act 2017	Demand of Tax	Sales Tax Officer - AVATO	2018-19 & 2019-20	2.64	0.12
ASGST/CGST Act 2017	Demand of Tax	Sales Tax Officer Class II/ AVATO	2018-19	0.73	0.03
UKGST/CGST Act 2017	Demand of Tax	Superintendent of State Tax	2020-21	0.16	-
The Customs Act, 1962	Demand of Customs duty	The Commissioner (Appeals)	2017-18	1.15	-

Name of the statute	Nature of the dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (₹ in crores)	Amount paid under protest (₹ in crores)
The Customs Act, 1962	Demand of Customs duty	CESTAT	2017-18	0.22	0.01
Income Tax Act, 1961	Income taxes and penalty	Commissioner of Income Tax (Appeals)	AY 2013-14, 2016-17, 2017-18 and 2023-24	9.37	0.03
Income Tax Act, 1961	Income taxes	Assessment Unit, Income Tax Department	AY 2020-21	0.03	-
Employees' State Insurance Act, 1948	Contribution towards ESI	High Court, Gujarat	November 1991-March 2025	17.53	-

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loans during the year and the term loans obtained in the previous periods were fully utilised in the respective periods. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

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

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

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one CIC.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

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

(xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.

(b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the said Act.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Sadashiv Shetty
Partner
Membership No.: 048648
ICAI UDIN: 25048648BMNYIB2479

Place: Mumbai
Date: May 20, 2025

Annexure B to the Independent Auditor's Report on the standalone financial statements of Torrent Pharmaceuticals Limited for the year ended March 31, 2025

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

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

Opinion

We have audited the internal financial controls with reference to financial statements of Torrent Pharmaceuticals Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with

authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Sadashiv Shetty
Partner
Membership No.: 048648
ICAI UDIN: 25048648BMNYIB2479

Place: Mumbai
Date: May 20, 2025

Standalone Balance Sheet

as at March 31, 2025

(₹ in crores)

	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	6	2,974.78	3,117.54
Capital work-in-progress	6	365.59	203.94
Right-of-use assets	7	156.61	87.43
Goodwill	8	323.56	323.56
Other intangible assets	9	4,099.09	4,457.39
Intangible assets under development	9	36.25	22.29
Financial assets			
Investments	10	410.52	322.27
Loans	11	3.37	2.51
Other financial assets	12	17.09	17.05
		430.98	**341.83**
Other tax assets (net)		64.27	66.17
Other non-current assets	13	41.83	15.38
Total non-current assets		**8,492.96**	**8,635.53**
Current assets			
Inventories	14	1,560.83	1,565.59
Financial assets			
Investments	10	112.21	141.04
Trade receivables	15	2,170.79	1,571.94
Cash and cash equivalents	16	104.81	104.86
Bank balances other than cash and cash equivalents	17	4.93	3.90
Loans	11	4.22	3.05
Other financial assets	12	124.55	111.62
		2,521.51	**1,936.41**
Other current assets	13	266.46	239.06
Total current assets		**4,348.80**	**3,741.06**
TOTAL ASSETS		**12,841.76**	**12,376.59**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	169.23	169.23
Other equity	19	7,423.27	6,659.53
Total equity		**7,592.50**	**6,828.76**
Non-current liabilities			
Financial liabilities			
Borrowings	20	1,020.59	1,603.78
Lease liabilities	21	68.52	7.29
Other financial liabilities	25	13.80	9.24
		1,102.91	**1,620.31**
Provisions	22	337.78	282.15
Deferred tax liabilities (net)	23	828.48	655.81
Other non-current liabilities	26	0.46	0.96
Total non-current liabilities		**2,269.63**	**2,559.23**
Current liabilities			
Financial liabilities			
Borrowings	20	1,526.25	1,729.18
Lease liabilities	21	13.66	3.95
Trade payables	24		
Total outstanding dues of micro enterprises and small enterprises		23.13	16.12
Total outstanding dues of creditors other than micro enterprises and small enterprises		743.98	743.64
Other financial liabilities	25	290.84	204.24
		2,597.86	**2,697.13**
Other current liabilities	26	101.64	90.53
Provisions	22	207.49	170.74
Current tax liabilities (net)		72.64	30.20
Total current liabilities		**2,979.63**	**2,988.60**
TOTAL EQUITY AND LIABILITIES		**12,841.76**	**12,376.59**
Notes forming part of the Standalone Financial Statements	1 - 51		

In terms of our report attached

For and on behalf of the Board of Directors

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Samir Mehta
Executive Chairman
DIN: 00061903

Sadashiv Shetty
Partner
Membership No.: 048648

Sudhir Menon
Executive Director (Finance)
& Chief Financial Officer

Chintan Trivedi
Company Secretary

Mumbai
May 20, 2025

Mumbai
May 20, 2025

Standalone Statement of Profit and Loss

for the year ended March 31, 2025

(₹ in crores)

	Notes	Year ended March 31, 2025	Year ended March 31, 2024
INCOME			
Revenue from operations	27	9,682.44	8,532.90
Other income	28	31.50	91.36
Total Income		**9,713.94**	**8,624.26**
EXPENSES			
Cost of materials consumed	29	1,517.51	1,651.91
Purchases of stock-in-trade		732.33	548.48
Changes in inventories of finished goods, work-in-progress and stock-in-trade	30	(9.04)	(68.61)
Employee benefits expense	31	1,636.45	1,450.67
Finance costs	32	213.40	303.04
Depreciation and amortisation expense	33	759.48	761.05
Other expenses	34	2,229.42	2,061.15
Total Expenses		**7,079.55**	**6,707.69**
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		**2,634.39**	**1,916.57**
Exceptional items	49	24.21	-
PROFIT BEFORE TAX		**2,610.18**	**1,916.57**
TAX EXPENSE	23		
Current tax		540.56	321.67
Deferred tax		181.56	237.82
		722.12	**559.49**
PROFIT FOR THE YEAR		**1,888.06**	**1,357.08**
Other comprehensive income (net of taxes)			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement gains/(losses) on defined benefit plans		(34.96)	0.67
Equity instruments through other comprehensive income		1.76	(10.86)
Income tax relating to items that will not be reclassified subsequently to profit or loss			
Re-measurement gains/(losses) on defined benefit plans		7.82	(0.23)
Equity instruments through other comprehensive income		(0.14)	3.79
Items that will be reclassified subsequently to profit or loss			
Effective portion on gains/(losses) on hedging instruments in a cash flow hedge		(23.09)	57.94
Income tax relating to items that will be reclassified subsequently to profit or loss			
Effective portion on gains/(losses) on hedging instruments in a cash flow hedge		7.32	(20.25)
		(41.29)	**31.06**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**1,846.77**	**1,388.14**
Earnings per share (Face value per equity share of ₹5) (In ₹)			
Basic and diluted	36	55.79	40.10
Notes forming part of the Standalone Financial Statements	1 - 51		

In terms of our report attached

For and on behalf of the Board of Directors

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Samir Mehta
Executive Chairman
DIN: 00061903

Sadashiv Shetty
Partner
Membership No.: 048648

Sudhir Menon
Executive Director (Finance)
& Chief Financial Officer

Chintan Trivedi
Company Secretary

Mumbai
May 20, 2025

Mumbai
May 20, 2025

Standalone Statement of Changes in Equity

for the year ended March 31, 2025

(A) Equity Share Capital

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	169.23	169.23
Changes during the year	-	-
Balance at the end of the year	**169.23**	**169.23**

(B) Other Equity

(₹ in crores)

	Reserves and surplus				Other comprehensive income		Total
	Retained earnings	General reserve	Debenture redemption reserve	Capital reserve*	Equity instruments through other comprehensive income	Effective portion of cash flow hedges	
Balance as at April 1, 2024	3,736.39	2,848.33	71.43	0.00	(6.65)	10.03	6,659.53
Profit for the year	1,888.06	-	-	-	-	-	1,888.06
Re-measurement gains/(losses) on defined benefit plans (net of tax)	(27.14)	-	-	-	-	-	(27.14)
Other comprehensive income for the year (net of tax)	-	-	-	-	1.62	(15.77)	(14.15)
Dividends**	(1,083.03)	-	-	-	-	-	(1,083.03)
Transfer from equity instruments through other comprehensive income	0.05	-	-	-	(0.05)	-	-
Transfer from debenture redemption reserve	-	35.72	(35.72)	-	-	-	-
Balance as at March 31, 2025	**4,514.33**	**2,884.05**	**35.71**	**0.00**	**(5.08)**	**(5.74)**	**7,423.27**
Balance as at April 1, 2023	3,394.21	2,812.62	107.14	0.00	0.42	(27.66)	6,286.73
Profit for the year	1,357.08	-	-	-	-	-	1,357.08
Re-measurement gains/(losses) on defined benefit plans (net of tax)	0.44	-	-	-	-	-	0.44
Other comprehensive income for the year (net of tax)	-	-	-	-	(7.07)	37.69	30.62
Dividends***	(1,015.34)	-	-	-	-	-	(1,015.34)
Transfer from debenture redemption reserve	-	35.71	(35.71)	-	-	-	-
Balance as at March 31, 2024	**3,736.39**	**2,848.33**	**71.43**	**0.00**	**(6.65)**	**10.03**	**6,659.53**

* Represents value less than ₹1 lakh.

** Dividend includes 2023-24 final dividend of ₹6 per share and 2024-25 interim dividend of ₹26 per share.

*** Dividend includes 2022-23 final dividend of ₹8 per share and 2023-24 interim dividend of ₹22 per share.

Standalone Statement of Changes in Equity

for the year ended March 31, 2025 (Continued)

Nature and Purpose of Reserves:

(a) Retained earnings: Retained earnings are the profits earned till date, less any transfers to other reserves and dividends distributed.

(b) General reserve: The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

(c) Debenture redemption reserve: The reserve represents amount required to be set aside out of profits in accordance with Companies Act, 2013 up to August 16, 2019.

(d) Capital reserve: Capital reserve represents profit or loss on cancellation of own forfeited equity instruments.

(e) Equity instruments through other comprehensive income: This represents the cumulative gains and losses arising on revaluation of equity instruments measured at fair value through other comprehensive income, net of amount reclassified to retained earnings when such assets are disposed off.

(f) Effective portion of cash flow hedges: This represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of effective portion of cash flow hedges will be reclassified to statement of profit and loss only when the hedged items affect the statement of profit and loss.

Notes forming part of the Standalone Financial Statements (Refer notes 1 to 51)

In terms of our report attached

For and on behalf of the Board of Directors

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Samir Mehta
Executive Chairman
DIN: 00061903

Sadashiv Shetty
Partner
Membership No.: 048648

Sudhir Menon
Executive Director (Finance)
& Chief Financial Officer

Chintan Trivedi
Company Secretary

Mumbai
May 20, 2025

Mumbai
May 20, 2025

Standalone Statement of Cash Flows

for the year ended March 31, 2025

(₹ in crores)

		Year ended March 31, 2025	Year ended March 31, 2024
A	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit before tax	2,610.18	1,916.57
	Adjustments for:		
	Depreciation and amortisation expense	759.48	761.05
	Allowance for expected credit loss (net)	2.02	3.92
	Impairment of investment in subsidiaries	1.34	-
	Unrealised foreign exchange loss/(gain) (net)	12.41	(36.64)
	Gain on disposal of property, plant & equipment and other intangible assets (net)	(1.66)	(3.03)
	Net gain on sale of current investments	(16.73)	(17.99)
	Finance costs	213.40	303.04
	Interest income	(0.75)	(2.54)
	Dividend income	(0.01)	(50.20)
		3,579.68	**2,874.18**
	Movement in working capital:		
	(Increase)/Decrease in Trade Receivables	(580.99)	139.49
	(Increase)/Decrease in Loans and Other assets	(61.89)	36.55
	(Increase)/Decrease in Inventories	4.76	36.64
	Increase/(Decrease) in Trade Payables	1.96	152.17
	Increase/(Decrease) in Liabilities and Provisions	121.09	(21.25)
	CASH GENERATED FROM OPERATIONS	**3,064.61**	**3,217.78**
	Income taxes paid (net of refunds)	(490.11)	(324.68)
	NET CASH FROM OPERATING ACTIVITIES	**2,574.50**	**2,893.10**
B	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Purchase of property, plant & equipment and other intangible assets (including payment towards capital work-in-progress, intangible assets under development and capital advances)	(446.09)	(344.34)
	Proceeds from disposal of property, plant & equipment and other intangible assets	17.42	31.49
	Payment for additional investment in subsidiaries	(77.82)	(128.05)
	Payment for Non-current Investments	(10.00)	-
	Proceeds from disposal of Investments	0.06	-
	Proceeds from redemption of mutual funds (net)	45.48	33.04
	Dividend received	0.01	50.20
	Maturity of Fixed deposits (net)	0.03	57.41
	Interest received	0.82	4.18
	NET CASH USED IN INVESTING ACTIVITIES	**(470.09)**	**(296.07)**
C	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Repayment of long-term borrowings	(529.18)	(1,236.01)
	(Repayment of) /Proceeds from short-term borrowings (net)	(258.75)	2.23
	Repayment of lease liabilities	(9.35)	(5.15)
	Dividend paid	(1,083.03)	(1,015.34)
	Finance costs paid	(224.15)	(323.30)
	NET CASH USED IN FINANCING ACTIVITIES	**(2,104.46)**	**(2,577.57)**
	NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(0.05)**	**19.46**
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR (Refer note 16)	**104.86**	**85.40**
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (Refer note 16)	**104.81**	**104.86**

Notes:

(1) The above statement of Cash flows has been prepared under the “Indirect Method” as set out in the Ind AS 7 - Statement of Cash Flows.

(2) The Company considers investing in liquid mutual fund as an important part of its cash management activities. In accordance with Ind AS 7, the same is presented as cash flows from investing activities. As at March 31, 2025 investment amount is ₹112.21 crores (As at March 31, 2024: ₹140.96 crores).

Standalone Statement of Cash Flows

for the year ended March 31, 2025 (Continued)

(3) Changes in liabilities arising from financing activities:

(₹ in crores)

	As at April 1, 2024	Cash Flows (Net)	Non-cash changes			As at March 31, 2025
			Net Addition	Foreign currency translation	Other Adjustments	
Long-term borrowings including current maturities (Refer note 20)	2,132.96	(529.18)	-	-	1.18	1,604.96
Short-term borrowings (Refer note 20)	1,200.00	(258.75)	-	-	0.63	941.88
Interest accrued but not due on borrowings (Refer note 25)	35.30	(224.15)	211.30	-	2.20	24.65
Lease liabilities (Non-Current and Current liabilities) (Refer note 21)	11.24	(9.35)	77.76	0.43	2.10	82.18
	3,379.50	**(1,021.43)**	**289.06**	**0.43**	**6.11**	**2,653.67**

(₹ in crores)

	As at April 1, 2023	Cash Flows (Net)	Non-cash changes			As at March 31, 2024
			Net Addition	Foreign currency translation	Other Adjustments	
Long-term borrowings including current maturities (Refer note 20)	3,367.80	(1,236.01)	-	-	1.17	2,132.96
Short-term borrowings (Refer note 20)	1,197.77	2.23	-	-	-	1,200.00
Interest accrued but not due on borrowings (Refer note 25)	57.72	(323.30)	302.05	-	(1.17)	35.30
Lease liabilities (Non-Current and Current liabilities) (Refer note 21)	9.91	(5.15)	5.88	(0.39)	0.99	11.24
	4,633.20	**(1,562.23)**	**307.93**	**(0.39)**	**0.99**	**3,379.50**

Notes forming part of the Standalone Financial Statements (Refer notes 1 to 51)

In terms of our report attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Sadashiv Shetty
Partner
Membership No.: 048648

Mumbai
May 20, 2025

For and on behalf of the Board of Directors

Samir Mehta
Executive Chairman
DIN: 00061903

Sudhir Menon
Executive Director (Finance) & Chief Financial Officer

Chintan Trivedi
Company Secretary

Mumbai
May 20, 2025

Notes forming part of the Standalone Financial Statements

1 Corporate information

Torrent Pharmaceuticals Limited ("the Company") is a public limited company incorporated and domiciled in India. The registered office of the Company is located at Torrent House, Off Ashram Road, Ahmedabad – 380 009, Gujarat, India. The Company is engaged in manufacturing, developing and marketing of generic pharmaceutical formulations. The Company's research and development facility is located in the state of Gujarat, India and its manufacturing facilities are located in the states of Gujarat, Himachal Pradesh, Madhya Pradesh, Andhra Pradesh and Sikkim.

2 Statement of compliance

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules as amended from time to time and other relevant provisions of the Act.

3 Basis of preparation of financial statements

3.1 Basis of preparation and presentation

The financial statements have been prepared and presented under the historical cost convention on an accrual basis of accounting except for the following material items which have been measured at fair value.

- Derivative financial instruments
- Investments in mutual funds, equity instruments and LLP
- Defined benefit plan – plan assets measured at fair value

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if the market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value measurement and/or disclosure purposes in the financial statements is determined on such a basis except for leasing transactions that are within the scope of Ind AS 116 Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 Inventories or value in use in Ind AS 36 Impairment of asset.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

All assets and liabilities have been classified as current or non-current as set out in the Schedule III (Division II) to the Companies Act, 2013.

3.2 Functional and presentation currency

The financial statements are presented in Indian Rupees, the currency of the primary economic environment in which the Company operates. All the amounts are stated in the nearest rupee crores.

Notes forming part of the Standalone Financial Statements

3 Basis of preparation of financial statements (Continued)

3.3 Use of accounting estimates and judgements

The preparation of financial statements are in conformity with the recognition and measurement principles of Ind AS which requires management to make critical judgements, estimates and assumptions that affect the reporting of assets, liabilities, income and expenditure. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and any revisions to the estimates are recognised in the period in which the estimates are revised and if any future periods affected.

The Company uses the following critical accounting judgements, estimates and assumptions in preparation of its standalone financial statements:

- **Property, plant and equipment (refer note 4.1)**

  The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically at each financial year-end, changes in estimates, if any, are accounted for as a change in accounting estimates.

- **Valuation of assets acquired as part of business combination (refer note 4.2.1)**

  Ind AS 103 requires the identifiable assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and assets. The purchase price allocation valuations are conducted by independent valuer.

- **Useful lives of intangible assets (refer note 4.3)**

  The Company reviews estimated useful life of amortisable intangible assets at the end of each reporting period and change in estimates if any are accounted for as change in accounting estimates.

- **Impairment of investments in subsidiaries (refer note 4.5.1)**

  Investment in subsidiaries are measured at cost and tested for impairment annually. For impairment testing, management determines recoverable amount using cash flow projections. Key assumptions on which management has based its determination of recoverable amount include estimated long-term growth rates, weighted average cost of capital and estimated operating margins.

- **Valuation of inventories (refer note 4.7)**

  The Company considers various factors like shelf life, ageing of inventory, product discontinuation, price changes and any other factor which impacts the Company's business in determining the allowance for obsolete, non-saleable and slow moving inventories. The Company considers the above factors and adjusts the inventory provision on a periodic basis to reflect its actual experience.

- **Impairment of intangible assets and goodwill (refer note 4.8.2)**

  Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated growth rates and weighted average cost of capital. Cash flow projections take into account past experience and represent management's best estimate about future developments.

- **Employee benefits (refer note 4.9 and 39)**

  The accounting of employee defined benefit plans requires the Company to use assumptions. These assumptions include rate of increase in compensation levels, discount rates, expected rate of return on assets and attrition rates.

- **Provisions & contingent liabilities (refer note 4.11 and 42)**

  The Company exercises judgement in determining outcome of a particular matter is possible, probable or remote. The Company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities.

Notes forming part of the Standalone Financial Statements

3.3 Use of accounting estimates and judgements (Continued)

- **Sales returns (refer note 4.12)**

  The estimate for sales returns is determined primarily by the Company's historical experience in the markets in which the Company operates. With respect to established products, the Company considers its historical experience of sales returns, market condition, estimated shelf life and specific contractual terms.

- **Provision for income tax and deferred tax assets (refer note 4.13)**

  The Company exercises significant judgements in determining provision for income taxes, uncertain tax positions and to reassess the carrying amount of deferred tax assets at the end of the each reporting period.

4 Material accounting policies

4.1 Property, plant and equipment

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and any accumulated impairment losses. The cost of fixed assets comprises of its purchase price, non-refundable taxes & levies, freight and other incidental expenses related to the acquisition and installation of the respective assets. Borrowing cost attributable to financing of acquisition or construction of the qualifying fixed assets is capitalised to respective assets when the time taken to put the assets to use is substantial.

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of replacement of any property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefit associated with the item will flow to the Company and its cost can be measured reliably.

Capital work-in-progress which are not ready for intended use are carried at cost less impairment loss, if any.

Pre-operative expenditure comprising of revenue expenses incurred in connection with project implementation during the period up to commencement of commercial production are treated as part of the project costs and are capitalised. Such expenses are capitalised only if the project to which they relate, involve substantial expansion of capacity or upgradation.

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 working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from its use. Difference between the sales proceeds and the carrying amount of the asset is recognised in the statement of profit and loss.

Freehold land is carried at historical cost and is not depreciated.

Depreciation on property, plant and equipment is provided on the cost of the assets less their estimated residual value, using straight-line method over estimated useful life of the assets.

The estimated useful lives, residual values and depreciation method are reviewed at each financial year-end and changes in estimates, if any are accounted for as a change in accounting estimates.

Notes forming part of the Standalone Financial Statements

4.1 Property, plant and equipment (Continued)

The estimated useful lives of property, plant and equipments are as under:

Type of property, plant and equipment	Useful life
Other than factory buildings*	58 years
Factory buildings*	28 years
Plant and equipments*	10 to 20 years
Laboratory equipments*	5 to 20 years
Electrical equipments*	10 to 20 years
Furniture & Fixtures	10 years
Office equipments*	10 years
Wind power plant*	25 years
Solar power plant*	30 years
Computer equipments	3 years
Vehicles*	10 years

* For these classes of assets, the useful life of assets is different than the prescribed life as per Part C of Schedule II of the Companies Act, 2013. The different useful life is based on internal technical evaluation by the Company and historical usage of assets.

4.2 Business combinations and goodwill

4.2.1 Business combinations

Business Combinations are accounted for using the acquisition method of accounting. Transaction costs incurred in connection with business combination are expensed in the statement of profit and loss. The identifiable assets and liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

In case of bargain purchase where the fair value of identifiable assets and liabilities exceed the cost of acquisition, the excess is recognised in other comprehensive income on the acquisition date and accumulate the same in equity as capital reserve after reassessing the fair values of the net identifiable assets and contingent liabilities.

If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, then gain on a bargain purchase is recognised directly in equity as capital reserve.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise subsequent changes in the fair value of the contingent consideration are recognised in the statement of profit and loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

Business combinations arising from transfers of interests in entities that are under the common control are accounted for using the pooling of interests method. The assets and liabilities of the combining entities are reflected at their carrying amounts and no adjustments are made to reflect their fair values or recognise any new assets or liabilities. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in capital reserve and presented separately from other capital reserves with disclosure of its nature and purpose. The financial statement of prior period is restated as if the business combination had occurred from the beginning of the preceding period, irrespective of the actual date of combination.

4.2 Business combinations and goodwill (Continued)

4.2.2 Goodwill

Goodwill represents the excess of the consideration paid to acquire a business over underlying fair value of the identified assets acquired. Goodwill is carried at cost less accumulated impairment losses, if any. Goodwill is deemed to have an indefinite useful life and is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units (CGUs) that is expected to benefit from the synergies of the combination. Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

4.3 Intangible assets

Intangible assets such as marketing licenses, brands (including associated trademark rights), computer software, non-compete fees, and other product related intangibles acquired separately are measured at cost. This includes upfront and milestone payments for in-licensed products and other intangible assets. Intangible assets acquired under business combination are measured at fair value as of the date of business combination.

Following initial recognition, intangible assets are carried at cost less accumulated amortisation and impairment losses, if any.

Acquired research and development intangible assets that are under development are recognised as intangible assets under development. These assets are not amortised but evaluated for potential impairment on an annual basis or when there are indications that the carrying value may not be recoverable. Any impairment is recognised as an expense in the statement of profit and loss.

Intangible assets are amortised over their respective estimated useful life using straight-line method. The estimated useful life of amortisable intangible assets is reviewed at the end of each reporting period and changes in estimates if any are accounted for as a change in accounting estimates.

The estimated useful lives of intangible assets are as mentioned below:

Type of intangible asset	Useful life
Softwares	3 to 5 years
Product licenses	Upto 15 years
Brands	Upto 15 years
Non-compete fees	Upto 5 years
Drug master files	10 years

4.4 Foreign currency transaction and translation

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. The net gain or loss on account of exchange differences arising on settlement of foreign currency transactions are recognised as income or expense of the period in which they arise. Monetary assets and liabilities denominated in foreign currency as at the balance sheet date are translated at the closing rate. The resultant exchange rate differences are recognised in the statement of profit and loss. Non-monetary assets and liabilities are carried at the rates prevailing on the date of transaction.

4.5 Financial instruments

4.5.1 Financial assets

(a) Classification of financial assets:

The Company classifies its financial assets in the following categories:

- those measured subsequently at fair value (either through other comprehensive income or through profit or loss) and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

(b) Initial measurement:

Financial assets (unless it is a trade receivable without a significant financing component) are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

(c) Subsequent measurement:

- **Amortised Cost**

  Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Fair value through other comprehensive income (FVOCI)**

  Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.

- **Fair value through profit or loss (FVTPL)**

  Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises.

Notes forming part of the Standalone Financial Statements

4.5.1 Financial assets (Continued)

(d) Derecognition of financial assets:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

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

When the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has retained substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of financial asset, the financial asset is derecognised if the Company has not retained control over the financial asset. Where the Company has retained control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(e) Income recognition:

Dividend is accounted when the right to receive payment is established. Interest income is recognised in the statement of profit and loss as it accrues, using the effective interest method.

(f) Cash and cash equivalents:

Cash and cash equivalents consists of cash on hand, short-term deposits and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value. Short-term means investments with original maturities/holding period of three months or less from the date of investments. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalent for the purpose of statement of cash flow.

(g) Investments:

Investments in mutual funds are primarily held for the Company's temporary cash requirements and can be readily convertible in cash. These investments are initially recorded at fair value and classified as fair value through profit or loss.

The Company measures investment in subsidiaries at cost less provision for impairment, if any.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments, not held for trading, in other comprehensive income.

(h) Trade receivables:

Trade receivables are amounts due from customers for sale of goods or services performed in the ordinary course of business. Trade receivables are initially recognised at its transaction price which is considered to be its fair value and are classified as current assets as it is expected to be received within the normal operating cycle of the business.

Notes forming part of the Standalone Financial Statements

4.5 Financial instruments (Continued)

4.5.2 Financial liabilities

The Company's financial liabilities include trade payables, loans and borrowing and derivative financial instruments.

(a) Classification:

All the Company's financial liabilities, except for financial liabilities at fair value through profit or loss, are measured at amortised cost.

(b) Initial measurement:

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are deducted from the fair value of the financial liabilities, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

(c) Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate Method. The Effective Interest Rate Method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(d) Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or waived off or have expired. An exchange between the Company and the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(e) Borrowings:

Borrowings are initially recorded at fair value net of transaction cost and subsequently measured at amortised costs using effective interest rate method. Transaction costs are charged to statement of profit and loss as financial expenses over the term of borrowing.

(f) Trade payables:

Trade payables are amounts due to vendors for purchase of goods or services acquired in the ordinary course of business and are classified as current liabilities to the extent it is expected to be paid within the normal operating cycle of the business.

4.5.3 Derivative financial instruments and hedge accounting

The Company enters into derivative financial instruments to manage its foreign exchange rate risk. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of profit and loss depends on the nature of the hedging relationship and nature of hedged items.

Derivative financial instruments that hedges foreign currency risk associated with highly probable forecasted transactions are designated as cash flow hedges and measured at fair value. The effective portion of such hedges

4.5.3 Derivative financial instruments and hedge accounting (Continued)

is recorded in cash flow hedge reserve, as a component of equity, and re-classified to the statement of profit and loss in the period corresponding to the occurrence of the forecasted transactions. The ineffective portion of such hedges is recorded in the statement of profit and loss immediately.

Hedge effectiveness is tested both at the inception of the hedge relationship as well as on an ongoing basis. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised or no longer qualifies for hedge accounting.

4.6 Leases – Company as lessee

At inception of a contract, the Company assesses whether a contract is or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset the Company assesses whether contract involves the use of an identified asset, the Company has a right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use and the Company has the right to direct the use of the asset.

At the inception date, right-of-use (ROU) asset is recognised at cost which includes present value of lease payments adjusted for any payments made on or before the commencement of lease and initial direct cost, if any. It is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. Right-of-use asset is depreciated using the straight-line method from the commencement date over the earlier of useful life of the asset or the lease term. When the Company has purchase option available under lease and cost of right-of-use assets reflects that purchase option will be exercised, right-of-use asset is depreciated over the useful life of underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

Lease liability is initially measured at the present value of future lease payments. Lease liability is subsequently measured by adjusting carrying amount to reflect interest, lease payments and remeasurement, if any.

Lease payments are discounted using the incremental borrowing rate or interest rate implicit in the lease, if the rate can be determined.

The Company has elected not to recognise ROU assets and lease liabilities for short-term leases as well as low value assets and recognises the lease payments associated with these leases as expense on a straight-line basis over the lease term.

4.7 Inventories

Inventories are carried at the lower of cost and net realisable value.

The cost incurred in bringing the inventory to their existing location and conditions are determined as follows:

(a) Raw material and packing material - Purchase cost of materials on a moving average basis.

(b) Finished goods (manufactured) and work-in-progress - Cost of purchase, conversion cost and other costs on a weighted average cost method.

(c) Finished Goods (traded) - Purchase cost on a moving average basis.

The cost of purchase of inventories comprise the purchase price, import duties and other taxes (other than those subsequently recovered by the Company from tax authorities), and transport, handling and other costs directly attributable to bringing the inventory to their existing location and conditions. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

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

4.7 Inventories (Continued)

The Company considers various factors like shelf life, ageing of inventory, product discontinuation, price changes and any other factor, which impact the Company's business, in determining the allowance for obsolete, non-saleable and slow moving inventories.

4.8 Impairment of assets

4.8.1 Financial assets

At each balance sheet date, the Company assesses whether a financial asset is to be impaired. Ind AS 109 requires the Company to apply expected credit loss model for recognition and measurement of impairment loss. The Company uses 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 impairment loss 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.

4.8.2 Non-financial assets

Tangible and intangible 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 to such extent. When an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, such that the increase in the carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

Goodwill

CGUs to which goodwill has been allocated are tested for impairment annually or more frequently when there is indication for impairment. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Determination of recoverable amount of CGU requires the management to estimate the future cash flows expected to arise and a suitable discount rate in order to calculate the present value. An impairment loss recognised for goodwill is not reversed in subsequent periods.

4.9 Employee benefits

4.9.1 Short-term employee benefits

Short-term benefits payable before twelve months after the end of the reporting period in which the employees have rendered service are accounted as expense in statement of profit and loss.

4.9 Employee benefits (Continued)

4.9.2 Long-term employment benefits

Defined contribution plans:

Contributions to defined contribution plans (provident fund, superannuation and other social security schemes) are recognised as expense when employees have rendered services entitling them to such benefits.

Defined benefit plans:

The Company's net obligation in respect of an approved gratuity plan, which is defined benefit plan, is calculated using the projected unit credit method and the same is carried out by qualified actuary. The current service cost and interest on the net defined benefit liability/(asset) is recognised in the statement of profit and loss. Past service cost are immediately recognised in the statement of profit and loss. Actuarial gains and losses arising from experience adjustment and changes in actuarial assumptions are recognised in other comprehensive income in the period in which they arise.

Termination benefits:

Termination benefits are recognised as expense when the Company is committed without any possibility of withdrawal of an offer made to either terminate employment before the normal retirement date or as a result of an offer made to encourage voluntary retirement.

Compensated absences and earned leaves:

The Company's current policy permits eligible employees to accumulate compensated absences up to a prescribed limit and receive cash in lieu thereof in accordance with the terms of the policy. The Company measures the expected cost of accumulating compensated absences as the additional amount that the Company expects to pay as a result of unused entitlement that has accumulated as at the reporting date. The expected cost of these benefits is calculated using the projected unit credit method by qualified actuary every year. Actuarial gains and losses arising from experience adjustment and changes in actuarial assumptions are recognised in the statement of profit and loss in the period in which they arise. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

4.10 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attached conditions for receiving such grant have been and will be fulfilled.

Government grants related to asset are recognised as deferred income and charged to statement of profit and loss on a systematic basis over expected useful life of the related asset.

Government grants are recognised in statement of profit and loss on a systematic basis over the period in which Company recognises as expenses the related costs for which the grants are intended to compensate. Government grants that are receivable as compensation for expenses already incurred are recognised in statement of profit and loss in the period in which they become receivable.

When loans received from the government or related institutions with below-market interest rate, the benefit of below-market interest rate is treated as government grant measured as the difference between the proceeds received and the fair value of loan based on prevailing market interest rate.

4.11 Provisions, contingent liabilities and contingent assets

Provisions:

A provision is recognised when as a result of a past event, the Company has a present obligation whether legal or constructive that can be estimated reliably and it is probable that an outflow of economic benefits will be required to

4.11 Provisions, contingent liabilities and contingent assets (Continued)

settle the obligation. If the obligation is expected to be settled more than 12 months after the end of reporting date or has no definite settlement date, the provision is recorded as non-current liabilities after giving effect for time value of money, if material. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability:

The Company uses significant judgements to assess contingent liabilities. A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or; present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability and not provided for.

Contingent assets:

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised and disclosed only when an inflow of economic benefits is probable.

4.12 Revenue recognition

Revenue is measured based on the transaction price adjusted for discounts and rebates, which is specified in the contract with customer. Revenue are net of estimated returns and taxes collected from customers.

Revenue from sale of goods is recognised when control is transferred to the customer and it is probable that consideration will be realised. Control of goods is transferred upon the shipment of the goods to the customer or when goods are made available to the customer.

The transaction price is documented on the sales invoice and payment is generally due as per agreed credit terms with customer.

The consideration can be fixed or variable. Variable consideration is only recognised when it is highly probable that a significant reversal will not occur.

Sales return is variable consideration that is recognised and recorded based on historical experience, market conditions and provided for in the year of sale as reduction from revenue. The methodology and assumptions used to estimate returns are monitored and adjusted regularly in line with trade practices, historical trends, past experience and projected market conditions.

Export entitlements are recognised as income when 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.

4.13 Income taxes

Income tax expense comprises current and deferred tax expense. Income tax expenses are recognised in statement of profit and loss, except when they relate to items recognised in other comprehensive income or directly in equity, in which case, income tax expenses are also recognised in other comprehensive income or directly in equity respectively.

Current tax is the tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of reporting period by the governing taxation laws, and any adjustment to tax payable in respect of previous periods. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

4.13 Income taxes (Continued)

Current tax assets and 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.

Deferred tax assets and liabilities are measured at the tax rates 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 deferred tax arising from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction are not recognised.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets.

For units which enjoy tax holiday benefit, deferred tax assets and liabilities are recognised for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the assets can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

4.14 Earnings per share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all potential dilutive ordinary shares.

4.15 Research and development

Revenue expenditure on research and development activities is recognised as expense in the separate heads of the statement of profit and loss in the period in which it is incurred.

Expenditure on in-licensed development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised, if the cost can be reliably measured, the product or process is technically and commercially feasible and the Company has sufficient resources to complete the development and to use and sell the asset.

4.16 Borrowing cost

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of these assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

4.17 GST input credit

Goods and services tax (GST) input credit is accounted on an accrual basis on purchase of eligible inputs, capital goods and services. The balance of GST input credit is reviewed at the end of each year and amount estimated to be un-utilisable is charged to the statement of profit and loss for the year.

4.18 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker of the Company is responsible for allocating resources and assessing performance of the operating segments.

4.19 Operating Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current as set out in Schedule III of the Act.

4.20 Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

5 Recent accounting 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. There is no such notification which would have been applicable from April 1, 2025.

6 Property, Plant and Equipment

(₹ in crores)

	Freehold land	Buildings	Plant and equipments	Furniture and fixtures	Vehicles	Office equipments	Electrical equipments	Total
Gross carrying amount as at April 1, 2024	680.43	1,485.70	2,292.89	82.76	27.53	169.97	272.81	5,012.09
Additions	0.40	7.79	62.66	1.58	5.64	11.56	2.36	91.99
Disposals	-	(10.86)	(15.47)	(2.28)	(3.32)	(7.03)	(1.57)	(40.53)
Gross carrying amount as at March 31, 2025	**680.83**	**1,482.63**	**2,340.08**	**82.06**	**29.85**	**174.50**	**273.60**	**5,063.55**
Accumulated depreciation as at April 1, 2024	-	308.10	1,287.31	46.89	11.91	112.64	127.70	1,894.55
Depreciation for the year	-	40.58	133.66	5.46	2.74	22.47	14.09	219.00
Disposals	-	(2.43)	(11.33)	(1.71)	(1.99)	(6.04)	(1.28)	(24.78)
Accumulated depreciation as at March 31, 2025	**-**	**346.25**	**1,409.64**	**50.64**	**12.66**	**129.07**	**140.51**	**2,088.77**
Net carrying amount as at March 31, 2025	**680.83**	**1,136.38**	**930.44**	**31.42**	**17.19**	**45.43**	**133.09**	**2,974.78**
Capital work-in-progress								
Carrying amount as at April 1, 2024								203.94
Additions								256.33
Disposals/ Capitalised								(94.68)
Carrying amount as at March 31, 2025								**365.59**
Gross carrying amount as at April 1, 2023	662.48	1,129.34	2,047.19	66.46	25.27	140.67	234.11	4,305.52
Additions	17.95	384.03	262.52	20.32	3.47	38.41	41.21	767.91
Disposals	-	(27.67)	(16.82)	(4.02)	(1.21)	(9.11)	(2.51)	(61.34)
Gross carrying amount as at March 31, 2024	**680.43**	**1,485.70**	**2,292.89**	**82.76**	**27.53**	**169.97**	**272.81**	**5,012.09**
Accumulated depreciation as at April 1, 2023	-	274.05	1,160.03	45.13	9.84	99.56	115.31	1,703.92
Depreciation for the year	-	37.73	141.63	5.30	2.61	21.69	14.56	223.52
Disposals	-	(3.68)	(14.35)	(3.54)	(0.54)	(8.61)	(2.17)	(32.89)
Accumulated depreciation as at March 31, 2024	**-**	**308.10**	**1,287.31**	**46.89**	**11.91**	**112.64**	**127.70**	**1,894.55**
Net carrying amount as at March 31, 2024	**680.43**	**1,177.60**	**1,005.58**	**35.87**	**15.62**	**57.33**	**145.11**	**3,117.54**
Capital work-in-progress								
Carrying amount as at April 1, 2023								674.90
Additions								305.28
Disposals/ Capitalised								(776.24)
Carrying amount as at March 31, 2024								**203.94**

(i) Certain property, plant and equipment hypothecated/mortgaged as security for borrowings as disclosed under note 20.

(ii) Additions during the year includes revenue expenditure of ₹11.11 crores (previous year: ₹7.94 crores) other than borrowing cost incurred in the course of construction of property, plant and equipment during the year.

6 Property, Plant and Equipment (Continued)

(iii) ₹4.01 crores (previous year: ₹1.40 crores) of borrowing costs has been capitalised during the year against qualifying assets under construction using a capitalisation rate of 7.50% (previous year: 7.47%).

(iv) The amount of capital commitments is disclosed in note 42.

(v) Additions to research and development assets during the year are as under:

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
Buildings	0.80	0.43
Plant and equipments (including laboratory equipments)	8.87	5.86
Electrical equipments	0.58	0.76
Furniture and fixtures	0.92	0.96
Office equipments	0.73	3.02
Vehicles	0.50	-
Intangibles (softwares)	0.35	2.22
	12.75	**13.25**

(vi) Pro-rata cost of assets owned jointly with Torrent Power Limited, a fellow subsidiary are as under:

(₹ in crores)

	Proportion of holding	As at March 31, 2025	As at March 31, 2024
Freehold Land	50%	23.79	23.79
Freehold Land	30%	35.69	35.69
Building	30%	0.65	0.65
		60.13	**60.13**

(vii) Ageing Schedule of Capital work-in-progress:

(₹ in crores)

As at March 31, 2025	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress					
Growth projects	154.42	86.26	24.50	26.83	292.01
Maintenance capex	54.82	4.22	1.36	13.18	73.58
Projects temporarily suspended	-	-	-	-	-
	209.24	**90.48**	**25.86**	**40.01**	**365.59**

(₹ in crores)

As at March 31, 2024	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress					
Growth projects	86.26	24.50	26.53	0.31	137.60
Maintenance capex	41.33	4.19	5.14	15.68	66.34
Projects temporarily suspended	-	-	-	-	-
	127.59	**28.69**	**31.67**	**15.99**	**203.94**

(viii) For capital-work-in progress, there is no project whose completion is overdue or has exceeded its cost compared to its original plan.

7 Right-of-Use Assets

(₹ in crores)

	Land	Buildings	Vehicles	Computers	Total
Gross carrying amount as at April 1, 2024	84.37	11.63	2.57	3.30	101.87
Additions	-	0.15	77.27	0.34	77.76
Disposals/Adjustments	-	(0.12)	-	-	(0.12)
Gross carrying amount as at March 31, 2025	**84.37**	**11.66**	**79.84**	**3.64**	**179.51**
Accumulated depreciation as at April 1, 2024	9.53	3.78	0.64	0.49	14.44
Depreciation for the year	1.92	2.64	3.32	0.70	8.58
Disposals/Adjustments	-	(0.12)	-	-	(0.12)
Accumulated depreciation as at March 31, 2025	**11.45**	**6.30**	**3.96**	**1.19**	**22.90**
Net carrying amount as at March 31, 2025	**72.92**	**5.36**	**75.88**	**2.45**	**156.61**
Gross carrying amount as at April 1, 2023	82.49	15.16	6.06	-	103.71
Additions	1.88	-	2.58	3.30	7.76
Disposals/Adjustments	-	(3.53)	(6.07)	-	(9.60)
Gross carrying amount as at March 31, 2024	**84.37**	**11.63**	**2.57**	**3.30**	**101.87**
Accumulated depreciation as at April 1, 2023	7.61	4.67	5.54	-	17.82
Depreciation for the year	1.92	2.64	1.17	0.49	6.22
Disposals/Adjustments	-	(3.53)	(6.07)	-	(9.60)
Accumulated depreciation as at March 31, 2024	**9.53**	**3.78**	**0.64**	**0.49**	**14.44**
Net carrying amount as at March 31, 2024	**74.84**	**7.85**	**1.93**	**2.81**	**87.43**

(i) Lease contracts entered by the Company majorly pertains for land, buildings, vehicles and computers taken on lease to conduct its business in the ordinary course.

(ii) Extension and termination options are included in some of the lease contracts. These are used to maximise operational flexibility in terms of managing assets used in Company's operations.

(iii) Lease liabilities, interest expense on lease liabilities and payment of lease liabilities are disclosed in note 21. Maturity profile of lease liabilities is disclosed in note 40: liquidity risk.

8 Goodwill

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	323.56	323.56
Balance at the end of the year	**323.56**	**323.56**

The Company tests goodwill for impairment annually or based on an indication. The Company provides for impairment if the carrying amount of cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount is determined based on "value in use" calculations which is calculated as the net present value of forecasted cash flows of CGU to which the goodwill is related.

The carrying amount of goodwill has been allocated to CGUs as follows:

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Acquired brands	288.94	288.94
Acquired facility with Drug Master files	34.62	34.62
	323.56	**323.56**

8 Goodwill (Continued)

Key assumptions for CGUs with significant amount of goodwill are as follows:

(a) Projected cash flows for five years based on financial budgets/forecasts. The perpetuity value is taken based on the long-term growth rate depending on macro economic growth factors.

(b) Projected revenue growth rate is 7% to 17%.

(c) Discount rate applied to projected cash flow is 10% to 16%.

The Company believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the CGU.

9 Other Intangible Assets

(₹ in crores)

	Acquired intangible assets					
	Computer softwares	Product licenses	Brands	Non-compete fees	Drug master files	Total
Gross carrying amount as at April 1, 2024	177.64	117.22	7,211.30	31.10	25.03	7,562.29
Additions	10.64	4.17	158.80	-	-	173.61
Disposals	(1.55)	-	-	-	-	(1.55)
Gross carrying amount as at March 31, 2025	**186.73**	**121.39**	**7,370.10**	**31.10**	**25.03**	**7,734.35**
Accumulated amortisation as at April 1, 2024	152.07	91.30	2,833.45	9.12	18.96	3,104.90
Amortisation for the year	18.36	21.27	483.55	6.22	2.50	531.90
Disposals	(1.54)	-	-	-	-	(1.54)
Accumulated amortisation as at March 31, 2025	**168.89**	**112.57**	**3,317.00**	**15.34**	**21.46**	**3,635.26**
Net carrying amount as at March 31, 2025	**17.84**	**8.82**	**4,053.10**	**15.76**	**3.57**	**4,099.09**
Intangible assets under development						
Carrying amount as at April 1, 2024						22.29
Additions						184.88
Disposals/ Capitalised						(170.92)
Carrying amount as at March 31, 2025						**36.25**
Gross carrying amount as at April 1, 2023	157.89	110.22	7,211.30	129.63	25.03	7,634.07
Additions	20.91	7.00	-	-	-	27.91
Disposals	(1.16)	-	-	(98.53)	-	(99.69)
Gross carrying amount as at March 31, 2024	**177.64**	**117.22**	**7,211.30**	**31.10**	**25.03**	**7,562.29**
Accumulated amortisation as at April 1, 2023	134.96	71.25	2,349.17	101.43	16.46	2,673.27
Amortisation for the year	18.26	20.05	484.28	6.22	2.50	531.31
Disposals	(1.15)	-	-	(98.53)	-	(99.68)
Accumulated amortisation as at March 31, 2024	**152.07**	**91.30**	**2,833.45**	**9.12**	**18.96**	**3,104.90**
Net carrying amount as at March 31, 2024	**25.57**	**25.92**	**4,377.85**	**21.98**	**6.07**	**4,457.39**

Notes forming part of the Standalone Financial Statements

9 Other Intangible Assets (Continued)

(₹ in crores)

		Total
Intangible assets under development		
Carrying amount as at April 1, 2023		23.03
Additions		13.16
Disposals/ Capitalised		(13.90)
Carrying amount as at March 31, 2024		**22.29**

(i) Material intangible assets in the Company's financial statement:

Description of intangible assets	Brands
Net Carrying amount	**₹4,053.10 crores as at March 31, 2025**
	(₹4,377.85 crores as at March 31, 2024)
Remaining amortisation period	**4 years to 15 years as at March 31, 2025**
	(5 years to 14 years as at March 31, 2024)

(ii) Ageing Schedule of Intangible assets under development:

(₹ in crores)

As at March 31, 2025	Amount of intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	16.68	4.06	5.79	9.72	36.25
Projects temporarily suspended	-	-	-	-	-
	16.68	**4.06**	**5.79**	**9.72**	**36.25**

(₹ in crores)

As at March 31, 2024	Amount of intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	5.07	5.89	2.04	9.29	22.29
Projects temporarily suspended	-	-	-	-	-
	5.07	**5.89**	**2.04**	**9.29**	**22.29**

(iii) For intangible assets under development, there is no project whose completion is overdue or has exceeded its cost compared to its original plan.

Notes forming part of the Standalone Financial Statements

10 Investments

(₹ in crores)

	No. of shares	As at March 31, 2025	As at March 31, 2024
Non-current			
(Unquoted)			
At Cost			
Investments in subsidiaries			
Equity instruments of:			
Zao Torrent Pharma (Russia)	23,802	58.80	58.80
fully paid-up equity shares of Russian Roubles 100 each			
Less: Provision for impairment		(23.08)	(23.08)
		35.72	**35.72**
Torrent Do Brasil Ltda. (Brazil)	1,91,44,418	31.11	31.11
fully paid-up equity shares (Quotas) of Brazilian Reai 1 each			
Torrent Pharma GmbH (Germany): equity capital	-	23.37	23.37
Torrent Pharma Inc. (USA)	12,000	4.99	4.99
fully paid-up common Stock of USD 100 each			
Torrent Pharma Philippines, Inc. (Philippines)	1,92,732	4.75	4.75
fully paid-up equity shares of Philippines Pesos 200 each			
Laboratorios Torrent, S.A. De C.V. (Mexico)	74,740	27.99	27.99
fully paid-up equity shares of Mexican Pesos 1000 each			
Torrent Australasia Pty. Ltd. (Australia)	6,75,000	0.30	0.30
partly paid-up common stock of Australian Dollar (AUD) 1 each, AUD 0.1282 paid each			
Torrent Pharma (UK) Ltd (United Kingdom)	2,25,000	1.68	1.68
fully paid-up equity shares of Pound sterling 1 each			
Torrent Pharma (Thailand) Co., Ltd. (Thailand)	1,23,80,000	14.17	8.04
fully paid-up equity shares of Thai baht 5 each	(73,80,000)		
Laboratories Torrent (Malaysia) Sdn. Bhd. (Malaysia)	10,00,000	0.77	0.77
fully paid-up equity shares of Malaysian Ringgit 1 each			
TPL (Malta) Limited	2,34,99,999	212.98	142.63
fully paid-up equity share of 1 Euro each	(1,59,99,999)		
Torrent International Lanka (Pvt) Ltd (Sri Lanka) (formerly known as Curatio International Lanka Pvt. Ltd.)	2,37,48,798	9.15	8.43
fully paid-up equity shares of LKR 10 each	(2,13,48,798)		
Less: Provision for impairment		(9.15)	(8.43)
		-	-
Curatio Inc. (Philippines)	11,28,105	15.83	15.21
fully paid-up equity shares of PHP 100 each	(10,88,105)		
Less: Provision for impairment		(15.83)	(15.21)
		-	-
Farmacéutica Torrent Colombia SAS (Colombia)	4,29,00,000	9.12	9.12
fully paid-up equity shares of COP 100 each			
		366.95	**290.47**

Notes forming part of the Standalone Financial Statements

10 Investments (Continued)

(₹ in crores)

	No. of shares	As at March 31, 2025	As at March 31, 2024
At fair value through other comprehensive income			
Equity instruments of:			
Epigeneres Biotech Private Limited	158	3.08	2.00
fully paid-up equity shares of ₹10 each			
Shivalik Solid Waste Management Limited	20,000	0.02	0.02
fully paid-up equity shares of ₹10 each			
UNM Foundation	50,000	0.05	0.05
fully paid-up equity shares of ₹10 each			
Investment in Limited liability partnership (LLP):			
ABCD Technologies LLP	6.83% *	40.41	29.72
* Share of profit/loss and voting rights	(6.45% *)		
At amortised cost			
National savings certificates		0.01	0.01
		410.52	**322.27**
Current			
(Quoted)			
At fair value through other comprehensive income			
Equity instruments of:			
Union Bank of India	-	-	0.08
fully paid-up equity shares of ₹2 each	(5,115)		
At fair value through profit or loss			
Mutual funds		112.21	140.96
		112.21	**141.04**
		522.73	**463.31**
(i) Aggregate amount of unquoted investments		410.52	322.27
(ii) Aggregate amount of quoted investments		112.21	141.04
(iii) Aggregate market value of quoted investments		112.21	141.04
(iv) Aggregate amount of impairment in value of investments		48.06	46.72
(v) Ownership interest in all subsidiaries is 100%.			
(vi) Number of shares in bracket represents shares held in previous year			

11 Loans

(Unsecured and considered good, unless otherwise stated)

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Non-current		
Employee loans	3.37	2.51
	3.37	**2.51**
Current		
Employee loans	4.22	3.05
	4.22	**3.05**
	7.59	**5.56**

Notes forming part of the Standalone Financial Statements

12 Other Financial Assets

(Unsecured and considered good, unless otherwise stated)

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Non-current		
Security deposits	11.98	11.18
Derivative financial instruments	4.84	4.38
Fixed deposits (having remaining maturity of more than 12 months)	0.27	1.49
	17.09	**17.05**
Current		
Security deposits	0.57	0.41
Derivative financial instruments	4.46	24.37
Interest accrued on deposits	0.22	0.29
Production linked incentive benefit receivable	116.42	84.33
Fixed deposits (having remaining maturity of less than 12 months)	1.23	-
Other receivables (includes receivables on derivative instrument, etc.)	1.65	2.22
	124.55	**111.62**
	141.64	**128.67**

13 Other Assets

(Unsecured and considered good, unless otherwise stated)

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Non-current		
Capital advances	41.83	15.38
	41.83	**15.38**
Current		
Export benefits receivable	21.57	16.01
Claims receivable (indirect taxes and others)	45.13	50.47
Employee advances	10.78	6.84
Prepaid expenses	41.59	36.92
Indirect taxes recoverable	102.16	81.98
Advances to suppliers	45.23	30.21
Other receivables (includes gratuity assets (net), etc.)	-	16.63
	266.46	**239.06**
	308.29	**254.44**

14 Inventories

(At lower of cost and net realisable value)

(₹ in crores)

		As at March 31, 2025	As at March 31, 2024
	Raw materials	626.09	642.03
	Packing materials	63.19	61.05
	Work-in-progress	167.19	140.95
	Finished goods	495.13	532.07
	Stock-in-trade	209.23	189.49
		1,560.83	**1,565.59**
(i)	Amount of Goods in transit included in inventories above:		
	Raw materials	9.70	12.78
	Packing materials	0.73	0.79
	Stock-in-trade	7.30	4.75

(ii) The Company charged/(reversed) inventory write-down (net) of ₹9.51 crores and ₹(14.13) crores in statement of profit and loss for the year ended March 31, 2025 and March 31, 2024 respectively.

(iii) The Company writes down the value of inventories towards slow moving, non-moving and non-saleable inventory (expired/damaged) based on historical experience in respect of such items and any recent trends that may suggest realisable amount differing from historical amounts.

(iv) Inventories are hypothecated as security for borrowings as disclosed under note 20.

15 Trade Receivables

(Unsecured)

(₹ in crores)

		As at March 31, 2025	As at March 31, 2024
(a)	Considered good	2,171.46	1,574.90
(b)	Credit-impaired	8.22	3.91
Allowance for expected credit loss		(8.89)	(6.87)
		2,170.79	**1,571.94**
(i)	Trade receivables are non-interest bearing and are generally on credit period up to 180 days.		
(ii)	Movement in allowance for expected credit loss:		
	Balance at the beginning of the year	6.87	5.12
	Provision made during the year (net)	2.02	3.92
	Provision utilised during the year	-	(2.17)
	Balance at the end of the year	**8.89**	**6.87**

(iii) Refer note 41 for information about trade receivables from related parties.

15 Trade Receivables (Continued)

(iv) Trade receivable ageing schedule for the year ended as on March 31, 2025 and March 31, 2024.

(₹ in crores)

As at March 31, 2025	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables- considered good*	1,806.58	363.49	0.57	0.67	0.00	0.15	2,171.46
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	0.50	0.27	0.77
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	0.55	4.36	0.42	0.15	1.97	7.45
Allowance for expected credit loss							**(8.89)**
							2,170.79

* Represents value less than ₹1 lakh.

(₹ in crores)

As at March 31, 2024	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables- considered good	1,419.99	151.85	0.60	2.25	0.21	-	1,574.90
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	0.62	0.26	0.88
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	0.66	0.10	0.03	1.15	1.09	3.03
Allowance for expected credit loss							**(6.87)**
							1,571.94

Notes forming part of the Standalone Financial Statements

16 Cash and Cash Equivalents

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Balances with banks	104.61	104.64
Cash on hand	0.20	0.22
	104.81	**104.86**

17 Bank Balances other than Cash and Cash Equivalents

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Earmarked balances with banks*	4.93	3.86
Fixed deposit with original maturity of more than 3 months and less than 12 months	-	0.04
	4.93	**3.90**

*Earmarked balances with banks primarily relates to unpaid dividends.

18 Equity Share Capital

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Authorised		
42,00,00,000 (previous year 42,00,00,000) equity shares of ₹5 each	210.00	210.00
25,00,000 (previous year 25,00,000) preference shares of ₹100 each	25.00	25.00
	235.00	**235.00**
Issued		
33,84,45,440 (previous year 33,84,45,440) equity shares of ₹5 each	169.23	169.23
Subscribed and fully paid-up		
33,84,45,440 (previous year 33,84,45,440) equity shares of ₹5 each	169.23	169.23
	169.23	**169.23**

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year:

	As at March 31, 2025		As at March 31, 2024	
	Numbers	₹ in crores	Numbers	₹ in crores
At the beginning of the year	33,84,45,440	169.23	33,84,45,440	169.23
At the end of the year	33,84,45,440	169.23	33,84,45,440	169.23

(ii) Torrent Investments Limited (formerly known as Torrent Investments Private Limited), the holding Company, holds 23,11,83,400 (previous year 24,11,27,440) equity shares of ₹5 each, equivalent to 68.31% (previous year 71.25%) of the total number of subscribed & paid up equity shares, which is the only shareholder holding more than 5% of total equity shares.

Notes forming part of the Standalone Financial Statements

18 Equity Share Capital (Continued)

(iii) The Company has one class of equity shares having par value of ₹5 each. Each shareholder is eligible for one vote per share held. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to shareholding.

(iv) Disclosure of shareholding of promoters:

Shares held by Promoters at the end of the Year		As at March 31, 2025		As at March 31, 2024		% change during the year
S. No.	Promoter's Name	No. of Shares	% of total shares	No. of Shares	% of total shares	
1	Sudhir Uttamlal Mehta	400	0.00	400	0.00	-
2	Samir Uttamlal Mehta	400	0.00	400	0.00	-
3	Anita Sudhir Mehta	200	0.00	200	0.00	-
4	Sapna Samir Mehta	200	0.00	200	0.00	-
5	Jinal Sudhir Mehta	200	0.00	200	0.00	-
6	Varun Sudhir Mehta	200	0.00	200	0.00	-
7	Shaan Mehta	200	0.00	200	0.00	-
8	Aman Mehta	200	0.00	200	0.00	-
9	Torrent Investments Limited	23,11,83,400	68.31	24,11,27,440	71.25	(4.12%)
		23,11,85,400	**68.31**	**24,11,29,440**	**71.25**	**(4.12%)**

(v) Aggregate value of Issued, Subscribed and Paid-up Share Capital as on the Balance Sheet date for the period of preceding five years includes 16,92,22,720 equity shares allotted as fully paid up bonus shares.

19 Other Equity

(Refer Standalone Statement of Changes in Equity for detailed movement in Other Equity)

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Reserves and Surplus		
Retained earnings	4,514.33	3,736.39
General reserve	2,884.05	2,848.33
Debenture redemption reserve	35.71	71.43
Capital reserve*	0.00	0.00
	7,434.09	**6,656.15**
Other comprehensive income		
Effective portion of cash flow hedges	(5.74)	10.03
Equity instruments through other comprehensive income	(5.08)	(6.65)
	(10.82)	**3.38**
	7,423.27	**6,659.53**

* Represents value less than ₹1 lakh.

Notes forming part of the Standalone Financial Statements

20 Borrowings

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Non-current		
Secured non-convertible debentures	400.00	642.42
Secured term loans from banks	620.59	961.36
	1,020.59	**1,603.78**
Current		
Current maturities of long-term borrowings		
Secured non-convertible debentures	242.67	142.86
Secured term loans from banks	341.70	386.32
	584.37	**529.18**
Working capital loans		
Secured loans from banks	450.00	850.00
Unsecured loans from banks	-	350.00
Unsecured commercial papers	491.88	-
	941.88	**1,200.00**
	1,526.25	**1,729.18**
	2,546.84	**3,332.96**

(i) Term Loans from banks referred above to the extent of:

(a) ₹170.83 crores (Previous year ₹398.50 crores) are secured by first *pari-passu* mortgage/ charge on immovable as well as tangible movable assets, present and future, located at village Indrad (Manufacturing facility on identified land), Bhat (Research facility), Corporate office, Ahmedabad, all in Gujarat, and village Baddi (Manufacturing facility) in Himachal Pradesh as well as on certain identified trademarks of the Company including its future line extensions.

(b) ₹Nil (Previous year ₹71.87 crores) are secured by first *pari-passu* mortgage/ charge on immovable as well as tangible movable assets, present and future, located at Dahej (SEZ) in Gujarat (Manufacturing facility) and Gangtok in Sikkim (Manufacturing facility) as well as on certain identified trademarks of the Company including its future line extensions.

(c) ₹134.12 crores (Previous year ₹145.00 crores) are secured by first *pari-passu* mortgage/ charge on immovable as well as tangible movable assets, present and future, located at Dahej (SEZ) in Gujarat (Manufacturing facility) as well as on certain identified trademarks of the Company including its future line extensions.

(d) ₹657.34 crores (Previous year ₹732.31 crores) are secured by first *pari-passu* mortgage/ charge on immovable as well as tangible movable assets, present and future, located at village Indrad (Manufacturing facility on identified land) and Bhat (Research facility) as well as on certain identified trademarks of the Company including its future line extensions.

(ii) Non-convertible debentures referred above to the extent of:

(a) ₹142.67 crores (Previous year ₹285.28 crores) are secured by first *pari-passu* mortgage/charge on immovable as well as tangible movable assets, present and future, located at village Indrad (Manufacturing facility on identified land), Bhat (Research facility), Corporate office, Ahmedabad, all in Gujarat, and village Baddi (Manufacturing facility) in Himachal Pradesh as well as on certain identified trademarks of the Company including its future line extensions.

Notes forming part of the Standalone Financial Statements

20 Borrowings (Continued)

(b) ₹500.00 crores (Previous year ₹500.00 crores) are secured by first *pari-passu* mortgage/ charge on immovable as well as tangible movable assets, present and future, located at village Indrad (Manufacturing facility on identified land) and Bhat (Research facility) as well as on certain identified trademarks of the Company including its future line extensions.

(iii) Secured working capital demand loans are secured by hypothecation of inventories and book debts.

(iv) Term loans carry interest rate in the range of 7.42% to 8.40% (previous year: 7.65% to 9.60%), working capital loans carry interest rate in the range of 7.10% to 7.55% (previous year: 7.27% to 8.04%) and Non convertible debentures carry interest rate in the range of 8.33% to 9.31% (previous year: 8.47% to 9.11%).

(v) Maturity profile of term loans and non-convertible debentures including current maturities is as below:

(₹ in crores)

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	Amortised cost adjustment	Total	Repayment Terms
Term Loan	342.30	201.38	152.38	137.75	99.50	29.74	(0.76)	**962.29**	₹963.05 crores repayable in 77 quarterly instalments
Non-convertible debentures	242.84	100.00	100.00	100.00	100.00	-	(0.17)	**642.67**	₹142.84 crores repayable in 1 annual instalment and ₹500 crores repayable in 5 annual instalments
	585.14	**301.38**	**252.38**	**237.75**	**199.50**	**29.74**	**(0.93)**	**1,604.96**	

(vi) The Company has been sanctioned working capital limits from banks on the basis of security of current assets. The quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.

21 Lease Liabilities

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Non-current		
Lease Liabilities	68.52	7.29
	68.52	**7.29**
Current		
Lease Liabilities	13.66	3.95
	13.66	**3.95**
	82.18	**11.24**
Movement in Lease Liabilities:		
Balance at the beginning of the year	11.24	9.91
Addition	77.76	5.88
Interest expenses on lease liabilities	2.10	0.99
Repayment	(9.35)	(5.15)
Foreign currency translation adjustments	0.43	(0.39)
Balance at the end of the year	**82.18**	**11.24**

Notes forming part of the Standalone Financial Statements

21 Lease Liabilities (Continued)

Amounts with respect to leases recognised in the statement of Profit and Loss and statement of Cash Flows:

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
Amounts recognised in statement of Profit and Loss:		
Interest on lease liabilities (Refer note 32)	2.10	0.99
Depreciation of right-of-use assets (Refer note 33)	8.58	6.22
Expenses relating to short-term leases	14.13	10.43
Expenses relating to leases of low-value assets	0.38	0.66
Variable lease payments	10.04	14.48
Amounts recognised in statement of Cash Flows:		
In Financing activity		
Repayment of lease liabilities (Including Interest)	(9.35)	(5.15)
In Operating activity	(24.55)	(25.57)

Maturity profile of the Company's lease liabilities based on contractual undiscounted payments:

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Less than 1 year	20.10	4.68
1 to 2 years	18.02	4.34
2 to 5 years	48.19	3.60
More than 5 years	17.68	-
	103.99	**12.62**

22 Provisions

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Non-current		
Provision for employee benefits		
Provision for compensated absences (Refer note (i))	142.93	117.21
Provision for sales returns (Refer note (ii))	194.85	164.94
	337.78	**282.15**
Current		
Provision for employee benefits		
Provision for gratuity (Refer note 39B)	3.70	-
Provision for compensated absences (Refer note (i))	25.10	19.64
Provision for sales returns (Refer note (ii))	178.69	151.10
	207.49	**170.74**
	545.27	**452.89**

Notes forming part of the Standalone Financial Statements

22 Provisions (Continued)

(i) Provision for compensated absences:

All eligible employees are entitled for compensated absences (leaves) while in service and are also eligible for encashment of such compensated absences on separation due to death, retirement, superannuation or termination.

(ii) Provision for sales returns:

The Company, as a trade practice, accepts returns from market which are primarily in the nature of expired or near expiry products. The provision for sales return is made on the basis of historical experience, market conditions and specific contractual terms. The timing of outflow will depend on the shelf life expiry and time taken by the customer to return the goods.

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	316.04	272.71
Provision made during the year	210.57	174.16
Provision utilised during the year	(153.07)	(130.83)
Balance at the end of the year	**373.54**	**316.04**
Non-current	194.85	164.94
Current	178.69	151.10
	373.54	**316.04**

23 Income Taxes

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
(a) Charge/(credit) recognised in the statement of profit and loss:		
Current tax:		
For current year	540.60	335.20
For prior years	(0.04)	(13.53)
	540.56	**321.67**
Deferred tax:		
For current year	185.45	224.29
For prior years	(3.89)	13.53
	181.56	**237.82**
	722.12	**559.49**
(b) Charge/(credit) recognised in statement of other comprehensive income:		
Current tax:		
Re-measurement of defined benefit plans	(6.11)	-
	(6.11)	**-**
Deferred tax:		
Re-measurement of defined benefit plans	(1.71)	0.23
Fair valuation of equity instruments	0.14	(3.79)
Effective portion on (losses)/gains on hedging instruments in a cash flow hedge (net)	(7.32)	20.25
	(8.89)	**16.69**
	(15.00)	**16.69**

23 Income Taxes (Continued)

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
(c) Reconciliation of Effective Tax Rate:		
Profit before income taxes	2,610.18	1,916.57
Enacted tax rate in India	34.94%	34.94%
Tax at statutory tax rate	**912.10**	**669.72**
Adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of deductions allowed under Income Tax	(113.16)	(119.69)
Effect of expenses not deductible in determining taxable profit	39.22	45.62
Effect of income taxed at special rates	2.88	-
Tax impact on future transition to new tax regime	(150.63)	(44.58)
Provision for tax adjustments	27.59	-
Tax adjustments of prior periods	(3.93)	-
Others (net)	8.05	8.42
Adjusted income tax expenses	**722.12**	**559.49**
Effective Tax Rate	**27.67%**	**29.19%**

The Income Tax Act, 1961, provides an option to the Company for paying tax at reduced rates (lower tax rate) as per the provisions/conditions defined in the Income Tax Act, 1961 (Section 115BAA). With reference to the same, the Company had previously assessed the option of availing the lower tax rate under Section 115BAA, in future years, and accordingly applied a mixed tax rate of 25.17% for deferred tax items expected to reverse after transitioning into new regime and 34.94% for those expected to reverse before the transition. Based on the current-year evaluation of available MAT credits and deductions under Chapter VIA as at March 31, 2025, the Company has now assessed that it will transition to the new tax regime from FY 2025-26. Consequently, deferred tax balances expected to reverse in or after FY 2025-26 have been remeasured at 25.17%, resulting in a net reversal of deferred tax liabilities of ₹150.63 crores for the year ended March 31, 2025.

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
(d) Deferred tax relates to:		
Deferred tax liabilities/(assets):		
Property, plant and equipment, goodwill and other intangible assets	895.27	1,059.31
Lease liabilities	(20.69)	2.40
Cash flow hedge reserve	(1.93)	5.39
Right-of-use assets	21.06	(3.51)
Provision for employee benefit expense	(41.70)	(46.69)
Valuation of inventories	(11.15)	(8.85)
MAT credit entitlement	-	(310.17)
Long-term capital losses carried forward	(4.79)	(7.68)
Others	(7.59)	(34.39)
Deferred tax liabilities/(assets) (net)	**828.48**	**655.81**

23 Income Taxes (Continued)

(e) Movement of deferred tax liabilities/(assets) during the year:

(₹ in crores)

	Balance as at April 1, 2024	Recognised in statement of profit and loss	Recognised in other comprehensive income	Balance as at March 31, 2025
Deferred tax liabilities/(assets) in relation to:				
Property, plant and equipment, goodwill and other intangible assets	1,059.31	(164.04)	-	895.27
Cash flow hedge reserve	5.39	-	(7.32)	(1.93)
Lease liabilities	2.40	(23.09)	-	(20.69)
Right-of-use assets	(3.51)	24.57	-	21.06
Provision for employee benefit expense	(46.69)	6.70	(1.71)	(41.70)
Valuation of inventories	(8.85)	(2.30)	-	(11.15)
MAT credit entitlement	(310.17)	310.17	-	-
Long-term capital losses carried forward	(7.68)	2.89	-	(4.79)
Others	(34.39)	26.66	0.14	(7.59)
Deferred tax liabilities/(assets) (net)	**655.81**	**181.56**	**(8.89)**	**828.48**

(₹ in crores)

	Balance as at April 1, 2023	Recognised in statement of profit and loss	Recognised in other comprehensive income	Balance as at March 31, 2024
Deferred tax liabilities/(assets) in relation to:				
Property, plant and equipment, goodwill and other intangible assets	1,015.49	43.82	-	1,059.31
Cash flow hedge reserve	(14.86)	-	20.25	5.39
Lease liabilities	0.60	1.80	-	2.40
Right-of-use assets	(1.34)	(2.17)	-	(3.51)
Provision for employee benefit expense	(41.65)	(5.27)	0.23	(46.69)
Valuation of inventories	(11.00)	2.15	-	(8.85)
MAT credit entitlement	(527.42)	217.25	-	(310.17)
Long-term capital losses carried forward	(7.68)	-	-	(7.68)
Others	(10.84)	(19.76)	(3.79)	(34.39)
Deferred tax liabilities/(assets) (net)	**401.30**	**237.82**	**16.69**	**655.81**

24 Trade Payables

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises (MSME)	23.13	16.12
Total outstanding dues of creditors other than micro enterprises and small enterprises	743.98	743.64
	767.11	**759.76**

(i) Refer note 41 for information about trade payables to related parties.

Notes forming part of the Standalone Financial Statements

24 Trade Payables (Continued)

(ii) Trade Payables ageing schedule for the year ended as on March 31, 2025 and March 31, 2024.

(₹ in crores)

As at March 31, 2025	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME*	-	21.69	1.34	0.10	-	0.00	23.13
(ii) Others	166.51	478.07	94.08	1.90	0.31	3.11	743.98
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	166.51	**499.76**	**95.42**	**2.00**	**0.31**	**3.11**	**767.11**

* Represents value less than ₹1 lakh

(₹ in crores)

As at March 31, 2024	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	13.38	2.51	0.01	0.01	0.21	16.12
(ii) Others	172.01	437.22	125.81	1.50	1.48	5.62	743.64
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	172.01	**450.60**	**128.32**	**1.51**	**1.49**	**5.83**	**759.76**

(iii) Disclosures required by the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 are as under:

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
(a) The principal amount and the interest due thereon remaining unpaid to supplier at the end of year (including Creditors for capital goods)		
(i) Principal amount due to micro and small enterprise	31.75	18.33
(ii) Interest due on above	-	-
(b) (i) The delayed payments of principal amount paid beyond the appointed date during the year	16.43	77.31
(ii) Interest actually paid under Section 16 of the MSMED Act	0.41	0.08
(c) Interest due and payable during the year, for all the delayed payments, as per the agreed terms	0.13	0.41
(d) Total interest accrued during the year and remaining unpaid	0.13	0.41
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act	-	-

The above information regarding Micro, Small and Medium Enterprises has been determined on the basis of information available with the Company.

Notes forming part of the Standalone Financial Statements

25 Other Financial Liabilities

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Non-Current		
Creditors for capital goods	11.40	5.60
Security deposits	1.85	3.40
Derivative financial instruments	0.55	0.24
	13.80	**9.24**
Current		
Interest accrued but not due on borrowings	24.65	35.30
Creditors for capital goods (Refer note 24(iii))	31.30	19.54
Payables for employee benefits	136.54	113.53
Book overdraft	47.29	17.43
Derivative financial instruments	29.82	-
Unpaid dividend*	4.93	3.86
Other payables (includes unspent CSR obligation, etc.)	16.31	14.58
	290.84	**204.24**
	304.64	**213.48**

* There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

26 Other Liabilities

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Non-Current		
Deferred government grant	0.46	0.96
	0.46	**0.96**
Current		
Payables to statutory and other authorities	93.55	71.61
Trade advances (Refer note (i))	1.94	4.50
Deferred government grant	0.50	0.50
Other payables	5.65	13.92
	101.64	**90.53**
	102.10	**91.49**

(i) The Company has recognised revenue of ₹3.61 crores (Previous year ₹0.34 crores) from the amounts included under trade advances at the beginning of the year.

Notes forming part of the Standalone Financial Statements

27 Revenue From Operations

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
Sales		
In India	6,647.62	6,001.62
Outside India	2,837.44	2,367.97
	9,485.06	**8,369.59**
Other operating income		
Export benefits	40.92	38.25
Income from product registration dossiers	4.78	3.06
Compensation and settlement income	8.37	15.26
Government grant income	0.50	0.50
Production linked incentive income	116.45	84.16
Miscellaneous operating income	26.36	22.08
	197.38	**163.31**
	9,682.44	**8,532.90**
Reconciliation of revenue from operations with the contracted price:		
Contracted price	9,696.62	8,544.64
Adjustments:		
Discounts	(0.99)	(0.89)
Sales return	(210.57)	(174.16)
Sales	**9,485.06**	**8,369.59**
Other operating income	197.38	163.31
Revenue from operations	**9,682.44**	**8,532.90**
Revenue disaggregation by geography:		
India	6,787.70	6,109.45
Outside India:		
USA	929.65	720.49
Germany	367.85	299.37
Brazil	516.97	456.57
Other countries	1,080.27	947.02
	9,682.44	**8,532.90**

Revenue from operations also includes contract manufacturing revenue of ₹486.14 crores and ₹532.07 crores for the year ended March 31, 2025 and March 31, 2024 respectively.

28 Other Income

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
Interest income	0.75	2.54
Net gain on sale of investments*	16.73	17.99
Net foreign exchange gain (including hedging gain/(loss))	2.38	4.18
Dividend income	0.01	50.20
Gain/(Loss) on disposal of property, plant & equipment and other intangible assets (net)	1.66	3.03
Other non-operating income	9.97	13.42
	31.50	**91.36**

*Includes loss on fair valuation of ₹0.03 crores and ₹0.13 crores for the year ended March 31, 2025 and March 31, 2024 respectively.

Notes forming part of the Standalone Financial Statements

29 Cost of Materials Consumed

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
Raw materials	1,297.24	1,424.65
Packing materials	220.27	227.26
	1,517.51	**1,651.91**

30 Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
Opening Inventories:		
Finished goods	532.07	462.98
Work-in-progress	140.95	116.47
Stock-in-trade	189.49	214.45
	862.51	**793.90**
Less: Closing Inventories:		
Finished goods	495.13	532.07
Work-in-progress	167.19	140.95
Stock-in-trade	209.23	189.49
	871.55	**862.51**
Changes in inventories	**(9.04)**	**(68.61)**

31 Employee Benefits Expense

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages and bonus	1,448.56	1,277.74
Contribution to provident and other funds (Refer note 39A)	108.94	97.26
Gratuity expense (Refer note 39B)	29.74	27.32
Staff welfare expenses	49.21	48.35
	1,636.45	**1,450.67**

32 Finance Costs

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
Interest expense	210.37	301.12
Interest expense on lease liabilities	2.10	0.99
Other borrowing cost	0.93	0.93
	213.40	**303.04**

Notes forming part of the Standalone Financial Statements

33 Depreciation and Amortisation Expense

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation of property, plant & equipment	219.00	223.52
Amortisation of other intangible assets	531.90	531.31
Depreciation on right-of-use assets	8.58	6.22
	759.48	**761.05**

34 Other Expenses

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
Selling, publicity and medical literature expenses	1,002.56	886.54
Power and fuel	134.25	143.43
Laboratory goods and testing expenses	121.75	112.30
Stores and spares consumed	108.59	101.52
Clinical research expense	27.37	21.33
Travelling, conveyance and vehicle expenses	158.43	150.12
Cost of outsourced manpower	80.43	72.30
Professional and legal fees	82.52	79.61
Allowance for expected credit loss (net) (Refer note 15)	2.02	3.92
Auditor's remuneration and expenses (Refer note 37)	1.69	1.63
Commission to non-executive directors	2.51	2.85
Donation (Refer note 38)	47.37	50.67
Corporate social responsibility expenditure (Refer note 44)	34.00	32.90
General charges	425.93	402.03
	2,229.42	**2,061.15**

35 Research and Development Expenses

(a) Break-up of research and development expenses included in statement of profit and loss under below heads:

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
Material cost - Exhibit batches	52.10	34.25
Employee Benefits Expense		
Salaries, wages and bonus	142.22	135.11
Contribution to provident and other funds	13.25	12.75
Gratuity cost	3.54	3.56
Staff welfare expenses	3.43	3.12
	162.44	**154.54**
Other expenses		
Power and fuel	8.51	9.60
Stores and spares consumed	36.90	32.64
Laboratory goods and testing expenses	90.95	86.56
Travelling, conveyance and vehicle expenses	6.59	5.13
Clinical research expense	25.72	20.27
General charges	35.32	34.62
	203.99	**188.82**
	418.53	**377.61**

Notes forming part of the Standalone Financial Statements

35 Research and Development Expenses (Continued)

(b) Depreciation and amortisation includes ₹24.96 crores (previous year ₹26.36 crores) pertaining to property, plant and equipments and other intangible assets used for research and development purposes.

(c) Capital work-in-progress and advances for capital expenditure on research and development assets are as under:

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
Capital work-in-progress	11.77	11.77
Advances for capital expenditure	0.25	-
	12.02	**11.77**

36 Earnings Per Share

		Year ended March 31, 2025	Year ended March 31, 2024
The basic and diluted earnings per share (EPS) are:			
Net profit for the year (a)	(₹ in crores)	1,888.06	1,357.08
Weighted average number of equity shares (b)	(Nos.)	33,84,45,440	33,84,45,440
EPS (basic and diluted) (a)/(b)	₹	55.79	40.10
Face value per equity share	₹	5.00	5.00

37 Auditor's Remuneration

(₹ in crores)

		Year ended March 31, 2025	Year ended March 31, 2024
(a)	As audit fees		
	Statutory audit fees	1.15	1.10
(b)	For other services	0.42	0.46
(c)	For reimbursement of expenses	0.12	0.07
		1.69	**1.63**

38 Donation to Political Parties

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
Bharatiya Janata Party	-	25.00
Prudent Electoral Trust	33.50	7.50
Sikkim Krantikari Morcha	-	7.00
Sikkim Democratic Front	-	0.50
	33.50	**40.00**

39 Employee Benefits

A Defined Contribution Plan

The Company's contribution to provident fund and superannuation fund aggregating to ₹107.91 crores (Previous year ₹96.08 crores) has been recognised in the statement of profit and loss under the head employee benefits expenses (Refer note 31).

B Defined Benefit Plan

The accruing liability on account of retirement benefit plans (in the nature of defined benefits plan) is accounted as per Ind-AS 19 "Employee Benefits".

General description of the plan:

In accordance with Indian law, the Company operates a scheme of gratuity which is a defined benefit plan ('the Gratuity Plan') covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death and incapacitation while in employment, termination of employment. The level of benefits provided depends on the respective employees' tenure of employment and last drawn salary. The Company manages the plan through a trust. Trustees administer contributions made to the trust. The defined benefit plan exposes the Company to actuarial risks such as interest rate risk, investment risk and salary risk.

(₹ in crores)

		Year ended March 31, 2025	Year ended March 31, 2024
(a)	**Reconciliation of opening and closing balances of the present value of the defined benefit obligation:**		
	Obligations at the beginning of the year	363.20	323.49
	Current service cost	31.03	27.93
	Interest cost	26.19	23.86
	Liability transferred in	-	0.05
	Liability transferred out	-	(0.01)
	Actuarial loss/(gain)	43.63	10.90
	Benefits paid directly by the employer	-	(1.03)
	Benefits paid from the fund	(22.44)	(21.99)
	Obligations at the end of the year	**441.61**	**363.20**
(b)	**Reconciliation of opening and closing balances of the fair value of plan assets:**		
	Plan assets at the beginning of the year, at fair value	377.00	329.40
	Interest income	27.18	24.40
	Return on plan assets, excluding interest income	8.67	11.58
	Contributions	47.50	33.61
	Benefits paid	(22.44)	(21.99)
	Plan assets at the end of the year, at fair value	**437.91**	**377.00**
	Actual return on plan assets	**35.85**	**35.98**
(c)	**Expense recognised in the statement of profit and loss for the year:**		
	Current service cost	31.03	27.93
	Net interest on defined benefit liability	(0.99)	(0.54)
	Net gratuity cost*	**30.04**	**27.39**

*₹0.30 crores (previous year ₹0.07 crores) capitalised as pre-operative expenses out of above amount.

39 Employee Benefits (Continued)

(₹ in crores)

		Year ended March 31, 2025	Year ended March 31, 2024
(d)	**Losses/(Gains) recognised in other comprehensive income for the year:**		
	Actuarial losses/(gains)	43.63	10.90
	Return on plan assets, excluding interest income	(8.67)	(11.58)
		34.96	**(0.68)**
(e)	**Reconciliation of the present value of the defined benefit obligation and fair value of plan assets:**		
	Obligations at the end of the year	441.61	363.20
	Plan assets at the end of the year, at fair value	(437.91)	(377.00)
	Liability/(Asset) recognised in balance sheet	**3.70**	**(13.80)**
(f)	**Remeasurement of net defined benefit liability/(asset):**		
	Actuarial losses/(gains) from changes in demographic assumptions	8.20	-
	Actuarial losses/(gains) from changes in financial assumptions	18.43	4.56
	Experience adjustments	17.00	6.34
	Remeasurement of defined benefit liability	**43.63**	**10.90**
	Remeasurement of return on plan assets	(8.67)	(11.58)
		34.96	**(0.68)**
(g)	**Expected contribution for the next year**	39.13	17.23

(h) Assumptions:

	Year ended March 31, 2025	Year ended March 31, 2024
Discount rate	6.65%	7.21%
Salary escalation rate	10.00%	10.00%

(i) Weighted average duration of defined benefit obligation:

	Year ended March 31, 2025	Year ended March 31, 2024
Weighted average duration of defined benefit obligation	9 years	8 years

Future mortality rates are obtained from relevant table of Indian Assured Lives Mortality 2012-14 (Urban).

39 Employee Benefits (Continued)

(j) Sensitivity Analysis for each significant actuarial assumption:

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
Impact of increase in discount rate by 1%	(31.99)	(21.77)
Impact of decrease in discount rate by 1%	36.55	24.54
Impact of increase in salary escalation rate by 1%	35.02	23.65
Impact of decrease in salary escalation rate by 1%	(31.34)	(21.43)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

(k) Investment details of plan assets:

The plan assets are managed by Insurance Companies viz ICICI Prudential Life Insurance Company Limited and Life Insurance Corporation of India which have invested the funds substantially as under:

	As at March 31, 2025	As at March 31, 2024
Equity instruments	8.67%	8.88%
Corporate bonds	39.67%	37.19%
Government securities	41.53%	47.48%
Other investments and net current assets	10.13%	6.45%

(l) Maturity profile of the Benefit payments:

Maturity profile of projected benefits payable as at March 31, 2025 is as follows:

(₹ in crores)

	Undiscounted values
Year 1	38.26
Year 2	32.09
Year 3	38.82
Year 4	30.16
Year 5	34.39
Years 6 to 10	182.96

(m) Asset-liability matching strategies:

The Company contributes to the insurance fund based on estimated liability of the next financial year end. The projected liability statement is obtained from the actuarial valuer.

40 Financial Instruments

(i) Financial assets and liabilities

Accounting classification and fair values:

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in crores)

As at March 31, 2025	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial assets:					
Amortised cost:					
Cash and cash equivalents	104.81	-	-	-	-
Bank balances other than cash and cash equivalents	4.93	-	-	-	-
Trade receivables	2,170.79	-	-	-	-
Investments	0.01	-	-	-	-
Loans	7.59	-	-	-	-
Other financial assets	132.34	-	-	-	-
Fair value through other comprehensive income:					
Investment in equity instruments (Other than investment in subsidiaries)/LLP	43.56	-	-	43.56	43.56
Fair value through profit or loss:					
Investment in mutual funds	112.21	112.21	-	-	112.21
Derivative instruments:					
Designated as cash flow hedge	4.84	-	4.84	-	4.84
Fair value through profit and loss	4.46	-	4.46	-	4.46
	2,585.54	**112.21**	**9.30**	**43.56**	**165.07**
Financial liabilities:					
Amortised cost:					
Borrowings	2,546.84	-	-	-	-
Trade payables	767.11	-	-	-	-
Lease liabilities	82.18	-	-	-	-
Other financial liabilities	274.27	-	-	-	-
Derivative instruments:					
Designated as cash flow hedge	12.51	-	12.51	-	12.51
Fair value through profit and loss	17.86	-	17.86	-	17.86
	3,700.77	**-**	**30.37**	**-**	**30.37**

40 Financial Instruments (Continued)

(₹ in crores)

As at March 31, 2024	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial assets:					
Amortised cost:					
Cash and cash equivalents	104.86	-	-	-	-
Bank balances other than cash and cash equivalents	3.90	-	-	-	-
Trade receivables	1,571.94	-	-	-	-
Investments	0.01	-	-	-	-
Loans	5.56	-	-	-	-
Other financial assets	99.92	-	-	-	-
Fair value through other comprehensive income:					
Investment in equity instruments (Other than investment in subsidiaries)/LLP	31.87	0.08	-	31.79	31.87
Fair value through profit or loss:					
Investment in mutual funds	140.96	140.96	-	-	140.96
Derivative instruments:					
Designated as cash flow hedge	15.66	-	15.66	-	15.66
Fair value through profit and loss	13.09	-	13.09	-	13.09
	1,987.77	**141.04**	**28.75**	**31.79**	**201.58**
Financial liabilities:					
Amortised cost:					
Borrowings	3,332.96	-	-	-	-
Trade payables	759.76	-	-	-	-
Lease liabilities	11.24				
Other financial liabilities	213.24	-	-	-	-
Derivative instruments:					
Designated as cash flow hedge	0.24	-	0.24	-	0.24
	4,317.44	**-**	**0.24**	**-**	**0.24**

Determination of fair values:

The following are the basis of assumptions used to estimate the fair value of financial assets and liabilities that are measured at fair value on recurring basis:

Investment in mutual funds: The fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which such units are redeemed.

Equity investments: Equity investments traded in an active market are determined by reference to their quoted market prices. Other equity investments where quoted prices are not available, fair values are determined by reference to the expected discounted cash flows from the underlying net assets or current market value of net assets.

40 Financial Instruments (Continued)

Derivative instruments: For forward contracts, future cash flows are estimated based on forward exchange rates (from observable forward exchange rates/yield curves at the end of the reporting period) and contract forward exchange rates, discounted at a rate that reflects the credit risk of respective counterparties.

Significant Techniques and Unobservable Inputs Used for Level 2/Level 3 Fair Valuation Measurement:

As at March 31, 2025	Valuation techniques	Significant Unobservable Inputs	Sensitivity of input to fair value measurement
Level 2			
Derivative financial instrument	The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currency	Not applicable	Not applicable
Level 3			
Investments (unquoted) (other than subsidiaries & associates)	Discounted cash flow method	Expected cash flows	Not applicable

Reconciliation of Level 3 fair value measurements of financial assets and financial liabilities is given below:

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
Movement in level 3 valuations:		
Balance at the beginning of the year	31.79	42.69
Addition	10.00	-
Fair value gains/(losses) recorded in other comprehensive income	1.77	(10.90)
Balance at the end of the year	**43.56**	**31.79**

(ii) Derivative financial instruments

Cash flow hedges:

Derivatives are taken to cover foreign exchange risk of highly probable forecasted sales transactions occurring in foreign currencies. The following are outstanding derivative contracts designated as cash flow hedges:

Nature of derivative contracts	Buy / Sell	Deal Currency	Cross Currency	Weighted average strike price/rate		Net position (Amount in crores)		Fair value gain / (loss) (₹in crores)	
				March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Forward	Sell	USD	INR	87.45	85.49	32.95	31.24	(6.13)	17.89
Forward	Sell	EUR	USD	1.10	1.11	6.09	5.44	1.92	3.29
Forward	Sell	GBP	USD	1.27	1.25	0.89	0.79	(1.19)	(1.14)
Forward	Sell	MXN	USD	0.05	0.05	10.10	6.80	0.86	(2.39)
Forward	Sell	MYR	USD	0.22	0.22	3.77	4.79	(3.00)	1.02
Forward	Sell	RUB	USD	-	0.01	-	47.80	-	(3.29)
Forward	Sell	THB	USD	0.03	0.03	1.50	1.12	(0.13)	0.04
								(7.67)	**15.42**
Less : Deferred tax								(1.93)	5.39
Effective portion of cash flow hedges reserve								**(5.74)**	**10.03**

40 Financial Instruments (Continued)

Maturity profile of nominal value based on the remaining period as at the Balance Sheet date:

(Amount in crores)

Currency	Nature of Derivative contracts	March 31, 2025		March 31, 2024	
		Within 1 year	More than 1 year	Within 1 year	More than 1 year
USD	Forward	16.34	16.61	15.18	16.06
EUR	Forward	3.84	2.25	3.44	2.00
GBP	Forward	0.30	0.59	0.29	0.50
MXN	Forward	5.50	4.60	3.20	3.60
MYR	Forward	2.11	1.66	2.41	2.39
RUB	Forward	-	-	47.80	-
THB	Forward	0.74	0.76	0.05	1.07

The movement of cash flow hedges in other comprehensive income is as follows:

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	10.03	(27.66)
(Gains)/Losses reclassified to profit or loss	(15.43)	(13.18)
Deferred tax on (gains)/losses reclassified to profit or loss	5.39	4.61
Change in the fair value of effective portion of cash flow hedges	(7.66)	71.12
Deferred tax on change in the fair value of effective portion of cash flow hedges	1.93	(24.86)
Balance at the end of the year	**(5.74)**	**10.03**

During the year, ineffective portion of cash flow hedges recognised in the statement of profit and loss amounted to ₹Nil (Previous year ₹Nil).

Net foreign currency outstanding positions of recognised assets and liabilities are as under:

(Amount in crores)

Hedged item/nature of derivative contracts	Buy/Sell	Currency	Net position under derivative contracts	
			March 31, 2025	March 31, 2024
1 **Foreign currency trade payables**				
Forward exchange contracts	Buy	USD	0.16	-
2 **Foreign currency receivables**				
Forward exchange contracts	Sell	USD	15.95	11.92
	Sell	EUR	1.63	1.35
	Sell	RUB	84.40	48.23
	Sell	GBP	0.56	0.34
	Sell	MXN	7.61	0.07
	Sell	MYR	1.50	0.90
	Sell	AUD*	0.00	0.00
	Sell	THB	0.97	0.35

*Represents value less than 1 lakh

40 Financial Instruments (Continued)

(iii) Financial risk management

The Company's activities are exposed to variety of financial risks. These risks include market risk (including foreign exchange risk and interest rate risks), credit risks and liquidity risk. The Company's overall risk management programme seeks to minimise potential adverse effects on the financial performance of the Company through established policies and processes which are laid down to ascertain the extent of risks, setting appropriate limits, controls, continuous monitoring and its compliance.

(a) Market risk:

Market risk refers to the possibility that changes in the market rates may have impact on the Company's profits or the value of its holding of financial instruments. The Company is exposed to market risks on account of foreign exchange rates, interest rates and underlying equity prices.

(a1) Foreign currency exchange rate risk:

The Company's foreign currency risk arises from its foreign operations, investments in foreign subsidiaries, foreign currency transactions and foreign currency borrowings. The fluctuation in foreign currency exchange rates may have potential impact on the income statement 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 Company.

Since a major part of the Company's revenue is in foreign currency and major part of the costs are in Indian Rupees, any movement in currency rates would have impact on the Company's performance. Consequently, the overall objective of the foreign currency risk management is to minimise the short-term currency impact on its revenue and cash-flow in order to improve the predictability of the financial performance.

The major foreign currency exposures for the Company are denominated in USD & EURO. Additionally, there are transactions which are entered into in other currencies and are not significant in relation to the total volume of the foreign currency exposures. The Company hedges all trade receivables and future cash flows up to a maximum of 24 months forward based on historical trends, budgets and monthly sales estimates. The foreign exchange forward contracts are denominated in the same currency as the highly probable forecast sales, therefore the hedge ratio is 1:1 based on management's current assessment. The Company enters into cross-currency swaps to hedge all foreign currency borrowings. Hedge effectiveness is assessed on a regular basis.

The following table sets forth information relating to foreign currency exposure from non-derivative financial instruments:

(₹ in crores)

As at March 31, 2025	US Dollar	Euro	Others**	Total
Assets:				
Cash and cash equivalents*	0.00	-	4.49	4.49
Trade receivables	1,364.83	150.77	219.37	1,734.97
Other assets	11.05	2.02	6.22	19.29
	1,375.88	**152.79**	**230.08**	**1,758.75**
Liabilities:				
Trade payables	85.18	4.17	12.11	101.46
Other liabilities	0.10	0.10	1.15	1.35
Lease liabilities	-	-	3.19	3.19
	85.28	**4.27**	**16.45**	**106.00**
Net assets/(liabilities)	**1,290.60**	**148.52**	**213.63**	**1,652.75**

*Represents value less than ₹1 lakh

40 Financial Instruments (Continued)

(₹ in crores)

As at March 31, 2024	US Dollar	Euro	Others**	Total
Assets:				
Cash and cash equivalents	0.04	-	7.32	7.36
Trade receivables	993.47	121.39	105.83	1,220.69
Other assets	13.92	1.02	0.16	15.10
	1,007.43	**122.41**	**113.31**	**1,243.15**
Liabilities:				
Trade payables	87.60	5.42	23.07	116.09
Other liabilities	4.82	0.81	0.89	6.52
Lease liabilities	-	-	1.49	1.49
	92.42	**6.23**	**25.45**	**124.10**
Net assets/(liabilities)	**915.01**	**116.18**	**87.86**	**1,119.05**

**Others mainly includes currencies namely British Pound, Mexican Peso, Russian Rouble.

With respect to the Company's derivative financial instruments which are in the form of forward contracts, a 5% increase/decrease in relation to USD & EURO of each of the currencies underlying such contracts would have resulted in increase/decrease of ₹97.87 crores and ₹85.23 crores in the Company's pre-tax profit or loss and ₹166.08 crores and ₹148.03 crores in pre-tax cash flow hedge reserve from such contracts as at March 31, 2025 and March 31, 2024 respectively.

With respect to the Company's non-derivative financial instruments (as given above), a 5% increase/decrease in relation to USD & EURO on the underlying would have resulted in increase/decrease of ₹71.95 crores and ₹51.56 crores in the Company's net profit for the year ended March 31, 2025 and March 31, 2024 respectively.

(a2) Interest rate risk:

Interest rate risk refers to the possibility that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Company is exposed to fluctuations in interest rates in respect of foreign currency borrowings and rupee borrowings. The company manages its interest rate risk by closely monitoring the movements in the market interest rates.

As at March 31, 2025, the Company has outstanding rupee borrowings of ₹1,605.89 crores with variable rate of interest and ₹941.88 crores with fixed rate of interest.

Cash flow risk in respect of variable rate instruments:

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increase/(decrease) pre-tax profit or loss and pre-tax equity by ₹16.06 crores. This analysis assumes that all other variables remains constant and change occurs on reporting date. The year end balances are not representative of the average borrowings during the year.

Fair value risk in respect of fixed rate instruments:

The Company carries borrowings at amortised cost and hence, change in the interest rate at reporting date does not affect statement of profit and loss.

40 Financial Instruments (Continued)

(b) Credit risk:

Credit risk is the risk of financial loss arising from counter party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of the direct risk of default, the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk materially consists of trade receivables, investments and derivative financial instruments.

All trade receivables are subject to credit risk exposure. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through established policies, controls relating to credit approvals and procedures for continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company has used expected credit loss (ECL) model for assessing the impairment loss. For the purpose, the Company uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses. Refer note 15 for movement in expected credit loss and trade receivables aging.

The Company does not have significant concentration of credit risk related to trade receivables. No single third party customer contributes to more than 10 % of outstanding accounts receivable (excluding outstanding from subsidiaries) as at March 31, 2025 and March 31, 2024.

With respect to investments, the Company limits its exposure to credit risk by investing in liquid securities with counter parties depending on their Composite Performance Rankings (CPR) published by CRISIL. Bank deposits are placed with banks with high credit rating. The Company's investment policy lays down guidelines with respect to exposure per counterparty, credit rating, processes in terms of control and continuous monitoring. The Company therefore considers credit risks on such investments to be negligible.

With respect to derivatives, the Company's forex management policy lays down guidelines with respect to exposure per counter party i.e. with banks with high credit rating, processes in terms of control and continuous monitoring. The fair value of the derivatives are credit adjusted at the period end.

Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is ₹2,582.19 crores and ₹1,985.41 crores as at March 31, 2025 and March 31, 2024 respectively, being the total of the carrying amount of balances with banks, bank deposits, trade receivables, other financial assets and investments excluding equity investments, and these financial assets are of good credit quality including those that are past due.

(c) Liquidity risk:

Liquidity risk refers to the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company generates cash flows from operations to meet its financial obligations, maintains adequate liquid assets in the form of cash & cash equivalents and has undrawn short-term line of credits from banks to ensure necessary liquidity.

40 Financial Instruments (Continued)

Contractual maturities of significant financial liabilities are as below:

(₹ in crores)

As at March 31, 2025	Carrying value	Less than 1 year	1 to 2 years	2 to 5 years	More than 5 years	Total
Trade payables	767.11	767.11	-	-	-	767.11
Borrowings*	2,546.84	1,527.01	301.38	689.63	29.75	2,547.77
Other financial liabilities						
Derivative financial liabilities	30.37	29.82	0.55	-	-	30.37
Others	274.27	261.02	13.25	-	-	274.27
Lease liabilities	82.18	13.66	12.69	39.05	16.78	82.18
	3,700.77	**2,598.62**	**327.87**	**728.68**	**46.53**	**3,701.70**

*Excluding amortised cost adjustment of ₹0.93 crores.

(₹ in crores)

As at March 31, 2024	Carrying value	Less than 1 year	1 to 2 years	2 to 5 years	More than 5 years	Total
Trade payables	759.76	759.76	-	-	-	759.76
Borrowings*	3,332.96	1,729.18	585.14	791.51	229.25	3,335.08
Other financial liabilities						
Derivative financial liabilities	0.24	-	0.24	-	-	0.24
Others	213.24	204.24	9.00	-	-	213.24
Lease liabilities	11.24	3.95	3.93	3.36	-	11.24
	4,317.44	**2,697.13**	**598.31**	**794.87**	**229.25**	**4,319.56**

*Excluding amortised cost adjustment of ₹2.12 crores.

Refer Note 21 for Maturity profile of the Company's lease liabilities based on contractual undiscounted payments.

(iv) Capital management

The capital structure of the Company consists of equity, debt, cash and cash equivalents. The Company's objective for capital management is to maintain the capital structure which will support the Company's strategy to maximise shareholder's value, safeguarding the business continuity and help in supporting the growth of the Company. The debt to equity ratio as at March 31, 2025 stands at 0.34 (Previous year 0.49).

41 Related Party Disclosures

The disclosures pertaining to related parties and transactions therewith are set out in the table below:

(₹ in crores)

	Holding Company		Subsidiaries		Key Management Personnel/ Independent Directors		Other related parties		Total	
(a) Nature of Transactions	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Sale of finished goods	**-**	**-**	**2,231.98**	**1,868.52**	**-**	**-**	**-**	**-**	**2,231.98**	**1,868.52**
Torrent Pharma Inc.	-	-	897.13	686.10	-	-	-	-	897.13	686.10
Torrent Do Brasil Ltda.	-	-	508.18	448.19	-	-	-	-	508.18	448.19
Heumann Pharma GmbH & Co. Generica KG	-	-	317.09	244.72	-	-	-	-	317.09	244.72
Zao Torrent Pharma	-	-	140.56	133.21	-	-	-	-	140.56	133.21
Torrent Pharma Philippines, Inc.	-	-	102.90	106.64	-	-	-	-	102.90	106.64
Laboratories Torrent (Malaysia) Sdn. Bhd.	-	-	62.30	69.54	-	-	-	-	62.30	69.54
Laboratorios Torrent S.A. de C.V.	-	-	75.39	69.37	-	-	-	-	75.39	69.37
Torrent Pharma (UK) Ltd	-	-	79.25	58.68	-	-	-	-	79.25	58.68
Heunet Pharma GmbH	-	-	45.89	49.84	-	-	-	-	45.89	49.84
Curatio Inc.	-	-	-	1.20	-	-	-	-	-	1.20
Torrent Pharma (Thailand) Co., Ltd.	-	-	3.29	1.03	-	-	-	-	3.29	1.03
Sale of raw material	**-**	**-**	**0.25**	**-**	**-**	**-**	**-**	**-**	**0.25**	**-**
Torrent Pharma Inc.	-	-	0.25	-	-	-	-	-	0.25	-
Purchase of material, consumables etc. (net of returns)	**-**	**-**	**-**	**0.11**	**-**	**-**	**-**	**-**	**-**	**0.11**
Torrent Pharma GmbH	-	-	-	0.11	-	-	-	-	-	0.11
Remuneration to key management personnel/independent directors	**-**	**-**	**-**	**-**	**42.82**	**43.99**	**-**	**-**	**42.82**	**43.99**
Samir Mehta	-	-	-	-	30.00	26.00	-	-	30.00	26.00
Aman Mehta	-	-	-	-	7.57	6.59	-	-	7.57	6.59
Jinesh Shah	-	-	-	-	2.05	7.71	-	-	2.05	7.71
Independent Directors	-	-	-	-	3.20	3.69	-	-	3.20	3.69
Remuneration	**-**	**-**	**-**	**-**	**-**	**-**	**0.66**	**0.13**	**0.66**	**0.13**
Shaan Mehta	-	-	-	-	-	-	0.66	0.13	0.66	0.13
Contribution to gratuity/ superannuation trust	**-**	**-**	**-**	**-**	**-**	**-**	**70.33**	**55.10**	**70.33**	**55.10**
TPL Employees Group Gratuity Trust	-	-	-	-	-	-	47.50	34.50	47.50	34.50
TPL Employees Superannuation Trust	-	-	-	-	-	-	22.83	20.60	22.83	20.60
Advance given to/ (returned by) gratuity trust	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(0.16)**	**-**	**(0.16)**
TPL Employees Group Gratuity Trust	-	-	-	-	-	-	-	(0.16)	-	(0.16)
Lease rent paid	**0.02**	**0.02**	**-**	**-**	**-**	**-**	**-**	**-**	**0.02**	**0.02**
Torrent Investments Limited*	0.02	0.02	-	-	-	-	-	-	0.02	0.02

Notes forming part of the Standalone Financial Statements

41 Related Party Disclosures (Continued)

(₹ in crores)

	Holding Company		Subsidiaries		Key Management Personnel/ Independent Directors		Other related parties		Total	
(a) Nature of Transactions	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Services received	**-**	**-**	**1.15**	**1.33**	**-**	**-**	**-**	**-**	**1.15**	**1.33**
Torrent Pharma GmbH	-	-	0.02	0.14	-	-	-	-	0.02	0.14
Heumann Pharma GmbH & Co. Generica KG	-	-	0.40	0.57	-	-	-	-	0.40	0.57
Torrent Australasia Pty. Ltd.	-	-	0.73	0.62	-	-	-	-	0.73	0.62
Donation	**-**	**-**	**-**	**-**	**-**	**-**	**8.00**	**6.06**	**8.00**	**6.06**
UNM Foundation	-	-	-	-	-	-	8.00	6.06	8.00	6.06
CSR expenditure	**-**	**-**	**-**	**-**	**-**	**-**	**32.05**	**19.90**	**32.05**	**19.90**
UNM Foundation	-	-	-	-	-	-	32.05	19.90	32.05	19.90
Expenses reimbursement	**-**	**-**	**3.35**	**4.22**	**-**	**-**	**-**	**-**	**3.35**	**4.22**
Zao Torrent Pharma	-	-	0.63	0.53	-	-	-	-	0.63	0.53
Torrent Australasia Pty. Ltd.	-	-	1.61	2.75	-	-	-	-	1.61	2.75
Torrent Pharma (Thailand) Co., Ltd.	-	-	1.11	0.94	-	-	-	-	1.11	0.94
Purchase of property, plant and equipment	**-**	**-**	**-**	**-**	**-**	**-**	**1.61**	**-**	**1.61**	**-**
Torrent Electricals Limited*	-	-	-	-	-	-	1.61	-	1.61	-
Equity contribution	**-**	**-**	**77.80**	**128.04**	**-**	**-**	**-**	**-**	**77.80**	**128.04**
Torrent Pharma (Thailand) Co., Ltd.	-	-	6.13	5.93	-	-	-	-	6.13	5.93
TPL (Malta) Limited	-	-	70.35	112.99	-	-	-	-	70.35	112.99
Farmaceutica Torrent Colombia SAS	-	-	-	9.12	-	-	-	-	-	9.12
Torrent International Lanka (Pvt) Ltd	-	-	0.71	-	-	-	-	-	0.71	-
Curatio Inc.	-	-	0.61	-	-	-	-	-	0.61	-
Recovery of expenses	**-**	**-**	**-**	**-**	**-**	**-**	**0.10**	**0.09**	**0.10**	**0.09**
Torrent Diagnostics Private Limited*	-	-	-	-	-	-	0.10	0.09	0.10	0.09
Dividend received	**-**	**-**	**-**	**50.19**	**-**	**-**	**-**	**-**	**-**	**50.19**
Torrent Pharma GmbH	-	-	-	50.19	-	-	-	-	-	50.19
Transfer of Gratuity & leave balance of employees transferred (in)/out (net)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(0.09)**	**-**	**(0.09)**
Torrent Diagnostics Private Limited	-	-	-	-	-	-	-	0.01	-	0.01
Torrent Gas Limited	-	-	-	-	-	-	-	(0.10)	-	(0.10)
Guarantee commission income	**-**	**-**	**8.39**	**10.63**	**-**	**-**	**-**	**-**	**8.39**	**10.63**
Torrent Pharma Inc.	-	-	8.01	10.26	-	-	-	-	8.01	10.26
Torrent Pharma Philippines, Inc.	-	-	0.38	0.37	-	-	-	-	0.38	0.37

*Excluding Goods and Services Tax.

Notes forming part of the Standalone Financial Statements

41 Related Party Disclosures (Continued)

(₹ in crores)

	Holding Company		Subsidiaries		Key Management Personnel/ Independent Directors		Other related parties		Total	
(b) Balances at the end of the year	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Trade receivables	**-**	**-**	**1,578.68**	**1,081.96**	**-**	**-**	**-**	**-**	**1,578.68**	**1,081.96**
Torrent Pharma Inc.	-	-	865.64	575.09	-	-	-	-	865.64	575.09
Torrent Do Brasil Ltda.	-	-	337.22	272.83	-	-	-	-	337.22	272.83
Torrent Pharma Philippines, Inc.	-	-	55.05	51.91	-	-	-	-	55.05	51.91
Heumann Pharma GmbH & Co. Generica KG	-	-	98.04	63.93	-	-	-	-	98.04	63.93
Heunet Pharma GmbH	-	-	7.96	11.75	-	-	-	-	7.96	11.75
Zao Torrent Pharma	-	-	89.44	44.17	-	-	-	-	89.44	44.17
Laboratorios Torrent S.A. de C.V.	-	-	31.94	9.13	-	-	-	-	31.94	9.13
Laboratories Torrent (Malaysia) Sdn. Bhd.	-	-	28.83	15.91	-	-	-	-	28.83	15.91
Torrent Pharma (UK) Ltd	-	-	62.11	35.72	-	-	-	-	62.11	35.72
Torrent Pharma (Thailand) Co., Ltd.	-	-	2.45	0.81	-	-	-	-	2.45	0.81
Curatio Inc.	-	-	-	0.54	-	-	-	-	-	0.54
Torrent International Lanka (Pvt) Ltd	-	-	-	0.17	-	-	-	-	-	0.17
Other receivables	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.95**	**-**	**0.95**
UNM Foundation	-	-	-	-	-	-	-	0.95	-	0.95
Investments in equities	**-**	**-**	**415.01**	**337.19**	**-**	**-**	**0.05**	**0.05**	**415.06**	**337.24**
Torrent Pharma GmbH	-	-	23.37	23.37	-	-	-	-	23.37	23.37
Torrent Do Brasil Ltda.	-	-	31.11	31.11	-	-	-	-	31.11	31.11
Laboratorios Torrent S.A. de C.V.	-	-	27.99	27.99	-	-	-	-	27.99	27.99
Zao Torrent Pharma[1]	-	-	58.80	58.80	-	-	-	-	58.80	58.80
UNM Foundation	-	-	-	-	-	-	0.05	0.05	0.05	0.05
Torrent International Lanka (Pvt) Ltd[2]	-	-	9.15	8.43	-	-	-	-	9.15	8.43
Curatio Inc.[2]	-	-	15.83	15.21	-	-	-	-	15.83	15.21
Torrent Pharma Inc.	-	-	4.99	4.99	-	-	-	-	4.99	4.99
Torrent Pharma Philippines, Inc.	-	-	4.75	4.75	-	-	-	-	4.75	4.75
Torrent Pharma (Thailand) Co., Ltd.	-	-	14.17	8.04	-	-	-	-	14.17	8.04
Torrent Pharma (UK) Ltd	-	-	1.68	1.68	-	-	-	-	1.68	1.68
TPL (Malta) Limited	-	-	212.98	142.63	-	-	-	-	212.98	142.63
Farmaceutica Torrent Colombia SAS	-	-	9.12	9.12	-	-	-	-	9.12	9.12
Torrent Australasia Pty. Ltd.	-	-	0.30	0.30	-	-	-	-	0.30	0.30
Laboratories Torrent (Malaysia) Sdn. Bhd.	-	-	0.77	0.77	-	-	-	-	0.77	0.77

41 Related Party Disclosures (Continued)

(₹ in crores)

(b) Balances at the end of the year	Holding Company March 31, 2025	Holding Company March 31, 2024	Subsidiaries March 31, 2025	Subsidiaries March 31, 2024	Key Management Personnel/ Independent Directors March 31, 2025	Key Management Personnel/ Independent Directors March 31, 2024	Other related parties March 31, 2025	Other related parties March 31, 2024	Total March 31, 2025	Total March 31, 2024
Trade payables	**0.02**	**-**	**3.64**	**6.20**	**-**	**-**	**-**	**0.10**	**3.66**	**6.30**
Torrent Pharma GmbH	-	-	0.02	0.07	-	-	-	-	0.02	0.07
Zao Torrent Pharma	-	-	3.18	5.32	-	-	-	-	3.18	5.32
Heumann Pharma GmbH & Co. Generica KG	-	-	0.40	-	-	-	-	-	0.40	-
Torrent Gas Limited	-	-	-	-	-	-	-	0.10	-	0.10
Torrent Investments Limited	0.02	-	-	-	-	-	-	-	0.02	-
Torrent Pharma (Thailand) Co., Ltd.	-	-	-	0.52	-	-	-	-	-	0.52
Torrent Australasia Pty. Ltd.	-	-	0.04	0.29	-	-	-	-	0.04	0.29
Other payables	**-**	**-**	**-**	**-**	**32.04**	**28.41**	**-**	**-**	**32.04**	**28.41**
Samir Mehta	-	-	-	-	30.00	26.00	-	-	30.00	26.00
Independent Directors	-	-	-	-	2.04	2.41	-	-	2.04	2.41
Advances to group gratuity trust	**-**	**-**	**-**	**-**	**-**	**-**	**0.05**	**0.05**	**0.05**	**0.05**
TPL Employees Group Gratuity Trust	-	-	-	-	-	-	0.05	0.05	0.05	0.05
Commitments for Uncalled liability on shares	**-**	**-**	**11.24**	**3.20**	**-**	**-**	**-**	**-**	**11.24**	**3.20**
Torrent Australasia Pty. Ltd.	-	-	3.15	3.20	-	-	-	-	3.15	3.20
Torrent Pharmaceuticals Chile SpA	-	-	8.09	-	-	-	-	-	8.09	-
Guarantees given[3]	**-**	**-**	**898.60**	**875.43**	**-**	**-**	**-**	**-**	**898.60**	**875.43**
Torrent Pharma Inc.	-	-	864.37	842.08	-	-	-	-	864.37	842.08
Torrent Pharma Philippines, Inc.	-	-	34.23	33.35	-	-	-	-	34.23	33.35

[1] Provision for impairment in value of investment of ₹23.08 crores (Previous year ₹23.08 crores).

[2] Investment in equity is fully provided for impairment amounting to ₹24.98 crores (Previous year ₹23.64 crores).

[3] Net Guarantees given/(withdrawal) (including exchange rate variation) for 2024-25 ₹23.17 crores (Previous Year ₹12.15 crores) in respect of subsidiaries.

Transactions with related parties do not include transactions with Torrent Power Limited (fellow subsidiary), being a public utility engaged in distribution of electricity. Transactions entered with Torrent Power Limited are in nature of purchase of electricity and other related transactions and the tariff charges are determined by an independent regulatory authority.

41 Related Party Disclosures (Continued)

Name of related parties having transactions and/or balances:

1	Holding Company	Torrent Investments Limited (Formerly known as Torrent Investments Private Limited)
2	Subsidiaries and step down subsidiaries	Zao Torrent Pharma
		Torrent Pharma GmbH
		Torrent Do Brasil Ltda.
		Torrent Pharma Inc.
		Torrent Pharma Philippines, Inc.
		Heumann Pharma GmbH & Co. Generica KG
		Torrent Australasia Pty. Ltd.
		Laboratorios Torrent, S.A. De C.V.
		Heunet Pharma GmbH
		Torrent Pharma (Thailand) Co., Ltd.
		Torrent Pharma (UK) Ltd
		Laboratories Torrent (Malaysia) Sdn. Bhd.
		TPL (Malta) Limited
		Torrent Pharma (Malta) Limited
		Torrent International Lanka (Pvt) Ltd (Formerly known as Curatio International Lanka Pvt Ltd) (Under liquidation)
		Curatio Inc. (Under liquidation)
		Farmaceutica Torrent Colombia SAS (with effect from January 3, 2024)
		Torrent Pharmaceuticals Chile SpA (with effect from September 25, 2024)
3	Key Management Personnel/Independent Directors	Samir Mehta
		Aman Mehta
		Jinesh Shah (ceased to be a director with effect from July 23, 2024)
		Shailesh Haribhakti (ceased to be a director with effect from March 31, 2024)
		Haigreve Khaitan (ceased to be a director with effect from March 31, 2024)
		Ameera Shah
		Dr. Maurice Chagnaud
		Manish Choksi
		Nikhil Khattau (with effect from October 1, 2023)
		Nayantara Bali
4	Other related parties	

Name of other related party	Relation with other related party
Shaan Mehta (with effect from December 1, 2023)	Close family member of Key Management Personnel
TPL Employees Group Gratuity Trust	Post-employment benefit trust
TPL Employees Superannuation Trust	Post-employment benefit trust
UNM Foundation	Associate Company
Torrent Electricals Limited (Formerly known as Torrent Electricals Private Limited)	Fellow Subsidiary
Torrent Gas Limited (Formerly known as Torrent Gas Private Limited)	Fellow Subsidiary
Torrent Diagnostics Private Limited	Fellow Subsidiary

Notes forming part of the Standalone Financial Statements

41 Related Party Disclosures (Continued)

Terms and conditions of transactions with related parties:

All related party transactions entered during the year were in ordinary course of the business and are on an arm's length basis. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

(c) Remuneration to Key Management Personnel/Independent Directors:

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
Short-term employee benefits**	42.47	43.55
Post employment benefits	0.35	0.44
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
	42.82	**43.99**

**Includes remuneration to Non-executive directors amounting to ₹3.20 crores (Previous year ₹3.69 crores).

Post employment benefits comprises of Gratuity and leave encashment provisions derived based on expenses recognised in statement of profit and loss that is attributable to Key management personnel (KMP). Such benefits are payable at the time of cessation of the employment and hence is not added to the payable balances of the KMPs.

42 Commitments and Contingencies

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Commitments:		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	309.46	359.33
(b) Uncalled liability on partly paid shares of Torrent Australasia Pty. Ltd., a wholly owned subsidiary. (Australian Dollar (AUD) 0.06 crores (previous year AUD 0.06 crores))	3.15	3.20
(c) Uncalled liability on shares of Torrent Pharmaceuticals Chile SpA, a wholly owned subsidiary (Chilean Pesos (CLP) 90 crores (previous year Nil))	8.09	-
	320.70	**362.53**
Contingent liabilities:		
(a) Claims against the Company not acknowledged as debts:		
Disputed demand of Income tax	1.24	1.60
Disputed Employee state insurance contribution liability under E.S.I. Act, 1948	17.53	16.76
Disputed demand of Goods and Services tax/excise duty	118.73	128.89
Disputed demand of local sales tax and C.S.T.	0.24	0.24
Disputed demand of stamp duty and registration charges	3.43	3.43
Disputed cases at labour court/industrial court	6.89	6.27
Disputed demand of Customs Duty	1.37	-
Disputed Bonus liability under Payment of Bonus (Amendment) Act, 2015	0.25	0.25
	149.68	**157.44**

In most of the cases, the relevant authorities have raised demand or disallowed tax claims. The Company has preferred appeals and the outcome are awaited.

Against the claims not acknowledged as debts, the Company has paid ₹4.47 crores (previous year ₹3.94 crores). The expected outflow will be determined at the time of final outcome of the concerned matters. No amount is expected to be reimbursed.

Notes forming part of the Standalone Financial Statements

42 Commitments and Contingencies (Continued)

(b) The Company and/or its subsidiaries ('Torrent') are involved in certain legal proceedings, including product liability matters wherein there are two Multi-District Litigations ('MDL') pending against Torrent and other manufacturers for Valsartan and Losartan and other commercial matters, that arise from time to time in the ordinary course of business. It is difficult to ascertain the financial effect, if any, of such proceedings that will result from its ultimate disposition due to involvement of complex issues with substantial uncertainties and without any precedents. Additionally, many factors like stage of the proceedings, overall length and extent of discovery process; the entitlement of the parties to an action to appeal a decision; the extent of the claims; the possible need for further legal proceedings to establish the appropriate amount of damages, if any; the settlement posture of the other parties to the litigation; uncertainty in timing of litigation and any other factors that may have an implication on the ultimate outcome of the ongoing litigations. The Company assesses likely outcome based on internal assessment as well as considers views of legal counsel representing the Company. Moreover, Company carries product liability insurance policy of amount which it believes to be sufficient for its needs.

(c) In view of amendment in Section 37(1) of Income Tax Act, 1961 introduced in Finance Act, 2022, it is possible that the Company may get involved in the litigation on allowability of certain expenses in relation to the years for which assessment proceedings have not commenced. It is difficult to ascertain the financial effects from such future proceedings, if any, that will result in to its ultimate disposition. The Company assesses likely outcome based on internal assessment as well as considers views of external consultants representing the Company.

Other Guarantees:

Guarantees of ₹898.60 crores and ₹875.43 crores are outstanding as at March 31, 2025 and March 31, 2024 respectively, which were issued to third parties on behalf of wholly owned subsidiaries for contractual obligations.

43 Segment Reporting

The Company has only one reportable segment namely 'Generic Formulation Business'. In accordance with Ind AS 108 "Operating Segments", segment information has been given in the consolidated financial statements, and therefore, no separate disclosure on segment information is given in these standalone financial statements.

44 Corporate Social Responsibility (CSR) Expenditure

(₹ in crores)

	Year ended March 31, 2025			Year ended March 31, 2024		
(a) Gross amount required to be spent by the Company			33.31			29.65
(b) Amount approved by the Board to be spent during the year			34.00			32.90
(c) Amount spent during the year on:	**Paid in cash**	**Yet to be paid in cash**	**Total**	**Paid in cash**	**Yet to be paid in cash**	**Total**
(i) Construction / acquisition of any asset	-	-	-	-	-	-
(ii) Purposes other than (i) above	23.04	0.18	23.22	20.81	0.79	21.60
	23.04	**0.18**	**23.22**	**20.81**	**0.79**	**21.60**
(d) Shortfall at the end of the year			10.78			11.30
(e) Total of previous year shortfall			-			-
(f) Reason for shortfall			As per note (1)			As per note (1)
(g) Contribution to section 8 companies, which are related parties, included in (c) above, in relation to CSR expenditure			32.05			19.90
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision			NA			NA
(i) Nature of CSR activities	Community Healthcare, Sanitation & Hygiene, Education and Knowledge Enhancement, Social Care and Concern					

Notes forming part of the Standalone Financial Statements

44 Corporate Social Responsibility (CSR) Expenditure (Continued)

Notes:

(1) Unspent amount as at March 31, 2025 of ₹10.78 crores (March 31, 2024 ₹11.30 crores) has been transferred to special bank account specified under Section 135 (6) of the Companies Act, 2013 for ongoing projects within stipulated timelines.

(2) Unspent amount of ₹11.30 crores as at March 31, 2024 deposited in special bank account (as per note (1)) has been fully spent during FY 2024-25 for ongoing projects.

(3) Refer note 41 for information about contribution to related parties towards CSR expenditures.

45 Relationship with Struck off Companies

The following table depicts the details of balances outstanding in respect of transactions undertaken with a company struck-off under Section 248 of the Companies Act, 2013 or Section 530 of Companies Act, 1956:

(₹ in crores)

Name of struck off company (Nature of transactions with struck off company)	Relationship with struck off company	Year ended March 31, 2025	Year ended March 31, 2024
Best Value Hotels Private Limited* (Services availed)	Not related	0.00	0.00
Dhanvanthri Pharma Distributors Private Limited (Sale of goods)	Not related	-	0.02
Manilal Patel Private Limited* (Subscription to equity shares)	Not related	0.00	0.00

* Represents value less than ₹1 lakh.

46 Registration of Charges

All the charges created or satisfied during the current year and previous year were registered with Registrar of Companies within statutory period.

47 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries) other than in the ordinary course of business with its subsidiary companies. The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

48 Analytical ratios for the year ended March 31, 2025 and March 31, 2024

Sr. No.	Ratios	Note	Year ended March 31, 2025	Year ended March 31, 2024	Variance
(a)	Current ratio: Current assets/Current liabilities		1.46	1.25	16.6%
(b)	Debt equity ratio: Total debt/Net worth Total debt: Long-term borrowings (including current maturities of long-term borrowings) + Short-term borrowings Net worth: Equity share capital + Other equity	(1)	0.34	0.49	-31.3%
(c)	Debt service coverage ratio: (Profit after tax + Deferred tax + Depreciation and amortisation + Interest on debt and lease)/(Interest on debt and lease + Principal repayments of long-term debt including lease payment)	(2)	4.08	1.72	136.9%
(d)	Return on equity ratio: Net profit after taxes/Average shareholder's equity	(3)	0.26	0.20	28.2%
(e)	Inventory turnover ratio: Net sales/Average Inventories		6.07	5.28	14.8%

Notes forming part of the Standalone Financial Statements

48 Analytical ratios for the year ended March 31, 2025 and March 31, 2024 (Continued)

Sr. No.	Ratios	Note	Year ended March 31, 2025	Year ended March 31, 2024	Variance
(f)	Trade receivables turnover ratio: Net sales/Average trade receivables		5.07	5.07	0.0%
(g)	Trade payables turnover ratio: Net sales/Average trade payables		12.42	12.21	1.7%
(h)	Net capital turnover ratio: Net Sales/Working Capital	(4)	6.93	11.12	-37.7%
(i)	Net profit ratio: Net Profit/Net Sales		19.9%	16.2%	22.8%
(j)	Return on capital employed: Earning before interest and taxes/Capital Employed		30.7%	24.8%	24.0%
(k)	Return on investment: Income from mutual fund/ Average investment		7.64%	7.26%	5.3%

Notes:

(1) Debt equity ratio has improved on account of reduction of debt.

(2) Variation in debt service coverage ratio is primarily due to higher debt repayments during 2023-24.

(3) Improvement in return on equity is on account of better operational performance.

(4) Variance due to increase in working capital.

49 Exceptional item

The exceptional item relates to a demand raised by the National Pharmaceutical Pricing Authority (NPPA) in 2017 concerning alleged overcharging, which was under judicial consideration before the Hon'ble Gujarat High Court. During the year, the Company submitted detailed representations, which were favourably considered by the NPPA. As a result, the Company's legal exposure was substantially reduced. Following the issuance of a revised demand by the NPPA, the Company opted to settle the litigation and bring the matter to a definitive close.

50 Proposed dividend

The Board of Directors of the Company, in its meeting held on May 20, 2025, has proposed a final dividend of ₹6 per equity share for the financial year ended March 31, 2025. The proposal is subject to the approval of the shareholders of the Company at the ensuing Annual General Meeting and if approved would result in a cash outflow of approximately ₹203.07 crores.

51 The financial statements for the year ended March 31, 2025 were approved for issue by the Board of Directors on May 20, 2025.

In terms of our report attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Sadashiv Shetty
Partner
Membership No.: 048648

Mumbai
May 20, 2025

For and on behalf of the Board of Directors

Samir Mehta
Executive Chairman
DIN: 00061903

Sudhir Menon
Executive Director (Finance) & Chief Financial Officer

Chintan Trivedi
Company Secretary

Mumbai
May 20, 2025

Independent Auditor's Report

To the Members of
Torrent Pharmaceuticals Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Torrent Pharmaceuticals Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2025, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report (Continued)

Impairment testing of goodwill

See Note 4.9.2, 8 and 9 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Group tests goodwill for impairment annually, or more frequently when there is an indication that the cash generating unit to which goodwill has been allocated may be impaired. We identified the annual impairment assessment of goodwill as a key audit matter because the assessment process is complex and judgemental by nature and is based on assumptions on: • projected future cash flows • expected growth rate and profitability; • discount rate; • perpetuity value based on long-term growth rate.	Our procedures included the following: • Testing operating effectiveness of controls over determination of the recoverable amounts of cash generating units. Cash generating units for this purpose are those to which the goodwill is allocated; • Evaluating the model used in determining the recoverable value of the cash generating units; • Assessing the reasonableness of prior period cash flow forecasts of the Group by reference to actual performance to assess forecast accuracy; • Challenging the significant assumptions and judgements used in impairment analysis such as forecast revenue, margins, long-term growth and discount rates in comparison to economic and industry forecasts with the assistance of our valuations specialist; • Performing sensitivity analysis of the key assumptions, such as future revenue growth rates, future gross margins, and the discount rate used in determining the recoverable value. • Evaluating the adequacy of disclosures, including disclosures of key assumptions, judgements and sensitivities.

Revenue Recognition

See Note 4.13 and 27 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Group distributes its products in several geographies through commercial arrangement prevalent in those geographies. These arrangements involve granting of various considerations such as chargebacks, rebates and discounts (insurance health provisions). Revenue is measured net of discounts (insurance health provisions), rebates and chargebacks. One of the key estimate of the Group is recognition and measurement of accrual of these deductions. The estimation is dependent on various internal and external factors. These factors include, for example, the length of time when a sale is made, arrangements with varying terms which are based on annual contracts or shorter-term arrangements, etc., some of which are beyond the control of the Company. In addition, the value and timing of chargebacks, rebates and discounts (insurance health provisions) for products vary from period to period, and the activity spans beyond the year end. Accuracy of revenues may deviate on account of change in judgements and estimates. Accordingly, the evaluation of accrual for chargebacks, rebates and discounts (insurance health provisions) has been considered as a key audit matter.	Our audit procedures included following: • Assessing the Group's accounting policies accruals of chargebacks, rebates and discounts (insurance health provisions) by comparing with applicable accounting standards. • Testing the design, implementation and operating effectiveness of key controls, to the extent applicable over the development of assumption of chargebacks, rebates and discounts (insurance health provisions) and their accruals. • Testing samples relating to chargebacks, rebates and discounts (insurance health provisions) accruals recorded during the year and comparing to the actual payments made or credit notes generated towards these items. Further, performed procedures to test the accruals made for the year end on a test basis and compared with the relevant source documents. • Checking completeness and accuracy of the data used by the Group for accrual of chargebacks, rebates and discounts (insurance health provisions) accruals and checking the accrual for a selected sample of sales. • Comparing the assumptions to current trends of chargebacks, rebates and discounts (insurance health provisions) accruals. We have also examined the historical and current trends of the Group's estimates. The examination was to assess the assumptions and judgements used by the Group in accrual of chargebacks, rebates and discounts (insurance health provisions) accruals.

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

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/audit reports of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements of 16 subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of ₹3,847.88 crores as at March 31, 2025, total revenues (before consolidation adjustments) of ₹3,045.69 crores and net cash flows (before consolidation adjustments) amounting to ₹(265.91) crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries.

    Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

(c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025, April 1, 2025 and April 11, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(a) The consolidated financial statements disclose the impact of pending litigations as at March 31, 2025 on the consolidated financial position of the Group. Refer Note 41 to the consolidated financial statements.

(b) Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 38 (i) to the consolidated financial statements in respect of such items as it relates to the Group.

(c) There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2025.

(d) (i) The management of the Holding Company whose financial statements have been audited under the Act have represented to us that, to the best of its knowledge and belief, as disclosed in the Note 43 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Independent Auditor's Report (Continued)

(ii) The management of the Holding Company whose financial statements have been audited under the Act have represented to us that, to the best of its knowledge and belief, as disclosed in the Note 43 to the consolidated financial statements, no funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

(e) The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend. The interim dividend declared and paid during the year by the Company until the date of this audit report is in accordance with Section 123 of the Act. As stated in Note 44 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

(f) Based on our examination which included test checks, the Holding Company which is incorporated in India has used an accounting software for maintaining its books of account, which along with an access management tool as applicable, has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act: In our opinion and according to the information and explanations given to us, the remuneration paid/payable during the current year by the Holding Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid/ payable to any director by the Holding Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Sadashiv Shetty
Partner
Membership No.: 048648
ICAI UDIN: 25048648BMNYIC4485

Place: Mumbai
Date: May 20, 2025

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Torrent Pharmaceuticals Limited for the year ended March 31, 2025

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

(xxi) According to the information and explanations given to us and based on our examination, there are no companies included in the consolidated financial statements of the Holding Company which are companies incorporated in India except the Holding Company. The Companies (Auditor's Report) Order, 2020 of the Holding Company did not include any unfavourable answers or qualifications or adverse remarks.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Sadashiv Shetty
Partner
Membership No.: 048648
ICAI UDIN: 25048648BMNYIC4485

Place: Mumbai
Date: May 20, 2025

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Torrent Pharmaceuticals Limited for the year ended March 31, 2025

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of sub-section 3 of Section 143 of the Act

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

Opinion

In conjunction with our audit of the consolidated financial statements of Torrent Pharmaceuticals Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to financial statements of the Holding Company, as of that date.

In our opinion the Holding Company, has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2025, based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

The Holding Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Sadashiv Shetty
Partner
Membership No.: 048648
ICAI UDIN: 25048648BMNYIC4485

Place: Mumbai
Date: May 20, 2025

Consolidated Balance Sheet

as at March 31, 2025

(₹ in crores)

	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	6	3,209.24	3,139.40
Capital work-in-progress	6	367.26	280.80
Right-of-use assets	7	246.41	157.57
Goodwill	8	338.88	338.03
Other intangible assets	9	4,152.37	4,503.11
Intangible assets under development	9	110.88	79.71
Financial assets			
Investments	10	43.57	31.80
Loans	11	3.37	2.51
Other financial assets	12	32.86	36.87
		79.80	**71.18**
Other tax assets (net)		226.35	308.79
Deferred tax assets (net)	23	594.15	555.13
Other non-current assets	13	41.83	15.38
Total non-current assets		**9,367.17**	**9,449.10**
Current assets			
Inventories	14	2,541.25	2,279.07
Financial assets			
Investments	10	112.21	141.04
Trade receivables	15	1,866.45	1,844.30
Cash and cash equivalents	16	573.48	835.14
Bank balances other than cash and cash equivalents	17	5.98	3.90
Loans	11	4.22	3.05
Other financial assets	12	182.85	200.68
		2,745.19	**3,028.11**
Other current assets	13	336.13	304.30
Total current assets		**5,622.57**	**5,611.48**
TOTAL ASSETS		**14,989.74**	**15,060.58**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	169.23	169.23
Other equity	19	7,421.46	6,686.92
Total equity		**7,590.69**	**6,856.15**
Non-current liabilities			
Financial liabilities			
Borrowings	20	1,191.75	1,603.78
Lease liabilities	21	145.86	64.46
Other financial liabilities	25	13.80	9.24
		1,351.41	**1,677.48**
Provisions	22	501.27	444.69
Deferred tax liabilities (net)	23	828.72	656.05
Other non-current liabilities	26	0.46	0.96
Total non-current liabilities		**2,681.86**	**2,779.18**
Current liabilities			
Financial liabilities			
Borrowings	20	1,834.34	2,333.64
Lease liabilities	21	30.37	20.06
Trade payables	24		
Total outstanding dues of micro enterprises and small enterprises		23.13	16.12
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,796.89	2,073.20
Other financial liabilities	25	392.62	284.66
		4,077.35	**4,727.68**
Other current liabilities	26	136.14	129.50
Provisions	22	408.13	400.14
Current tax liabilities (net)		95.57	167.93
Total current liabilities		**4,717.19**	**5,425.25**
TOTAL EQUITY AND LIABILITIES		**14,989.74**	**15,060.58**
Notes forming part of the Consolidated Financial Statements	1 - 46		

In terms of our report attached

For and on behalf of the Board of Directors

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Samir Mehta
Executive Chairman
DIN: 00061903

Sadashiv Shetty
Partner
Membership No.: 048648

Sudhir Menon
Executive Director (Finance)
& Chief Financial Officer

Chintan Trivedi
Company Secretary

Mumbai
May 20, 2025

Mumbai
May 20, 2025

Consolidated Statement of Profit and Loss

for the year ended March 31, 2025

(₹ in crores)

	Notes	Year ended March 31, 2025	Year ended March 31, 2024
INCOME			
Revenue from operations	27	11,516.09	10,727.84
Other income	28	23.27	57.91
Total Income		**11,539.36**	**10,785.75**
EXPENSES			
Cost of materials consumed	29	1,520.32	1,657.59
Purchases of stock-in-trade		1,530.50	1,183.63
Changes in inventories of finished goods, work-in-progress and stock-in-trade	30	(274.92)	(155.01)
Employee benefits expense	31	2,203.37	1,984.40
Finance cost	32	252.31	353.56
Depreciation and amortisation expense	33	794.93	808.27
Other expenses	34	2,815.83	2,689.58
Total Expenses		**8,842.34**	**8,522.02**
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		**2,697.02**	**2,263.73**
Exceptional items	39	24.21	(88.38)
PROFIT BEFORE TAX		**2,672.81**	**2,352.11**
TAX EXPENSE	23		
Current tax		619.01	461.73
Deferred tax		142.55	234.00
		761.56	**695.73**
PROFIT FOR THE YEAR		**1,911.25**	**1,656.38**
Other comprehensive income (net of taxes)			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement (losses)/gains on defined benefit plans		(30.39)	(2.43)
Equity instruments through other comprehensive income		1.76	(10.86)
Income tax relating to items that will not be reclassified subsequently to profit or loss			
Re-measurement (losses)/gains on defined benefit plans		6.27	0.60
Equity instruments through other comprehensive income		(0.14)	3.79
Items that will be reclassified subsequently to profit or loss			
Exchange differences on translation of financial statements of foreign operations		(55.41)	(11.75)
Effective portion on (losses)/gains on hedging instruments in a cash flow hedge		(23.09)	57.94
Income tax relating to items that will be reclassified subsequently to profit or loss			
Effective portion on gains/(losses) on hedging instruments in a cash flow hedge		7.32	(20.25)
		(93.68)	**17.04**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**1,817.57**	**1,673.42**
PROFIT FOR THE YEAR ATTRIBUTABLE TO:			
Owners of the Company		1,911.25	1,656.38
Non-controlling interests		-	-
		1,911.25	**1,656.38**
OTHER COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO:			
Owners of the Company		(93.68)	17.04
Non-controlling interests		-	-
		(93.68)	**17.04**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO:			
Owners of the Company		1,817.57	1,673.42
Non-controlling interests		-	-
		1,817.57	**1,673.42**
Earnings per share (Face value per equity share of ₹5) (In ₹)			
Basic and diluted	35	56.47	48.94
Notes forming part of the Consolidated Financial Statements	1 - 46		

In terms of our report attached

For and on behalf of the Board of Directors

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Samir Mehta
Executive Chairman
DIN: 00061903

Sadashiv Shetty
Partner
Membership No.: 048648

Sudhir Menon
Executive Director (Finance)
& Chief Financial Officer

Chintan Trivedi
Company Secretary

Mumbai
May 20, 2025

Mumbai
May 20, 2025

Consolidated Statement of Changes in Equity

for the year ended March 31, 2025

(A) Equity Share Capital

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	169.23	169.23
Changes during the year	-	-
Balance at the end of the year	**169.23**	**169.23**

(B) Other Equity

(₹ in crores)

	Attributable to owners of the Company							Total
	Reserves and surplus				Other comprehensive income			
	Retained earnings	General reserve	Debenture redemption reserve	Capital reserve	Equity instruments through other comprehensive income	Effective portion of cash flow hedges	Foreign currency translation reserve	
Balance as at April 1, 2024	3,942.40	2,848.41	71.43	5.56	(6.65)	10.03	(184.26)	6,686.92
Profit for the year	1,911.25	-	-	-	-	-	-	1,911.25
Re-measurement (losses)/gains on defined benefit plans (net of tax)	(24.12)	-	-	-	-	-	-	(24.12)
Other comprehensive income for the year (net of tax)	-	-	-	-	1.62	(15.77)	(55.41)	(69.56)
Total comprehensive income for the year	**1,887.13**	**-**	**-**	**-**	**1.62**	**(15.77)**	**(55.41)**	**1,817.57**
Dividends*	(1,083.03)	-	-	-	-	-	-	(1,083.03)
Transfer to retained earnings from equity instrument through other comprehensive income	0.05	-	-	-	(0.05)	-	-	-
Transfer from debenture redemption reserve	-	35.72	(35.72)	-	-	-	-	-
Balance as at March 31, 2025	**4,746.55**	**2,884.13**	**35.71**	**5.56**	**(5.08)**	**(5.74)**	**(239.67)**	**7,421.46**
Balance as at April 1, 2023	3,303.19	2,812.70	107.14	5.56	0.42	(27.66)	(172.51)	6,028.84
Profit for the year	1,656.38	-	-	-	-	-	-	1,656.38
Re-measurement (losses)/gains on defined benefit plans (net of tax)	(1.83)	-	-	-	-	-	-	(1.83)
Other comprehensive income for the year (net of tax)	-	-	-	-	(7.07)	37.69	(11.75)	18.87
Total comprehensive income for the year	**1,654.55**	**-**	**-**	**-**	**(7.07)**	**37.69**	**(11.75)**	**1,673.42**
Dividends**	(1,015.34)	-	-	-	-	-	-	(1,015.34)
Transfer from debenture redemption reserve	-	35.71	(35.71)	-	-	-	-	-
Balance as at March 31, 2024	**3,942.40**	**2,848.41**	**71.43**	**5.56**	**(6.65)**	**10.03**	**(184.26)**	**6,686.92**

* Dividends include 2023-24 final dividend of ₹6 per share and 2024-25 interim dividend of ₹26 per share.

** Dividends include 2022-23 final dividend of ₹8 per share and 2023-24 interim dividend of ₹22 per share.

Consolidated Statement of Changes in Equity

for the year ended March 31, 2025 (Continued)

Nature and Purpose of Reserves:

(a) **Retained earnings:** Retained earnings are the profits earned till date, less any transfers to other reserves and dividends distributed.

(b) **General reserve:** The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

(c) **Debenture redemption reserve:** The reserve represents amount required to be set aside out of profits in accordance with Companies Act, 2013 up to August 16, 2019.

(d) **Capital reserve:** Capital reserve represents profit or loss on cancellation of own forfeited equity instruments and excess of fair value of net assets acquired over the consideration transferred.

(e) **Equity instruments through other comprehensive income:** This represents the cumulative gains and losses arising on revaluation of equity instruments measured at fair value through other comprehensive income, net of amount reclassified to retained earnings when such assets are disposed off.

(f) **Effective portion of cash flow hedges:** This represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of effective portion of cash flow hedges will be reclassified to statement of profit and loss only when the hedged items affect the statement of profit and loss.

(g) **Foreign currency translation reserve:** This reserve represents exchange differences arising on account of conversion of foreign operations to parent company's functional currency.

Notes forming part of the Consolidated Financial Statements (Refer note 1 to 46)

In terms of our report attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Sadashiv Shetty
Partner
Membership No.: 048648

Mumbai
May 20, 2025

For and on behalf of the Board of Directors

Samir Mehta
Executive Chairman
DIN: 00061903

Sudhir Menon
Executive Director (Finance)
& Chief Financial Officer

Chintan Trivedi
Company Secretary

Mumbai
May 20, 2025

Consolidated Statement of Cash Flows

for the year ended March 31, 2025

(₹ in crores)

		Year ended March 31, 2025	Year ended March 31, 2024
A	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit before tax	2,672.81	2,352.11
	Adjustments for:		
	Depreciation and amortisation expense	794.93	808.27
	Allowance for expected credit loss (net)	1.77	7.08
	Gain on sale of liquid facility asset (Refer note 39(ii))	-	(88.38)
	Unrealised foreign exchange gain (net)	(14.70)	(57.09)
	(Gain)/Loss on disposal of property, plant & equipment and other intangible assets (net)	(1.34)	0.02
	Net gain on sale of investments	(16.73)	(17.99)
	Finance costs	252.31	353.56
	Interest income	(20.19)	(11.48)
		3,668.86	**3,346.10**
	Movement in working capital:		
	(Increase)/Decrease in Trade receivables	17.17	78.32
	(Increase)/Decrease in Loans and other assets	(51.97)	(6.78)
	(Increase)/Decrease in Inventories	(262.18)	(49.43)
	Increase/(Decrease) in Trade payables	(277.73)	413.55
	Increase/(Decrease) in Liabilities and provisions	93.78	(17.58)
	CASH GENERATED FROM OPERATIONS	**3,187.93**	**3,764.18**
	Income taxes paid (net of refunds)	(602.82)	(498.10)
	NET CASH FROM OPERATING ACTIVITIES	**2,585.11**	**3,266.08**
B	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment and other intangible assets (including payment towards capital work-in-progress, intangible asset under development and capital advances)	(611.87)	(432.78)
	Proceeds from disposal of property, plant & equipment and other intangible assets (Including assets held for sale)	17.77	133.66
	Proceeds from disposal of Investments	0.06	-
	Payment for non-current Investments	(10.00)	-
	Proceeds from redemption of mutual funds (net)	45.48	33.09
	(Investments in)/Maturity of fixed deposits (net)	(1.75)	85.01
	Interest received	20.26	13.12
	NET CASH USED IN INVESTING ACTIVITIES	**(540.05)**	**(167.90)**
C	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Repayment of long-term borrowings	(529.18)	(1,236.01)
	Repayment of short-term borrowings (net)	(396.32)	(133.43)
	Repayment of lease liabilities	(27.24)	(23.90)
	Dividend paid	(1,083.03)	(1,015.34)
	Finance costs paid	(262.22)	(370.96)
	NET CASH USED IN FINANCING ACTIVITIES	**(2,297.99)**	**(2,779.64)**
	NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(252.93)**	**318.54**
	Effect of exchange rate changes on foreign currency cash and cash equivalents	(8.73)	8.07
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR (Refer note 16)	**835.14**	**508.53**
	CASH AND CASH EQUIVALENTS AT THE END OF YEAR (Refer note 16)	**573.48**	**835.14**

Notes:

(1) The above statement Cash flows has been prepared under the "Indirect Method" as set out in the Ind AS 7 - Statement of Cash Flows.

(2) The Group considers investing in liquid mutual fund as an important part of its cash management activities. In accordance with Ind AS 7, the same is presented as cash flows from investing activities. As at March 31, 2025, investment amount is ₹112.21 crores (As at March 31, 2024: ₹140.96 crores).

Consolidated Statement of Cash Flows

for the year ended March 31, 2025 (Continued)

(3) Changes in liabilities arising from financing activities:

(₹ in crores)

	As at April 1, 2024	Cash Flows (Net)	Non-cash changes			As at March 31, 2025
			Net Addition	Foreign currency translation	Other Adjustments	
Long-term borrowings including current maturities (Refer note 20)	2,299.71	(529.18)	-	4.41	1.18	1,776.12
Short-term borrowings (Refer note 20)	1,637.71	(396.32)	-	7.95	0.63	1,249.97
Interest accrued but not due (Refer note 25)	38.17	(262.22)	247.04	(0.05)	2.20	25.14
Lease liabilities (Non-Current and Current liabilities) (Refer note 21)	84.52	(27.24)	117.27	(3.49)	5.17	176.23
	4,060.11	**(1,214.96)**	**364.31**	**8.82**	**9.18**	**3,227.46**

(₹ in crores)

	As at April 1, 2023	Cash Flows (Net)	Non-cash changes			As at March 31, 2024
			Net Addition	Foreign currency translation	Other Adjustments	
Long-term borrowings including current maturities (Refer note 20)	3,532.23	(1,236.01)	-	2.31	1.18	2,299.71
Short-term borrowings (Refer note 20)	1,765.07	(133.43)	-	6.07	-	1,637.71
Interest accrued but not due on borrowings (Refer note 25)	60.80	(370.96)	349.54	(0.03)	(1.18)	38.17
Lease liabilities (Non-Current and Current liabilities) (Refer note 21)	71.26	(23.90)	33.62	1.04	2.50	84.52
	5,429.36	**(1,764.30)**	**383.16**	**9.39**	**2.50**	**4,060.11**

Notes forming part of the Consolidated Financial Statements (Refer note 1 to 46)

In terms of our report attached

For and on behalf of the Board of Directors

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Samir Mehta
Executive Chairman
DIN: 00061903

Sadashiv Shetty
Partner
Membership No.: 048648

Sudhir Menon
Executive Director (Finance)
& Chief Financial Officer

Chintan Trivedi
Company Secretary

Mumbai
May 20, 2025

Mumbai
May 20, 2025

Notes forming part of the Consolidated Financial Statements

1 Group information

The consolidated financial statements comprise the financial statements of Torrent Pharmaceuticals Limited ('the Parent' or 'the Company') and its subsidiaries (including step-down subsidiaries) (collectively referred to as 'the Group') for the year ended March 31, 2025. Torrent Pharmaceuticals Limited, is a public limited company incorporated and domiciled in India. The registered office of the Company is located at Torrent House, Off Ashram Road, Ahmedabad – 380 009, Gujarat, India. The Company's shares are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

The Group is engaged in the business of developing, manufacturing, and marketing of generic pharmaceutical formulations. The Group has manufacturing locations spread across India with trading and other incidental activities extended to the global markets.

Information on the Group's structure is as follows:

Entity	Country of Incorporation
Subsidiaries [having 100% proportion of ownership interest and voting rights]	
Zao Torrent Pharma	Russia
Torrent do Brasil Ltda.	Brazil
Torrent Pharma GmbH	Germany
Torrent Pharma Inc.	USA
Torrent Pharma Philippines, Inc.	Philippines
Laboratories Torrent, S.A. de C.V.	Mexico
Torrent Australasia Pty. Ltd.	Australia
Torrent Pharma (Thailand) Co., Ltd.	Thailand
TPL (Malta) Limited	Malta
Torrent Pharma (UK) Ltd	United Kingdom
Laboratories Torrent (Malaysia) Sdn. Bhd.	Malaysia
Curatio Inc. (under liquidation)	Philippines
Torrent International Lanka (Pvt) Ltd (under liquidation) (Formerly known as Curatio International Lanka (Pvt) Ltd	Sri Lanka
Farmaceutica Torrent Colombia SAS	Colombia
Torrent Pharmaceuticals Chile SpA (w.e.f. September 25, 2024)	Chile
Step-down subsidiary of TPL (Malta) Limited [having 100% proportion of ownership interest and voting rights]	
Torrent Pharma (Malta) Limited	Malta
Step-down subsidiaries of Torrent Pharma GmbH [having 100% proportion of ownership interest and voting rights]	
Heumann Pharma GmbH & Co. Generica KG	Germany
Heunet Pharma GmbH	Germany

2 Statement of compliance

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules as amended from time to time and other relevant provisions of the Act.

3 Basis of preparation of consolidated financial statements

3.1 Basis of preparation and presentation

The consolidated financial statements have been prepared and presented under the historical cost convention on an accrual basis of accounting except for the following material items which have been measured at fair value.

- Derivative financial instruments
- Investments in mutual funds, equity instruments and LLP
- Defined benefit plan – plan assets measured at fair value
- Contingent consideration in business combination

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if the market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value measurement and/or disclosure purposes in the consolidated financial statements is determined on such a basis except for leasing transactions that are within the scope of Ind AS 116 Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 Inventories or value in use in Ind AS 36 Impairment of asset.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

All assets and liabilities have been classified as current or non-current as set out in the Schedule III (Division II) to the Companies Act, 2013.

3.2 Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees, which is the functional currency of the Parent Company. All the amounts are stated in the nearest rupee crores.

3.3 Use of accounting estimates and judgements

The preparation of consolidated financial statements are in conformity with the recognition and measurement principles of Ind AS which requires management to make critical judgements, estimates and assumptions that affect the reporting of assets, liabilities, income and expenditure. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and any revisions to the estimates are recognised in the period in which the estimates are revised and if any future periods affected.

The Group uses the following critical accounting judgements, estimates and assumptions in preparation of its consolidated financial statements:

3.3 Use of accounting estimates and judgements (Continued)

- **Property, plant and equipment (refer note 4.2)**

  The useful lives and residual values of Group's assets are determined by the management at the time the asset is acquired and reviewed periodically at each financial year-end, changes in estimates, if any, are accounted for as a change in accounting estimates.

- **Valuation of assets acquired as part of business combination and contingent consideration (refer note 4.3.1)**

  Ind AS 103 requires the identifiable assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and assets. The purchase price allocation valuations are conducted by independent valuer.

- **Useful lives of intangible assets (refer note 4.4)**

  The group reviews estimated useful life of amortisable intangible assets at the end of each reporting period and change in estimates if any are accounted for as a change in an accounting estimates.

- **Valuation of inventories (refer note 4.8)**

  The Group considers various factors like shelf life, ageing of inventory, product discontinuation, price changes and any other factor which impacts the Group's business in determining the allowance for obsolete, non-saleable and slow moving inventories. The Group considers the above factors and adjusts the inventory provision on a periodic basis to reflect its actual experience.

- **Impairment of intangible assets and goodwill (refer note 4.9.2)**

  Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated growth rates and weighted average cost of capital. Cash flow projections take into account past experience and represent management's best estimate about future developments.

- **Employee benefits (refer note 4.10 and 36)**

  The accounting of employee defined benefit plans requires the Group to use assumptions. These assumptions include rate of increase in compensation levels, discount rates, expected rate of return on assets and attrition rates.

- **Provisions & contingent liabilities (refer note 4.12 and 41)**

  The Group exercises judgement in determining outcome of a particular matter is possible, probable or remote. The Group exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities.

- **Sales returns, rebates, chargeback and medicaid (refer note 4.13)**

  The estimate for sales returns is determined primarily by the Group's historical experience in the markets in which the Group operates. With respect to established products, the Group considers its historical experience of sales returns, market condition, estimated shelf life and specific contractual terms. Chargeback, rebates and medicaid payments are variable consideration that is recognised and recorded based on historical experience, market conditions and specific contractual terms.

- **Provision for income tax and deferred tax assets (refer note 4.14)**

  The group exercises significant judgements in determining provision for income taxes, uncertain tax positions and to reassess the carrying amount of deferred tax assets at the end of the each reporting period.

4 Material accounting policies

4.1 Basis of consolidation

The Company consolidates all entities which it controls. Control is established when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has ability to affect the entity's returns by using its power over the entity.

Subsidiaries are consolidated from the date control commences and until the date control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

4.2 Property, plant and equipment

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and any accumulated impairment losses. The cost of fixed assets comprises of its purchase price, non-refundable taxes & levies, freight and other incidental expenses related to the acquisition and installation of the respective assets. Borrowing cost attributable to financing of acquisition or construction of the qualifying fixed assets is capitalised to respective assets when the time taken to put the assets to use is substantial.

The Group identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of replacement of any property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefit associated with the item will flow to the Group and its cost can be measured reliably.

Capital work-in-progress which are not ready for intended use are carried at cost less impairment loss, if any.

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 working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Pre-operative expenditure comprising of revenue expenses incurred in connection with project implementation during the period up to commencement of commercial production are treated as part of the project costs and are capitalised. Such expenses are capitalised only if the project to which they relate, involve substantial expansion of capacity or upgradation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from its use. Difference between the sales proceeds and the carrying amount of the asset is recognised in the statement of profit and loss.

Freehold land is carried at historical cost and is not depreciated.

Depreciation on property, plant and equipment is provided on the cost of the assets less their estimated residual value, using straight-line method over estimated useful life of the assets.

The estimated useful lives, residual values and depreciation method are reviewed at each financial year-end and changes in estimates, if any are accounted for as a change in accounting estimates.

4.2 Property, plant and equipment (Continued)

The estimated useful lives of property, plant and equipments are as under:

Type of property, plant and equipments	Useful life
Other than factory buildings*	58 years
Factory buildings*	28 years
Plant and equipments*	10 to 20 years
Laboratory equipments*	5 to 20 years
Electrical equipments*	5 to 20 years
Furniture and fixtures*	3 to 10 years
Office equipments*	10 years
Wind power plant*	25 years
Solar power plant*	30 years
Computer equipments*	2 to 5 years
Vehicles*	5 to 10 years

* For these classes of assets, the useful life of assets is different than the prescribed life as per Part C of Schedule II of the Companies Act, 2013. The different useful life is based on internal technical evaluation by the Group and historical usage of assets.

4.3 Business combinations and goodwill

4.3.1 Business combinations

Business Combinations are accounted for using the acquisition method of accounting. Transaction costs incurred in connection with business combination are expensed in the statement of profit and loss. The identifiable assets and liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

In case of bargain purchase where the fair value of identifiable assets and liabilities exceed the cost of acquisition, the excess is recognised in other comprehensive income on the acquisition date and accumulate the same in equity as capital reserve after reassessing the fair values of the net identifiable assets and contingent liabilities.

If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, then gain on a bargain purchase is recognised directly in equity as capital reserve.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise subsequent changes in the fair value of the contingent consideration are recognised in the statement of profit and loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations arising from transfers of interests in entities that are under the common control are accounted for using the pooling of interests method. The assets and liabilities of the combining entities are

4.3.1 Business combinations (Continued)

reflected at their carrying amounts and no adjustments are made to reflect their fair values or recognise any new assets or liabilities. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in capital reserve and presented separately from other capital reserves with disclosure of its nature and purpose. The financial statement of prior period is restated as if the business combination had occurred from the beginning of the preceding period, irrespective of the actual date of combination.

4.3.2 Goodwill

Goodwill represents the excess of the consideration paid to acquire a business over underlying fair value of the identified assets acquired. Goodwill is carried at cost less accumulated impairment losses, if any. Goodwill is deemed to have an indefinite useful life and is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (CGUs) that is expected to benefit from the synergies of the combination. Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

4.4 Intangible assets

Intangible assets such as marketing licenses, brands (including associated trademark rights), computer software, non-compete fees, and other product related intangibles acquired separately are measured at cost. This includes upfront and milestone payments for in-licensed products and other intangible assets. Intangible assets acquired under business combination are measured at fair value as of the date of business combination.

Acquired research and development intangible assets that are under development are recognised as intangible assets under development. These assets are not amortised but evaluated for potential impairment on an annual basis or when there are indications that the carrying value may not be recoverable. Any impairment is recognised as an expense in the statement of profit and loss.

Intangible assets are amortised over their respective estimated useful life using straight-line method.

The estimated useful life of amortisable intangible assets are reviewed at the end of each reporting period and changes in estimates if any are accounted for as a change in accounting estimates.

The estimated useful lives of intangible assets are as mentioned below:

Type of intangible asset	Useful life
Softwares	3 to 5 years
Product licenses	Up to 15 years
Brands	Up to 15 years
Non-compete fees	Up to 5 years
Drug master files	10 years

4.5 Foreign currency transaction, translation and foreign operations

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. The net gain or loss on account of exchange differences arising on settlement of foreign currency transactions are recognised as income or expense of the period in which they arise. Monetary assets and liabilities denominated in foreign currency as at the balance sheet date are translated at the closing rate. The resultant exchange rate differences are recognised in the statement of profit and loss. Non-monetary assets and liabilities are carried at the rates prevailing on the date of transaction.

Notes forming part of the Consolidated Financial Statements

4.5 Foreign currency transaction, translation and foreign operations (Continued)

Foreign operations

Assets and liabilities of entities with functional currency other than presentation currency have been translated to the presentation currency using exchange rates prevailing on the balance sheet date. Statement of profit and loss has been translated using weighted average exchange rates. Translation adjustments have been reported as foreign currency translation reserve in the statement of changes in equity.

4.6 Financial instruments

4.6.1 Financial assets

(a) Classification of financial assets:

The Group classifies its financial assets in the following categories:

- those measured subsequently at fair value (either through other comprehensive income or through profit or loss) and
- those measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

(b) Initial measurement:

Financial assets (unless it is a trade receivable without a significant financing component) are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

(c) Subsequent measurement:

- **Amortised Cost**

  Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Fair value through other comprehensive income (FVOCI)**

  Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.

- **Fair value through profit or loss (FVTPL)**

  Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises.

Notes forming part of the Consolidated Financial Statements

4.6.1 Financial assets (Continued)

(d) Derecognition of financial assets:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

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

When the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Group has retained substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Group has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of financial asset, the financial asset is derecognised if the Group has not retained control over the financial asset. Where the Group has retained control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(e) Income recognition:

Dividend is accounted when the right to receive payment is established. Interest income is recognised in the statement of profit and loss as it accrues, using the effective interest method.

(f) Cash and cash equivalents:

Cash and cash equivalents consists of cash on hand, short term deposits and highly liquid investments, that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value. Short-term means investments with original maturities/holding period of three months or less from the date of investments. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalent for the purpose of statement of cash flow.

(g) Investments:

Investments in mutual funds are primarily held for the Group's temporary cash requirements and can be readily convertible in cash. These investments are initially recorded at fair value and classified as fair value through profit or loss.

The Group has made an irrevocable election to present subsequent changes in the fair value of equity investments, not held for trading, in other comprehensive income.

(h) Trade receivables:

Trade receivables are amounts due from customers for sale of goods or services performed in the ordinary course of business. Trade receivables are initially recognised at its transaction price which is considered to be its fair value and are classified as current assets as it is expected to be received within the normal operating cycle of the business.

4.6.2 Financial liabilities

The Group's financial liabilities include trade payables, loans and borrowing and derivative financial instruments.

(a) Classification:

All the Group's financial liabilities, except for financial liabilities at fair value through profit or loss, are measured at amortised cost.

4.6.2 Financial liabilities (Continued)

(b) Initial measurement:

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are deducted from the fair value of the financial liabilities, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

(c) Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate Method. The Effective Interest Rate Method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(d) Derecognition of financial liabilities:

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or waived off or have expired. An exchange between the Group and the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(e) Borrowings:

Borrowings are initially recorded at fair value net of transaction cost and subsequently measured at amortised costs using effective interest rate method. Transaction costs are charged to statement of profit and loss as financial expenses over the term of borrowing.

(f) Trade payables:

Trade payables are amounts due to vendors for purchase of goods or services acquired in the ordinary course of business and are classified as current liabilities to the extent it is expected to be paid within the normal operating cycle of the business.

4.6.3 Derivative financial instruments and hedge accounting

The Group enters into derivative financial instruments to manage its foreign exchange rate risk. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of profit and loss depends on the nature of the hedging relationship and nature of hedged items.

Derivative financial instruments that hedges foreign currency risk associated with highly probable forecasted transactions are designated as cash flow hedges and measured at fair value. The effective portion of such hedges is recorded in cash flow hedge reserve, as a component of equity, and re-classified to the statement of profit and loss in the period corresponding to the occurrence of the forecasted transactions. The ineffective portion of such hedges is recorded in the statement of profit and loss immediately.

Hedge effectiveness is tested both at the inception of the hedge relationship as well as on an ongoing basis. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised or no longer qualifies for hedge accounting.

4.7 Leases – Group as lessee

At inception of a contract, the Group assesses whether a contract is or contains a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified assets 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 contract involves the use of an identified asset, the Group has a right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use and the Group has the right to direct the use of the asset.

At the inception date, right-of-use (ROU) asset is recognised at cost which includes present value of lease payments adjusted for any payments made on or before the commencement of lease and initial direct cost, if any. It is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. Right-of-use asset is depreciated using the straight-line method from the commencement date over the earlier of useful life of the asset or the lease term. When the Group has purchase option available under lease and cost of right-of-use assets reflects that purchase option will be exercised, right-of-use asset is depreciated over the useful life of underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

Lease liability is initially measured at the present value of future lease payments. Lease liability is subsequently measured by adjusting carrying amount to reflect interest, lease payments and remeasurement, if any.

Lease payments are discounted using the incremental borrowing rate or interest rate implicit in the lease, if the rate can be determined.

The Group has elected not to recognise ROU assets and lease liabilities for short term leases as well as low value assets and recognises the lease payments associated with these leases as expense on a straight-line basis over the lease term.

4.8 Inventories

Inventories are carried at the lower of cost and net realisable value.

The cost incurred in bringing the inventory to their existing location and conditions are determined as follows:

(a) Raw material and packing material - Purchase cost of materials on a moving average basis.

(b) Finished goods (manufactured) and work-in-progress - Cost of purchase, conversion cost and other costs on a weighted average cost method.

(c) Finished goods (traded) - Purchase cost on a moving average basis.

The cost of purchase of inventories comprise the purchase price, import duties and other taxes (other than those subsequently recovered by the Group from tax authorities), and transport, handling and other costs directly attributable to bringing the inventory to their existing location and conditions. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

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

The Group considers various factors like shelf life, ageing of inventory, product discontinuation, price changes and any other factor, which impact the Group's business, in determining the allowance for obsolete, non-saleable and slow moving inventories.

4.9 Impairment of assets

4.9.1 Financial assets

At each balance sheet date, the Group assesses whether a financial asset is to be impaired. Ind AS 109 requires the Group to apply expected credit loss model for recognition and measurement of impairment loss. The Group has uses 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 impairment loss 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.

4.9.2 Non-financial assets

Tangible and intangible 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 to such extent. When an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, such that the increase in the carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

Goodwill

CGUs to which goodwill has been allocated are tested for impairment annually or more frequently when there is indication for impairment. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Determination of recoverable amount of CGU requires the management to estimate the future cash flows expected to arise and a suitable discount rate in order to calculate the present value. An impairment loss recognised for goodwill is not reversed in subsequent periods. An impairment loss recognised for goodwill is not reversed in subsequent periods.

4.10 Employee benefits

4.10.1 Short-term employee benefits

Short-term benefits payable before twelve months after the end of the reporting period in which the employees have rendered service are accounted as expense in statement of profit and loss.

4.10.2 Long-term employment benefits

Defined contribution plans:

Contributions to defined contribution plans (provident fund, superannuation and other social security schemes) are recognised as expense when employees have rendered services entitling them to such benefits.

4.10.2 Long-term employment benefits (Continued)

Defined benefit plans:

The Group's net obligation in respect of defined benefit plans (gratuity, pension and other retirement benefit plans) is calculated using the projected unit credit method and the same is carried out by qualified actuary. The current service cost and interest on the net defined benefit liability/(asset) is recognised in the statement of profit and loss. Past service cost are immediately recognised in the statement of profit and loss. Actuarial gains and losses arising from experience adjustment and changes in actuarial assumptions are recognised in other comprehensive income in the period in which they arise.

Termination benefits:

Termination benefits are recognised as expense when the Group is committed without any possibility of withdrawal of an offer made to either terminate employment before the normal retirement date or as a result of an offer made to encourage voluntary retirement.

Compensated absences and earned leaves:

The Group's current policy permits eligible employees to accumulate compensated absences up to a prescribed limit and receive cash in lieu thereof in accordance with the terms of the policy. The Group measures the expected cost of accumulating compensated absences as the additional amount that the Group expects to pay as a result of unused entitlement that has accumulated as at the reporting date. The expected cost of these benefits is calculated using the projected unit credit method by qualified actuary every year. Actuarial gains and losses arising from experience adjustment and changes in actuarial assumptions are recognised in the statement of profit and loss in the period in which they arise. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

4.11 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attached conditions for receiving such grant have been and will be fulfilled.

Government grants related to asset are recognised as deferred income and charged to statement of profit and loss on a systematic basis over expected useful life of the related asset.

Government grants are recognised in statement of profit and loss on a systematic basis over the period in which Group recognises as expenses the related costs for which the grants are intended to compensate. Government grants that are receivable as compensation for expenses already incurred are recognised in statement of profit and loss in the period in which they become receivable.

When loans received from the government or related institutions with below-market interest rate, the benefit of below-market interest rate is treated as government grant measured as the difference between the proceeds received and the fair value of loan based on prevailing market interest rate.

4.12 Provisions, contingent liabilities and contingent assets

Provisions:

A provision is recognised when as a result of a past event, the Group has a present obligation whether legal or constructive that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. If the obligation is expected to be settled more than 12 months after the end of reporting date or has no definite settlement date, the provision is recorded as non-current liabilities after giving effect for time value of money, if material. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Notes forming part of the Consolidated Financial Statements

4.12 Provisions, contingent liabilities and contingent assets (Continued)

Contingent liability:

The Group uses significant judgements to assess contingent liabilities. A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or; present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability and not provided for.

Contingent assets:

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are not recognised and disclosed only when an inflow of economic benefits is probable.

4.13 Revenue recognition

Revenue is measured based on the transaction price adjusted for chargeback, discounts and rebates, which is specified in the contract with customer. Revenue are net of estimated returns, medicaid payments and taxes collected from customers.

Revenue from sale of goods is recognised when control is transferred to the customer and it is probable that consideration will be realised. Control of goods is transferred upon the shipment of the goods to the customer or when goods are made available to the customer.

The transaction price is documented on the sales invoice and payment is generally due as per agreed credit terms with customer.

The consideration can be fixed or variable. Variable consideration is only recognised when it is highly probable that a significant reversal will not occur.

Sales return is variable consideration that is recognised and recorded based on historical experience, market conditions and provided for in the year of sale as reduction from revenue. The methodology and assumptions used to estimate returns are monitored and adjusted regularly in line with trade practices, historical trends, past experience and projected market conditions.

A chargeback is a claim made by the wholesaler for the difference between the price at which the product is initially invoiced to the wholesaler and the net price at which it is agreed to be procured from the Company. Chargeback, rebates, returns and medicaid payments are variable consideration that is recognised and recorded based on historical experience, market conditions and specific contractual terms. The methodology and assumptions used to estimate rebates and returns are monitored and adjusted regularly in line with contractual and legal obligations, trade practices historical trends, past experience and projected market conditions.

Export entitlements are recognised as income when 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.

4.14 Income taxes

Income tax expense comprises current and deferred tax expense. Income tax expenses are recognised in statement of profit and loss, except when they relate to items recognised in other comprehensive income or directly in equity, in which case, income tax expenses are also recognised in other comprehensive income or directly in equity respectively.

Current tax is the tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of reporting period by the governing taxation laws, and any adjustment to tax payable in respect of previous periods. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid

Notes forming part of the Consolidated Financial Statements

4.14 Income taxes (Continued)

to the taxation authorities. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Current tax assets and 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.

Deferred tax assets and liabilities are measured at the tax rates 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 deferred tax arising from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction are not recognised.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

For units which enjoy tax holiday benefit, deferred tax assets and liabilities are recognised for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Any deferred tax asset or liability arising from deductible or taxable temporary differences in respect of unrealised inter-company profit or loss on inventories held by the Group in different tax jurisdictions is recognised using the tax rate of jurisdiction in which such inventories are held.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the assets can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

Deferred income taxes are not provided on the undistributed retained earnings of subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future.

4.15 Earnings per share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all potential dilutive ordinary shares.

4.16 Research and development

Revenue expenditure on research and development activities is recognised as expense in the separate heads of the statement of profit and loss in the period in which it is incurred.

Expenditure on in-licensed development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised, if the cost can be reliably measured, the product or process is technically and commercially feasible and the Group has sufficient resources to complete the development and to use and sell the asset.

Notes forming part of the Consolidated Financial Statements

4.17 Borrowing cost

Borrowing costs are interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of these assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

4.18 GST input credit

Goods and services tax (GST) input credit is accounted on an accrual basis on purchase of eligible inputs, capital goods and services. The balance of GST input credit is reviewed at the end of each year and amount estimated to be un-utilisable is charged to the statement of profit and loss for the year.

4.19 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker of the Group is responsible for allocating resources and assessing performance of the operating segments.

4.20 Operating Cycle

Based on the nature of products/activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current as set out in Schedule III of the Act.

4.21 Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

5 Recent accounting 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. There is no such notification which would have been applicable from April 1, 2025.

Notes forming part of the Consolidated Financial Statements

6 Property, Plant and Equipment

(₹ in crores)

	Freehold land	Buildings	Plant and equipments	Furniture and fixtures	Vehicles	Office equipments	Electrical equipments	Total
Gross carrying amount as at April 1, 2024	680.42	1,490.97	2,316.43	100.03	27.99	187.72	284.61	5,088.17
Additions	0.40	100.70	144.54	23.16	6.43	21.45	17.32	314.00
Disposals	-	(13.31)	(15.64)	(2.29)	(3.69)	(8.33)	(1.57)	(44.83)
Foreign currency translation adjustments	-	0.16	(1.13)	0.14	0.02	(0.68)	(1.42)	(2.91)
Gross carrying amount as at March 31, 2025	**680.82**	**1,578.52**	**2,444.20**	**121.04**	**30.75**	**200.16**	**298.94**	**5,354.43**
Accumulated depreciation as at April 1, 2024	-	311.34	1,303.73	58.24	12.09	126.99	136.38	1,948.77
Depreciation for the year	-	41.86	136.33	7.04	2.82	24.30	15.63	227.98
Disposals	-	(4.88)	(11.50)	(2.12)	(2.14)	(6.94)	(1.28)	(28.86)
Foreign currency translation adjustments*	-	(0.26)	(1.03)	0.05	0.00	(0.52)	(0.94)	(2.70)
Accumulated depreciation as at March 31, 2025	**-**	**348.06**	**1,427.53**	**63.21**	**12.77**	**143.83**	**149.79**	**2,145.19**
Net carrying amount as at March 31, 2025	**680.82**	**1,230.46**	**1,016.67**	**57.83**	**17.98**	**56.33**	**149.15**	**3,209.24**
*Represents value less than ₹1 lakh.								
Capital work-in-progress								
Carrying amount as at April 1, 2024								280.80
Additions								372.87
Disposals /Capitalised								(287.58)
Foreign currency translation adjustments								1.17
Carrying amount as at March 31, 2025								**367.26**
Gross carrying amount as at April 1, 2023	662.47	1,134.34	2,069.73	83.64	25.92	157.10	245.55	4,378.75
Additions	17.95	384.03	263.79	20.41	3.47	39.92	41.22	770.79
Disposals	-	(27.67)	(17.61)	(4.27)	(1.40)	(9.70)	(2.51)	(63.16)
Foreign currency translation adjustments*	-	0.27	0.52	0.25	0.00	0.40	0.35	1.79
Gross carrying amount as at March 31, 2024	**680.42**	**1,490.97**	**2,316.43**	**100.03**	**27.99**	**187.72**	**284.61**	**5,088.17**

6 Property, Plant and Equipment (Continued)

(₹ in crores)

	Freehold land	Buildings	Plant and equipments	Furniture and fixtures	Vehicles	Office equipments	Electrical equipments	Total
Accumulated depreciation and impairment as at April 1, 2023	-	276.76	1,174.97	55.53	9.97	112.19	122.66	1,752.08
Depreciation for the year	-	38.07	143.57	6.36	2.72	23.70	15.67	230.09
Disposals	-	(3.68)	(15.13)	(3.79)	(0.60)	(9.18)	(2.17)	(34.55)
Foreign currency translation adjustments*	-	0.19	0.32	0.14	0.00	0.28	0.22	1.15
Accumulated depreciation as at March 31, 2024	**-**	**311.34**	**1,303.73**	**58.24**	**12.09**	**126.99**	**136.38**	**1,948.77**
Net carrying amount as at March 31, 2024	**680.42**	**1,179.63**	**1,012.70**	**41.79**	**15.90**	**60.73**	**148.23**	**3,139.40**
*Represents value less than ₹1 lakh.								
Capital work-in-progress								
Carrying amount as at April 1, 2023								688.24
Additions during the year								368.59
Disposals/Capitalised								(776.38)
Foreign currency translation adjustments								0.35
Carrying amount as at March 31, 2024								**280.80**

(i) Certain property, plant and equipment hypothecated/mortgaged as security for borrowings as disclosed under note 20.

(ii) Additions during the year include revenue expenditure of ₹22.87 crores (previous year: ₹14.00 crores) other than borrowing cost incurred in the course of construction of property, plant and equipment during the year.

(iii) ₹4.01 crores (previous year: ₹1.40 crores) of borrowing costs has been capitalised during the year against qualifying assets under construction using a capitalisation rate of 7.50% (previous year: 7.47%).

(iv) The amount of capital commitments is disclosed in note 41.

(v) Pro-rata cost of assets owned jointly with Torrent Power Limited, a fellow subsidiary are as under:

(₹ in crores)

	Proportion of holding	As at March 31, 2025	As at March 31, 2024
Freehold Land	50%	23.79	23.79
Freehold Land	30%	35.69	35.69
Building	30%	0.65	0.65
		60.13	**60.13**

6 Property, Plant and Equipment (Continued)

(vi) Ageing Schedule of Capital work-in-progress

(₹ in crores)

As at March 31, 2025	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress					
Growth projects	154.42	86.26	24.50	26.83	292.01
Maintenance capex	56.49	4.22	1.36	13.18	75.25
Projects temporarily suspended	-	-	-	-	-
	210.91	**90.48**	**25.86**	**40.01**	**367.26**

(₹ in crores)

As at March 31, 2024	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress					
Growth projects	149.83	36.94	27.38	0.31	214.46
Maintenance capex	41.33	4.19	5.14	15.68	66.34
Projects temporarily suspended	-	-	-	-	-
	191.16	**41.13**	**32.52**	**15.99**	**280.80**

(vii) For capital-work-in progress, there is no project whose completion is overdue or has exceeded its cost compared to its original plan.

7 Right-of-Use Assets

(₹ in crores)

	Land	Buildings	Vehicles	Computers	Total
Gross carrying amount as at April 1, 2024	99.33	120.16	17.59	3.30	240.38
Additions	-	34.43	82.50	0.34	117.27
Disposals/Adjustments	-	(5.58)	(3.84)	-	(9.42)
Foreign currency translation adjustments	0.35	(5.81)	(2.23)	-	(7.69)
Gross carrying amount as at March 31, 2025	**99.68**	**143.20**	**94.02**	**3.64**	**340.54**
Accumulated depreciation as at April 1, 2024	10.27	63.84	8.20	0.50	82.81
Depreciation for the year	2.26	14.81	6.75	0.70	24.52
Disposals/Adjustments	-	(5.48)	(3.84)	-	(9.32)
Foreign currency translation adjustments	0.02	(2.81)	(1.09)	-	(3.88)
Accumulated depreciation as at March 31, 2025	**12.55**	**70.36**	**10.02**	**1.20**	**94.13**
Net carrying amount as at March 31, 2025	**87.13**	**72.84**	**84.00**	**2.44**	**246.41**
Gross carrying amount as at April 1, 2023	97.36	97.88	18.00	-	213.24
Additions	1.87	24.92	5.40	3.30	35.49
Disposals/Adjustments	-	(4.52)	(6.91)	-	(11.43)
Foreign currency translation adjustments	0.10	1.88	1.10	-	3.08
Gross carrying amount as at March 31, 2024	**99.33**	**120.16**	**17.59**	**3.30**	**240.38**
Accumulated depreciation as at April 1, 2023	8.02	49.95	10.34	-	68.31
Depreciation for the year	2.25	16.16	3.73	0.50	22.64
Disposals/Adjustments	-	(3.53)	(6.38)	-	(9.91)
Foreign currency translation adjustments*	0.00	1.26	0.51	-	1.77
Accumulated depreciation as at March 31, 2024	**10.27**	**63.84**	**8.20**	**0.50**	**82.81**
Net carrying amount as at March 31, 2024	**89.06**	**56.32**	**9.39**	**2.80**	**157.57**

*Represents value less than ₹1 lakh.

7 Right-of-Use Assets (Continued)

(i) Lease contracts entered by the Group majorly pertains for land, buildings, vehicles and computers taken on lease to conduct its business in the ordinary course.

(ii) Extension and termination options are included in some of the lease contracts. These are used to maximise operational flexibility in terms of managing assets used in Group's operations.

(iii) Lease liabilities, interest expense on lease liabilities and payment of lease liabilities are disclosed in note 21. Maturity profile of lease liabilities is disclosed in note 38: Liquidity risk.

8 Goodwill

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	338.03	337.50
Foreign currency translation	0.85	0.53
Balance at the end of the year	**338.88**	**338.03**

The Group tests goodwill for impairment annually or based on an indication. The Group provides for impairment if the carrying amount of cash generation unit(CGU) exceeds its recoverable amount. The recoverable amount is determined based on "value in use" calculations which is calculated as the net present value of forecasted cash flows of CGU to which the goodwill is related.

The carrying amount of goodwill has been allocated to CGUs as follows:

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Acquired brands	286.99	286.99
Acquired facility with Drug Master Files	34.62	34.62
Acquired product licenses	17.27	16.42
	338.88	**338.03**

Key assumptions for CGUs with significant amount of goodwill are as follows:

a) Projected cash flows for five years based on financial budgets/forecasts. The perpetuity value is taken based on the long-term growth rate depending on macro economic growth factors.

b) Discount rate applied to projected cash flow is 10% to 16%.

c) Projected revenue growth rate is 7% to 17%.

The Group believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the CGU.

9 Other Intangible Assets

(₹ in crores)

	Acquired intangible assets					
	Computer softwares	**Product licenses**	**Brands**	**Non-compete fees**	**Drug master files**	**Total**
Gross carrying amount as at April 1, 2024	198.27	350.97	7,211.30	31.10	26.35	7,817.99
Additions	15.98	16.68	158.80	-	-	191.46
Disposals	(4.53)	(1.91)	-	-	-	(6.44)
Foreign currency translation adjustments	(0.08)	4.70	-	-	(0.14)	4.48
Gross carrying amount as at March 31, 2025	**209.64**	**370.44**	**7,370.10**	**31.10**	**26.21**	**8,007.49**
Accumulated amortisation as at April 1, 2024	168.58	284.78	2,833.45	9.11	18.96	3,314.88
Amortisation for the year	20.93	29.51	483.55	6.22	2.50	542.71
Disposals	(4.52)	(1.46)	-	-	-	(5.98)
Foreign currency translation adjustments	(0.02)	3.54	-	-	(0.01)	3.51
Accumulated amortisation as at March 31, 2025	**184.97**	**316.37**	**3,317.00**	**15.33**	**21.45**	**3,855.12**
Net carrying amount as at March 31, 2025	**24.67**	**54.07**	**4,053.10**	**15.77**	**4.76**	**4,152.37**
Intangible assets under development						
Carrying amount as at April 1, 2024						79.71
Additions						211.15
Disposals/Capitalised						(179.48)
Foreign currency translation adjustments						(0.50)
Carrying amount as at March 31, 2025						**110.88**
Gross carrying amount as at April 1, 2023	176.59	339.58	7,211.30	129.63	25.03	7,882.13
Additions	22.87	14.29	-	-	1.33	38.49
Disposals	(1.50)	(4.76)	-	(98.53)	-	(104.79)
Foreign currency translation adjustments	0.31	1.86	-	-	(0.01)	2.16
Gross carrying amount as at March 31, 2024	**198.27**	**350.97**	**7,211.30**	**31.10**	**26.35**	**7,817.99**
Accumulated amortisation and impairment as at April 1, 2023	149.36	253.37	2,349.17	101.42	16.46	2,869.78
Amortisation for the year	20.46	29.46	484.28	6.22	2.50	542.92
Impairment for the year	-	4.32	-	-	-	4.32
Disposals	(1.50)	(3.53)	-	(98.53)	-	(103.56)
Foreign currency translation adjustments	0.26	1.16	-	-	-	1.42
Accumulated amortisation as at March 31, 2024	**168.58**	**284.78**	**2,833.45**	**9.11**	**18.96**	**3,314.88**
Net carrying amount as at March 31, 2024	**29.69**	**66.19**	**4,377.85**	**21.99**	**7.39**	**4,503.11**

9 Other Intangible Assets (Continued)

(₹ in crores)

	Total
Intangible assets under development	
Carrying amount as at April 1, 2023	77.16
Additions	31.72
Disposals/Capitalised	(21.62)
Impairment for the year	(8.65)
Foreign currency translation adjustments	1.10
Carrying amount as at March 31, 2024	**79.71**

(i) Material intangible assets in the Company's financial statement:

Description of intangible assets	Brands
Net Carrying amount	**₹4,053.10 crores as at March 31, 2025**
	(₹4,377.85 crores as at March 31, 2024)
Remaining amortisation period	**4 years to 15 years as at March 31, 2025**
	(5 years to 14 years as at March 31, 2024)

(ii) Ageing schedule of Intangible assets under development:

(₹ in crores)

As at March 31, 2025	Amount of intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	35.35	21.36	36.42	17.75	110.88
Projects temporarily suspended	-	-	-	-	-
	35.35	**21.36**	**36.42**	**17.75**	**110.88**

(₹ in crores)

As at March 31, 2024	Amount of intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	21.07	17.76	24.32	16.56	79.71
Projects temporarily suspended	-	-	-	-	-
	21.07	**17.76**	**24.32**	**16.56**	**79.71**

(iii) For intangible assets under development, there is no project whose completion is overdue or has exceeded its cost compared to its original plan.

10 Investments

(₹ in crores)

	No. of shares	As at March 31, 2025	As at March 31, 2024
Non-current			
(Unquoted)			
At fair value through other comprehensive income			
Equity Instruments of:			
Epigeneres Biotech Private Limited	158	3.08	2.00
fully paid-up equity shares of ₹10 each			
Shivalik Solid Waste Management Limited	20,000	0.02	0.02
fully paid-up equity shares of ₹10 each			
UNM Foundation	50,000	0.05	0.05
fully paid-up equity shares of ₹10 each			
Investment in Limited liability partnership (LLP):			
ABCD Technologies LLP	6.83% *	40.41	29.72
* Share of profit/loss and voting rights	(6.45% *)		
At amortised cost			
National savings certificates		0.01	0.01
		43.57	**31.80**
Current			
(Quoted)			
At fair value through other comprehensive income			
Equity Instruments of:			
Union Bank of India	-	-	0.08
fully paid-up equity shares of ₹2 each	(5,115)		
At fair value through profit or loss			
Mutual funds		112.21	140.96
		112.21	**141.04**
		155.78	**172.84**
(i) Aggregate amount of unquoted investments		43.57	31.80
(ii) Aggregate amount of quoted investments		112.21	141.04
(iii) Aggregate market value of quoted investments		112.21	141.04
(iv) Number of shares in bracket represents shares held in previous year			

11 Loans

(Unsecured and considered good, unless otherwise stated)

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Non-current		
Employee loans	3.37	2.51
	3.37	**2.51**
Current		
Employee loans	4.22	3.05
	4.22	**3.05**
	7.59	**5.56**

12 Other Financial Assets

(Unsecured and considered good, unless otherwise stated)

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Non-current		
Security deposits	22.74	22.66
Derivative financial instruments	4.84	4.38
Fixed deposits (having remaining maturity of more than 12 months)	1.00	1.49
Other receivables	4.28	8.34
	32.86	**36.87**
Current		
Security deposits	1.07	0.75
Derivative financial instruments	5.30	25.16
Interest accrued on deposits	0.22	0.29
Production linked incentive benefit receivable	116.42	84.33
Fixed deposits (having remaining maturity of less than 12 months)	1.23	27.78
Other receivables (includes receivables on derivative instrument, discount receivables from vendors, etc.)	58.61	62.37
	182.85	**200.68**
	215.71	**237.55**

13 Other Assets

(Unsecured and considered good, unless otherwise stated)

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Non-current		
Capital advances	41.83	15.38
	41.83	**15.38**
Current		
Export benefits receivable	21.57	16.01
Claims receivable (indirect tax/others)	57.64	64.13
Employees advances	11.87	8.50
Prepaid expenses	63.11	58.95
Indirect taxes recoverable	122.09	95.07
Advances to suppliers	59.10	44.89
Other receivables (includes gratuity assets (net), etc.)	0.75	16.75
	336.13	**304.30**
	377.96	**319.68**

14 Inventories

(At lower of cost and net realisable value)

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Raw materials	628.24	643.12
Packing materials	63.19	61.05
Work-in-progress	167.19	140.95
Finished goods	1,104.76	980.84
Stock-in-trade	577.87	453.11
	2,541.25	**2,279.07**
(i) Amount of Goods in transit included in inventories above:		
Raw materials	9.70	12.78
Packing materials	0.73	0.79
Stock-in-trade	51.37	4.75

(ii) The Group charged/(reversed) inventory write-down (net) of ₹28.98 crores and ₹(14.47) crores in consolidated statement of profit and loss for the year ended March 31, 2025 and March 31, 2024 respectively.

(iii) The Group writes down the value of inventories towards slow moving, non-moving and non-saleable inventory (expired/damaged) based on historical experience in respect of such items and any recent trends that may suggest realisable amount could differ from historical amounts.

(iv) Inventories are hypothecated as security for borrowings as disclosed under note 20.

15 Trade Receivables

(Unsecured)

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
(a) Considered good	1,867.10	1,851.31
(b) Credit-impaired	11.59	4.20
Allowance for expected credit loss	(12.24)	(11.21)
	1,866.45	**1,844.30**
(i) Trade receivables are non-interest bearing and are generally on credit period up to 180 days.		
(ii) Movement in allowance for expected credit loss:		
Balance at the beginning of the year	11.21	10.85
Provision made/(reversed) during the year (net)	1.77	7.08
Provision utilised during the year	-	(5.76)
Foreign currency translation	(0.74)	(0.96)
Balance at the end of the year	**12.24**	**11.21**

15 Trade Receivables (Continued)

(iii) Trade receivable ageing schedule for the year ended as on March 31, 2025 and March 31, 2024

(₹ in crores)

As at March 31, 2025	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables- considered good	1,730.14	131.51	3.90	1.55	-	-	1,867.10
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	0.28	0.39	0.64	0.50	0.27	2.08
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	0.55	5.09	0.83	0.91	2.13	9.51
Allowance for expected credit loss							**(12.24)**
							1,866.45

(₹ in crores)

As at March 31, 2024	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables- considered good	1,667.79	167.71	9.01	6.80	-	-	1,851.31
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	0.64	0.39	1.03
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	0.66	0.10	0.03	1.15	1.23	3.17
Allowance for expected credit loss							**(11.21)**
							1,844.30

16 Cash and Cash Equivalents

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Balances with banks	341.42	435.34
Cash on hand	0.54	0.51
Fixed deposit with original maturity of less than 3 months	231.52	399.29
	573.48	**835.14**

17 Bank Balances other than Cash and Cash Equivalents

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Earmarked balances with banks*	4.93	3.86
Fixed deposit with original maturity of more than 3 months and less than 12 months	1.05	0.04
	5.98	**3.90**

*Earmarked balances with banks primarily relates to unpaid dividends.

18 Equity Share Capital

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Authorised		
42,00,00,000 (previous year 42,00,00,000) equity shares of ₹5 each	210.00	210.00
25,00,000 (previous year 25,00,000) preference shares of ₹100 each	25.00	25.00
	235.00	**235.00**
Issued		
33,84,45,440 (previous year 33,84,45,440) equity shares of ₹5 each	169.23	169.23
Subscribed and fully paid-up		
33,84,45,440 (previous year 33,84,45,440) equity shares of ₹5 each	169.23	169.23
	169.23	**169.23**

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year:

	As at March 31, 2025		As at March 31, 2024	
	Numbers	₹ in crores	Numbers	₹ in crores
At the beginning of the year	33,84,45,440	169.23	33,84,45,440	169.23
At the end of the year	33,84,45,440	169.23	33,84,45,440	169.23

(ii) Torrent Investments Limited (formerly known as Torrent Investments Private Limited), the holding Company, holds 23,11,83,400 (previous year 24,11,27,440) equity shares of ₹5 each, equivalent to 68.31% (previous year 71.25%) of the total number of subscribed & paid up equity shares, which is the only shareholder holding more than 5 % of total equity shares.

Notes forming part of the Consolidated Financial Statements

18 Equity Share Capital (Continued)

(iii) The Company has one class of equity shares having par value of ₹5 each. Each shareholder is eligible for one vote per share held. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to shareholding.

(iv) Disclosure of shareholding of promoters:

Shares held by Promoters at the end of the Year		As at March 31, 2025		As at March 31, 2024		% change during the year
S. No.	Promoter's Name	No. of Shares	% of total shares	No. of Shares	% of total shares	
1	Sudhir Uttamlal Mehta	400	0.00	400	0.00	-
2	Samir Uttamlal Mehta	400	0.00	400	0.00	-
3	Anita Sudhir Mehta	200	0.00	200	0.00	-
4	Sapna Samir Mehta	200	0.00	200	0.00	-
5	Jinal Sudhir Mehta	200	0.00	200	0.00	-
6	Varun Sudhir Mehta	200	0.00	200	0.00	-
7	Shaan Mehta	200	0.00	200	0.00	-
8	Aman Mehta	200	0.00	200	0.00	-
9	Torrent Investments Limited	23,11,83,400	68.31	24,11,27,440	71.25	(4.12%)
		23,11,85,400	**68.31**	**24,11,29,440**	**71.25**	**(4.12%)**

(v) Aggregate value of Issued, Subscribed and Paid-up Share Capital as on the Balance Sheet date for the period of preceding five years includes 16,92,22,720 equity shares allotted as fully paid up bonus shares.

19 Other Equity

(Refer Consolidated Statement of Changes in Equity for detailed movement in Other Equity)

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Reserves and Surplus		
Retained earnings	4,746.55	3,942.40
General reserve	2,884.13	2,848.41
Debenture redemption reserve	35.71	71.43
Capital reserve	5.56	5.56
	7,671.95	**6,867.80**
Other comprehensive income		
Equity instruments through other comprehensive income	(5.08)	(6.65)
Effective portion of cash flow hedges	(5.74)	10.03
Foreign currency translation reserve	(239.67)	(184.26)
	(250.49)	**(180.88)**
	7,421.46	**6,686.92**

Notes forming part of the Consolidated Financial Statements

20 Borrowings

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Non-current		
Secured non-convertible debentures	400.00	642.42
Secured term loans from banks	791.75	961.36
	1,191.75	**1,603.78**
Current		
Current maturities of long-term borrowings		
Secured non-convertible debentures	242.67	142.86
Secured term loans from banks	341.70	553.07
	584.37	**695.93**
Working capital loans		
Secured loans from banks	450.00	850.00
Unsecured loans from banks	308.09	787.71
Unsecured commercial papers	491.88	-
	1,249.97	**1,637.71**
	1,834.34	**2,333.64**
	3,026.09	**3,937.42**

(i) Term Loans from banks referred above to the extent of:

(a) ₹170.83 crores (Previous year ₹398.50 crores) are secured by first *pari-passu* mortgage/charge on immovable as well as tangible movable assets, present and future, located at village Indrad (Manufacturing facility on identified land), Bhat (Research facility), Corporate office, Ahmedabad, all in Gujarat, and village Baddi (Manufacturing facility) in Himachal Pradesh as well as on certain identified trademarks of the parent company including its future line extensions.

(b) ₹Nil (Previous year ₹71.87 crores) are secured by first *pari-passu* mortgage/charge on immovable as well as tangible movable assets, present and future, located at Dahej (SEZ) in Gujarat (Manufacturing facility) and Gangtok in Sikkim (Manufacturing facility) as well as on certain identified trademarks of the parent company including its future line extensions.

(c) ₹134.12 crores (Previous year ₹145.00 crores) are secured by first *pari-passu* mortgage/charge on immovable as well as tangible movable assets, present and future, located at Dahej (SEZ) in Gujarat (Manufacturing facility) as well as on certain identified trademarks of the parent company including its future line extensions.

(d) ₹657.34 crores (Previous year ₹732.31 crores) are secured by first *pari-passu* mortgage/charge on immovable as well as tangible movable assets, present and future, located at village Indrad (Manufacturing facility on identified land) and Bhat (Research facility) as well as on certain identified trademarks of the parent company including its future line extensions.

(e) ₹171.16 (previous year ₹166.75 crores) from bank is secured by hypothecation of inventories and book debts of US subsidiary.

(ii) Non-convertible debentures referred above to the extent of :

(a) ₹142.67 crores (Previous year ₹285.28 crores) are secured by first *pari-passu* mortgage/charge on immovable as well as tangible movable assets, present and future, located at village Indrad (Manufacturing facility on identified land), Bhat (Research facility), Corporate office, Ahmedabad, all in Gujarat, and village Baddi (Manufacturing facility) in Himachal Pradesh as well as on certain identified trademarks of the parent company including its future line extensions.

Notes forming part of the Consolidated Financial Statements

20 Borrowings (Continued)

(b) ₹500.00 crores (Previous year ₹500.00 crores) are secured by first *pari-passu* mortgage/charge on immovable as well as tangible movable assets, present and future, located at village Indrad (Manufacturing facility on identified land) and Bhat (Research facility) as well as on certain identified trademarks of the parent company including its future line extensions.

(iii) Secured working capital demand loans are secured by hypothecation of inventories and book debts of parent company.

(iv) Term loans carry interest rate in the range of 5.79% to 8.40% (Previous year: 7.09% to 9.60%) and working capital loans carry interest rate in the range of 5.88% to 7.55% (Previous year: 6.96% to 8.04%) Non-convertible debentures carry interest rate in the range of 8.33% to 9.31% (Previous year: 8.47% to 9.11%).

(v) Maturity profile of term loans and non convertible debentures, including current maturities is as below:

(₹ in crores)

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	Amortised cost adjustment	Total	Repayment Terms
Term Loan	342.30	201.38	323.54	137.75	99.50	29.74	(0.76)	**1,133.45**	₹963.05 crores repayable in 77 quarterly installments and ₹171.16 crores repayable in January, 2028
Non-convertible debentures	242.84	100.00	100.00	100.00	100.00	-	(0.17)	**642.67**	₹142.84 crores repayable in 1 annual installments and ₹500 crores repayable in 5 annual installments
	585.14	**301.38**	**423.54**	**237.75**	**199.50**	**29.74**	**(0.93)**	**1,776.12**	

(vi) The Group has been sanctioned working capital limits from banks majorly on the basis of security of current assets. The quarterly returns or statements filed with such banks wherever applicable are in agreement with the books of account of the Company.

21 Lease Liabilities

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Non-current		
Lease Liabilities	145.86	64.46
	145.86	**64.46**
Current		
Lease Liabilities	30.37	20.06
	30.37	**20.06**
	176.23	**84.52**
Movement in Lease Liabilities:		
Balance at the beginning of the year	84.52	71.26
Addition	117.27	33.62
Remeasurement of lease liabilities	-	(1.52)
Interest expenses on lease liabilities	5.27	4.02
Repayment	(27.24)	(23.90)
Disposals/Adjustments	(0.10)	-
Foreign currency translation	(3.49)	1.04
Balance at the end of the year	**176.23**	**84.52**

Notes forming part of the Consolidated Financial Statements

21 Lease Liabilities (Continued)

Amounts with respect to leases recognised in the Statement of Profit and Loss and Statement of Cash Flows:

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Amounts recognised in statement of Profit and Loss:		
Interest expenses on lease liabilities (Refer Note 32)	5.27	4.02
Depreciation on right-of-use assets (Refer Note 33)	24.24	22.29
Expenses relating to short-term leases	20.46	15.81
Expenses relating to leases of low-value assets	1.05	1.61
Variable lease payments	45.96	14.83
Amounts recognised in statement of Cash Flows:		
In Financing activity		
Repayment of lease liabilities (Including Interest)	(27.24)	(23.90)
In Operating activity		
Payment of lease rentals	(67.47)	(32.24)

Maturity profile of the Group's lease liabilities based on contractual undiscounted payments:

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Less than 1 year	38.50	22.16
1 to 2 years	36.13	18.36
2 to 5 years	89.86	33.93
More than 5 years	84.24	35.54
	248.73	**109.99**

22 Provisions

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Non-Current		
Provision for employee benefits		
Provision for post-retirement benefits (Refer note 36B)	81.32	83.60
Provision for compensated absences (Refer note (i))	142.93	117.21
	224.25	**200.81**
Provision for sales returns (Refer Note (ii))	257.98	226.56
Provision for expenses (Refer Note (iii))	19.04	17.32
	501.27	**444.69**
Current		
Provision for employee benefits		
Provision for post-retirement benefits (Refer note 36B)	7.20	3.43
Provision for compensated absences (Refer note (i))	25.56	19.99
	32.76	**23.42**

Notes forming part of the Consolidated Financial Statements

22 Provisions (Continued)

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Provision for sales returns (Refer Note (ii))	264.15	245.95
Provision for expenses (Refer Note (iii))	2.07	2.02
Provision for failure to supply (Refer Note (iv))	87.68	110.66
Provision for medicaid (Refer Note (v))	21.47	18.09
	408.13	**400.14**
	909.40	**844.83**

(i) Provision for compensated absences:

All eligible employees are entitled for compensated absences (leaves) while in service and are also eligible for encashment of such compensated absences on separation due to death, retirement, superannuation or termination.

(ii) Provision for sales returns:

The Group, as a trade practice, accepts returns from market which are primarily in the nature of expired or near expiry products. Provision is made for such returns on the basis of historical experience, market conditions and specific contractual terms. The timing of outflow will depend on the shelf life expiry and time taken by the customer to return the goods.

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	472.51	447.87
Provision made during the year	363.47	272.10
Provision utilised during the year	(313.99)	(250.21)
Foreign currency translation	0.14	2.75
Balance at the end of the year	**522.13**	**472.51**
Non-current	257.98	226.56
Current	264.15	245.95
	522.13	**472.51**

(iii) Provision for expenses:

(a) Non-current:

Provision for expenses includes estimated amount of liability pertaining to administrative and judicial proceedings disputed with past employees pending at various labour courts in Brazil. The timing of the outflow will depend on the final outcome of the litigations.

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	17.32	8.59
Additional provision (net of reversal)	6.35	8.51
Provision utilised during the year	(2.74)	-
Foreign currency translation	(1.89)	0.22
Balance at the end of the year	**19.04**	**17.32**

Notes forming part of the Consolidated Financial Statements

22 Provisions (Continued)

(b) Current:

Provision for expenses includes estimated amount of liability pertaining to certain contractual obligations and product recall expenses. These claims are expected to be settled in the next financial year.

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	2.02	3.28
Utilisation during the year	-	(1.30)
Foreign currency translation	0.05	0.04
Balance at the end of the year	**2.07**	**2.02**

(iv) Provision for failure to supply:

The Group has a contractual obligation to pay compensation against failure to supply in certain cases. Provisions are estimated based on evaluation of likely claims on short supplies by the Group. These claims are expected to be settled in the next financial year.

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	110.66	108.92
Addition during the year	11.63	39.13
Reversal during the year	(17.68)	(21.64)
Utilisation during the year	(20.45)	(16.85)
Foreign currency translation	3.52	1.10
Balance at the end of the year	**87.68**	**110.66**

(v) Provision for medicaid:

Pharmaceutical manufacturers whose products are covered by the Medicaid programme of the USA are required to provide rebate to each state a percentage of the average manufacturer's price for the products dispensed. Medicaid rebates are estimated based on historical trends of rebates paid. These claims are expected to be settled in the next financial year.

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	18.09	13.33
Additional provision (net of reversal)	20.65	30.28
Utilisation during the year	(17.78)	(25.75)
Foreign currency translation	0.51	0.23
Balance at the end of the year	**21.47**	**18.09**

23 Income Taxes

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
(a) Charge/(credit) recognised in the statement of profit and loss:		
Current tax:		
For current year	618.45	470.28
For prior years	0.56	(8.55)
	619.01	**461.73**
Deferred tax:		
For current year	146.44	220.47
For prior years	(3.89)	13.53
	142.55	**234.00**
	761.56	**695.73**
(b) Charge/(credit) recognised in statement of other comprehensive income:		
Current tax:		
Re-measurement of defined benefit plans	(6.11)	-
	(6.11)	**-**
Deferred tax:		
Re-measurement of defined benefit plans	(0.16)	(0.60)
Fair valuation of equity instruments	0.14	(3.79)
Effective portion on gains/(losses) on hedging instruments in a cash flow hedge(net)	(7.32)	20.25
	(7.34)	**15.86**
	(13.45)	**15.86**

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
(c) Reconciliation of Effective Tax Rate:		
Profit before income taxes	2,672.81	2,352.11
Enacted tax rate in India	34.94%	34.94%
Tax at statutory tax rate	**933.99**	**821.92**
Adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of deductions allowed under Income Tax	(113.16)	(119.69)
Tax impact on future transition to new tax regime	(150.63)	(44.58)
Provision for tax adjustments	27.59	-
Effect of expenses not deductible in determining taxable profit	48.74	47.99
Foreign exchange difference	7.38	(6.07)
Effect of difference between Indian tax rate and foreign tax rate	(0.01)	(31.44)
Tax adjustments of prior periods	(3.68)	4.98
Effect of income taxed at special rates	2.88	-
Others (net)	8.46	22.62
Adjusted income tax expenses	**761.56**	**695.73**
Effective Tax Rate	**28.49%**	**29.58%**

23 Income Taxes (Continued)

The Income Tax Act, 1961, provides an option to the parent company for paying tax at reduced rates (lower tax rate) as per the provisions/conditions defined in the Income Tax Act, 1961 (Section 115BAA). With reference to the same, the parent company had previously assessed the option of availing the lower tax rate under Section 115BAA, in future years, and accordingly applied a mixed tax rate of 25.17% for deferred tax items expected to reverse after transitioning into new regime and 34.94% for those expected to reverse before the transition. Based on the current-year evaluation of available MAT credits and deductions under Chapter VIA as at March 31, 2025, the parent company has now assessed that it will transition to the new tax regime from FY 2025-26. Consequently, deferred tax balances expected to reverse in or after FY 2025-26 have been remeasured at 25.17%, resulting in a net reversal of deferred tax liabilities of ₹150.63 crores for the year ended March 31, 2025.

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
(d) Deferred tax relates to:		
Deferred tax liabilities/(assets):		
Property, plant and equipment, goodwill and other intangible assets	892.08	1,055.08
Right-of-use assets	26.46	(3.51)
Cash flow hedge reserve	(1.93)	5.39
Provision for employee benefit expense	(65.07)	(69.99)
Valuation of inventories	(62.47)	(102.86)
Provision for expenses	(114.88)	(137.40)
Provision for chargebacks	(56.35)	(76.00)
Tax losses of subsidiaries & interest expense carry forwards	(255.44)	(184.02)
MAT Credit entitlement	(0.33)	(310.18)
Unrealised profit in inventory	(92.57)	(66.54)
Lease liabilities	(29.39)	(0.80)
Others	(5.54)	(8.25)
Deferred tax liabilities/(assets) (net)	**234.57**	**100.92**

The deferred tax assets and liabilities are offset, where the Group has a legally enforceable right to offset current tax assets and liabilities, and are presented in balance sheet as follows:

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Deferred tax liabilities	828.72	656.05
Deferred tax assets	594.15	555.13
	234.57	**100.92**

Amount of ₹255.44 crores (previous year ₹184.02 crores) pertains to deferred tax asset created on tax losses of subsidiaries (including interest expense carry forwards). The Group, based on future taxable income generation projections, expects to realise the same in future periods.

In assessing the realisation of deferred tax assets, management considers that ultimate realisation of deferred tax depends on the generation of future taxable income during the period in which deferred tax assets become deductible. Based on the trend of historical taxable income and projection for future taxable income over the period in which the deferred tax assets are deductible, management believes that the Group will realise the benefits of those deductible differences. Accordingly, amount of deferred tax assets are considered realisable.

Notes forming part of the Consolidated Financial Statements

23 Income Taxes (Continued)

(e) Movement of deferred tax liabilities/(assets) during the year:

(₹ in crores)

	Balance as at April 1, 2024	Recognised in statement of profit and loss	Recognised in other comprehensive income	Foreign exchange difference	Balance as at March 31, 2025
Deferred tax liabilities/(assets) in relation to:					
Property, plant and equipment, goodwill and other intangible assets	1,055.08	(162.89)	-	(0.11)	892.08
Cash flow hedge reserve	5.39	-	(7.32)	-	(1.93)
Right-of-use Assets	(3.51)	29.95	-	0.02	26.46
Provision for employee benefit expense	(69.99)	2.96	(0.16)	2.12	(65.07)
Valuation of inventories	(102.86)	39.23	-	1.16	(62.47)
Provision for expenses	(137.40)	20.50	-	2.02	(114.88)
Provision for chargebacks	(76.00)	21.61	-	(1.96)	(56.35)
Tax losses of subsidiaries & interest expense carry forwards	(184.02)	(66.35)	-	(5.07)	(255.44)
MAT credit entitlement	(310.18)	309.86	-	(0.01)	(0.33)
Unrealised profit in Inventory	(66.54)	(26.03)	-	-	(92.57)
Lease liabilities	(0.80)	(28.50)	-	(0.09)	(29.39)
Others	(8.25)	2.21	0.14	0.36	(5.54)
Deferred tax liabilities/(assets) (net)	**100.92**	**142.55**	**(7.34)**	**(1.56)**	**234.57**

(₹ in crores)

	Balance as at April 1, 2023	Recognised in statement of profit and loss	Recognised in other comprehensive income	Foreign exchange difference	Balance as at March 31, 2024
Deferred tax liabilities/(assets) in relation to:					
Property, plant and equipment, goodwill and other intangible assets	917.65	138.49	-	(1.06)	1,055.08
Cash flow hedge reserve	(14.86)	-	20.25	-	5.39
Right-of-use Assets	(1.34)	(2.17)	-	-	(3.51)
Provision for employee benefit expense	(58.82)	(10.09)	(0.60)	(0.48)	(69.99)
Valuation of inventories	(77.47)	(24.13)	-	(1.26)	(102.86)
Provision for expenses	(100.53)	(36.17)	-	(0.70)	(137.40)
Provision for chargebacks	(87.97)	13.17	-	(1.20)	(76.00)
Tax losses of subsidiaries & interest expense carry forwards	(122.45)	(59.33)	-	(2.24)	(184.02)
MAT credit entitlement	(527.42)	217.24	-	-	(310.18)
Unrealised profit in Inventory	(43.05)	(23.51)	-	0.02	(66.54)
Lease liabilities	(4.32)	3.59	-	(0.07)	(0.80)
Others	(21.15)	16.91	(3.79)	(0.22)	(8.25)
Deferred tax liabilities/(assets) (net)	**(141.73)**	**234.00**	**15.86**	**(7.21)**	**100.92**

Notes forming part of the Consolidated Financial Statements

24 Trade Payables

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises (MSME)	23.13	16.12
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,796.89	2,073.20
	1,820.02	**2,089.32**

(i) Refer Note 40 for information about payables to related parties.

(ii) Trade Payables ageing schedule for the year ended as on March 31, 2025 and March 31, 2024

(₹ in crores)

As at March 31, 2025		Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
				Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSME*	-	21.69	1.34	0.10	-	0.00	23.13
(ii)	Others	935.89	681.54	170.27	6.28	1.04	1.87	1,796.89
(iii)	Disputed dues - MSME	-	-	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-	-	-
		935.89	**703.23**	**171.61**	**6.38**	**1.04**	**1.87**	**1,820.02**

* Represents value less than ₹1 Lakh

(₹ in crores)

As at March 31, 2024		Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
				Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSME	-	13.38	2.51	0.01	0.01	0.21	16.12
(ii)	Others	1,317.28	582.47	165.19	2.87	0.91	2.34	2,071.06
(iii)	Disputed dues - MSME	-	-	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-	2.14	2.14
		1,317.28	**595.85**	**167.70**	**2.88**	**0.92**	**4.69**	**2,089.32**

25 Other Financial Liabilities

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Non-Current		
Creditors for capital goods	11.40	5.60
Security deposits	1.85	3.40
Derivative financial instruments	0.55	0.24
	13.80	**9.24**
Current		
Interest accrued but not due on borrowings	25.14	38.17
Creditors for capital goods	47.26	19.68
Payables for employee benefits	207.87	186.16
Unpaid dividend*	4.93	3.86
Book overdraft	47.29	17.43
Derivative financial instruments	41.55	1.19
Other payables (includes unspent CSR obligation, etc.)	18.58	18.17
	392.62	**284.66**
	406.42	**293.90**

* There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

26 Other Liabilities

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Non-Current		
Deferred government grant	0.46	0.96
	0.46	**0.96**
Current		
Trade advances (Refer Note (i))	1.94	4.50
Payables to statutory and other authorities	128.05	110.58
Deferred Government grant	0.50	0.50
Other payables	5.65	13.92
	136.14	**129.50**
	136.60	**130.46**

(i) The group has recognised revenue of ₹3.61 crores (Previous year ₹0.39 crores) from the amounts included under trade advances at the beginning of the year.

27 Revenue From Operations

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
Sales		
In India	6,647.62	6,001.62
Outside India	4,669.63	4,560.69
	11,317.25	**10,562.31**
Other operating income		
Export benefits	40.92	38.25
Income from product registration dossiers	4.78	3.06
Compensation and settlement income	8.37	15.26
Government grant income	0.50	0.50
Production linked incentive income	116.45	84.16
Miscellaneous operating income	27.82	24.30
	198.84	**165.53**
	11,516.09	**10,727.84**
Reconciliation of revenue from operations with the contracted price:		
Contracted price	16,675.63	16,570.14
Adjustments:		
Chargeback, rebates and discounts	(4,974.26)	(5,705.45)
Sales return	(363.47)	(272.10)
Others	(20.65)	(30.28)
Sales	**11,317.25**	**10,562.31**
Add: Other operating income	198.84	165.53
Revenue from operations	**11,516.09**	**10,727.84**

Revenue disaggregation by geography has been included in segment reporting (Refer note 37).

Revenue from operations also includes contract manufacturing revenue of ₹486.14 crores and ₹532.07 crores for the year ended March 31, 2025 and March 31, 2024 respectively.

28 Other Income

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
Interest income	20.19	11.48
Net gain on sale of investments*	16.73	17.99
Net foreign exchange gain/(loss) (including hedging gain/(loss))	(16.61)	(3.91)
Gain/(loss) on sale of property, plant and equipment and other intangible assets (net)	1.34	(0.02)
Other non-operating income	1.62	32.37
	23.27	**57.91**

*Includes loss on fair valuation of ₹0.03 crores and ₹0.13 crores for the year ended March 31, 2025 and March 31, 2024 respectively.

Notes forming part of the Consolidated Financial Statements

29 Cost of Materials Consumed

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
Raw materials	1,300.05	1,430.33
Packing materials	220.27	227.26
	1,520.32	**1,657.59**

30 Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
Opening inventories:		
Finished goods	980.84	859.71
Work-in-progress	140.95	116.47
Stock-in-trade	453.11	443.71
	1,574.90	**1,419.89**
Less: Closing inventories:		
Finished goods	1,104.76	980.84
Work-in-progress	167.19	140.95
Stock-in-trade	577.87	453.11
	1,849.82	**1,574.90**
Changes in inventories	**(274.92)**	**(155.01)**

31 Employee Benefits Expense

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages and bonus	1,898.43	1,695.22
Contribution to provident and other funds (Refer note 36A)	186.31	178.40
Gratuity and other retirement benefit cost (Refer note 36B)	37.36	33.87
Staff welfare expenses	81.27	76.91
	2,203.37	**1,984.40**

32 Finance Costs

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
Interest expense	246.11	348.61
Interest expenses on lease liabilities	5.27	4.02
Other borrowing cost	0.93	0.93
	252.31	**353.56**

Notes forming part of the Consolidated Financial Statements

33 Depreciation and Amortisation Expense

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation of Property, plant and equipment	227.98	230.09
Amortisation of other intangible assets	542.71	542.92
Depreciation on right-of-use assets	24.24	22.29
Impairment of other intangible assets and intangible asset under development	-	12.97
	794.93	**808.27**

34 Other Expenses

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
Selling, publicity and medical literature expenses	1,260.67	1,129.68
Laboratory goods and testing expenses	128.51	121.57
Power and fuel	137.34	145.20
Travelling, conveyance and vehicle expenses	219.87	205.59
Clinical research expense	30.42	24.73
Stores and spares consumed	108.59	101.52
Professional and legal fees	134.51	185.08
Cost of outsourced manpower	106.50	95.50
Allowance for expected credit loss (net) (Refer note 15)	1.77	7.08
Auditors remuneration and expenses	5.47	5.15
Commission to non-executive directors	2.51	2.85
Donation	47.43	50.68
Corporate social responsibility expenditure	34.00	32.90
General charges	598.24	582.05
	2,815.83	**2,689.58**

35 Earnings per share

		Year ended March 31, 2025	Year ended March 31, 2024
The basic and diluted earnings per share (EPS) are:			
Net profit for the year (a)	(₹in crores)	1,911.25	1,656.38
Weighted average number of equity shares (b)	(Nos.)	33,84,45,440	33,84,45,440
EPS (basic and diluted) (a)/(b)	₹	56.47	48.94
Face value per equity share	₹	5.00	5.00

36 Employee Benefits

A Defined Contribution Plan

The Parent company's contribution to provident fund and superannuation fund aggregating to ₹107.91 crores (Previous year ₹96.08 crores) has been recognised in the consolidated statement of profit and loss under the head employee benefits expenses (Refer note 31).

B Defined Benefit Plan

The accruing liability on account of retirement benefit plans (in the nature of defined benefits plan) is accounted as per Ind-AS 19 "Employee Benefits".

General description of the plan:

(i) **Gratuity:** In accordance with Indian law, the Parent Company operates a scheme of gratuity which is a defined benefit plan('the Gratuity Plan') covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death and incapacitation while in employment, termination of employment. The level of benefits provided depends on the respective employees' tenure of employment and last drawn salary. The Parent Company manages the plan through a trust. Trustees administer contributions made to the trust. The defined benefit plan exposes the parent company to actuarial risks such as interest rate risk, investment risk and salary risk.

(ii) **Pension:** The liability in respect of employees pension benefits in Germany accrues and gets discharged as per the terms and conditions of pension scheme called "Monsanto Pension Plan 2000". It is a defined benefit plan (the pension plan) which provides pension benefits to eligible employees post retirement.

(iii) **Retirement Benefit Plan:** Philippines subsidiary has a non-contributory defined benefit retirement plan covering all of its regular employees. The benefits are based on respective employee's salary and the tenure of employment.

(iv) **Retirement Benefit and Seniority Premium Plan:** The liability in respect of the retirement benefit and seniority premium in Mexico accrues and gets discharged as per the terms and conditions of Mexican federal labour laws. It is a defined benefit plan which provides benefits to eligible employees post retirement/termination.

(₹ in crores)

	Year ended March 31, 2025				Year ended March 31, 2024			
	Gratuity	Pension	Retirement Benefit Plan	Retirement Benefit and Seniority Premium Plan	Gratuity	Pension	Retirement Benefit Plan	Retirement Benefit and Seniority Premium Plan
(a) Reconciliation of opening and closing balances of the present value of the defined benefit obligation:								
Obligations at the beginning of the year	363.20	73.26	8.44	5.32	323.49	70.35	7.13	4.49
Current service cost	31.03	0.24	0.88	2.86	27.93	0.21	0.75	1.88
Interest cost	26.19	2.64	0.52	0.40	23.86	2.82	0.44	0.43
Liability transferred in	-	-	-	-	0.05	-	-	-
Liability transferred out	-	-	-	-	(0.01)	-	-	-
Actuarial (gains)/losses	43.63	(4.72)	(0.15)	0.30	10.90	2.39	0.25	0.46
Benefits paid directly by the employer	-	(3.14)	-	(3.04)	(1.03)	(2.98)	-	(2.38)
Benefits paid from the fund	(22.44)	-	-	-	(21.99)	-	-	-
Foreign currency translation	-	1.78	0.10	(0.87)	-	0.48	(0.13)	0.44
Obligations at the end of the year	**441.61**	**70.06**	**9.79**	**4.97**	**363.20**	**73.26**	**8.44**	**5.32**

36 Employee Benefits (Continued)

(₹ in crores)

	Year ended March 31, 2025				Year ended March 31, 2024			
	Gratuity	Pension	Retirement Benefit Plan	Retirement Benefit and Seniority Premium Plan	Gratuity	Pension	Retirement Benefit Plan	Retirement Benefit and Seniority Premium Plan
(b) Reconciliation of opening and closing balances of the fair value of plan assets:								
Plan assets at the beginning of the year, at fair value	377.00	-	-	-	329.40	-	-	-
Interest income	27.18	-	-	-	24.40	-	-	-
Return on plan assets, excluding interest income	8.67	-	-	-	11.58	-	-	-
Contributions	47.50	-	-	-	33.61	-	-	-
Benefits paid	(22.44)	-	-	-	(21.99)	-	-	-
Plan assets at the end of the year, at fair value	**437.91**	**-**	**-**	**-**	**377.00**	**-**	**-**	**-**
Actual return on plan assets	**35.85**	**-**	**-**	**-**	**35.98**	**-**	**-**	**-**
(c) Expense recognised in the consolidated statement of profit and loss for the year:								
Current service cost	31.03	0.24	0.88	2.86	27.93	0.21	0.75	1.88
Net Interest on defined benefit liability	(0.99)	2.64	0.52	0.40	(0.54)	2.82	0.44	0.43
Net gratuity and other retirement benefit cost *	**30.04**	**2.88**	**1.40**	**3.26**	**27.39**	**3.03**	**1.19**	**2.31**
* ₹0.30 crores (previous year ₹0.07 crores) capitalised as pre-operative expenses out of above amount.								
(d) (Gains)/losses recognised in other comprehensive income for the year:								
Actuarial (gains)/losses	43.63	(4.72)	(0.15)	0.30	10.90	2.39	0.25	0.46
Return on plan assets, excluding interest income	(8.67)	-	-	-	(11.58)	-	-	-
	34.96	**(4.72)**	**(0.15)**	**0.30**	**(0.68)**	**2.39**	**0.25**	**0.46**
(e) Reconciliation of the present value of the defined benefit obligation and fair value of plan assets:								
Obligations at the end of the year	441.61	70.06	9.79	4.97	363.20	73.26	8.44	5.32
Plan assets at the end of the year, at fair value	(437.91)	-	-	-	(377.00)	-	-	-
(Asset)/Liability recognised in balance sheet	**3.70**	**70.06**	**9.79**	**4.97**	**(13.80)**	**73.26**	**8.44**	**5.32**
(f) Remeasurement of net defined benefit liability/(asset):								
Actuarial (gains) /losses from changes in demographic assumptions	8.20	-	-	-	-	-	-	-
Actuarial (gains) /losses from changes in financial assumptions	18.43	(3.05)	-	(0.03)	4.56	3.77	0.04	0.06
Experience adjustments	17.00	(1.67)	(0.15)	0.33	6.34	(1.38)	0.21	0.39
Remeasurement of defined benefit liability	**43.63**	**(4.72)**	**(0.15)**	**0.30**	**10.90**	**2.39**	**0.25**	**0.46**
Remeasurement of return on plan assets	(8.67)	-	-	-	(11.58)	-	-	-
	34.96	**(4.72)**	**(0.15)**	**0.30**	**(0.68)**	**2.39**	**0.25**	**0.46**
(g) Expected contribution/outflow for the next year	39.13	3.50	0.04	0.84	17.23	3.43	0.05	0.90

36 Employee Benefits (Continued)

	Year ended March 31, 2025				Year ended March 31, 2024			
	Gratuity	Pension	Retirement Benefit Plan	Retirement Benefit and Seniority Premium Plan	Gratuity	Pension	Retirement Benefit Plan	Retirement Benefit and Seniority Premium Plan
(h) Assumptions:								
Discount rate	6.65%	4.01%	6.25%	9.75%	7.21%	3.66%	6.25%	9.50%
Salary escalation rate	10.00%	2.50%	6.00%	4.50%	10.00%	2.50%	6.00%	4.50%

	Year ended March 31, 2025				Year ended March 31, 2024			
	Gratuity	Pension	Retirement Benefit Plan	Retirement Benefit and Seniority Premium Plan	Gratuity	Pension	Retirement Benefit Plan	Retirement Benefit and Seniority Premium Plan
(i) Weighted average duration of defined benefit obligation:								
Weighted average duration of defined benefit obligation	9 years	12.4 Years	9.57 Years	5.55 years	8 years	13 Years	10.70 years	5.31 years

For gratuity plan, future mortality rates are obtained from relevant table of Indian Assured Lives Mortality 2012-14 (Urban).

(j) Sensitivity Analysis for each significant actuarial assumption:

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(₹ in crores)

	Year ended March 31, 2025				Year ended March 31, 2024			
	Gratuity	Pension	Retirement Benefit Plan	Retirement Benefit and Seniority Premium Plan	Gratuity	Pension	Retirement Benefit Plan	Retirement Benefit and Seniority Premium Plan
Impact of increase in discount rate by 1%	(31.99)	(7.57)	(0.82)	(0.24)	(21.77)	(8.31)	(0.78)	(0.25)
Impact of decrease in discount rate by 1%	36.55	9.20	0.96	0.27	24.54	10.17	0.92	0.27
Impact of increase in salary escalation rate by 1%	35.02	0.20	0.95	0.23	23.65	0.22	0.91	0.24
Impact of decrease in salary escalation rate by 1%	(31.34)	(0.19)	(0.83)	(0.21)	(21.43)	(0.21)	(0.79)	(0.22)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

36 Employee Benefits (Continued)

(k) Investment details of plan assets (Gratuity):

The plan assets are managed by Insurance Company viz Life Insurance Corporation of India and ICICI Prudential Life Insurance Company Limited which has invested the funds substantially as under:

	As at March 31, 2025	As at March 31, 2024
Equity instruments	8.67%	8.88%
Corporate bonds	39.67%	37.19%
Government securities	41.53%	47.48%
Other investments and net current assets	10.13%	6.45%

(l) Maturity profile of the Benefit payments:

Maturity profile of projected benefits payable as at March 31, 2025 is as follows:

(₹ in crores)

	Undiscounted values			
	Gratuity	Pension	Retirement Benefit Plan	Retirement Benefit and Seniority Premium Plan
Year 1	38.26	3.50	0.04	0.84
Year 2	32.09	3.64	2.14	0.91
Year 3	38.82	3.78	0.31	1.01
Year 4	30.16	3.87	1.89	1.12
Year 5	34.39	3.95	0.75	1.23
Years 6 to 10	182.96	21.87	2.88	7.81

(m) Asset-liability matching strategies:

In respect of gratuity plan, the Parent Company contributes to the insurance fund based on estimated liability of the next financial year end. The projected liability statement is obtained from the actuarial valuer.

37 Segment Reporting

Operating segment are components of the Group whose operating results are regularly reviewed by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Generic Formulation Business is identified as single operating segment for the purpose of making decision on allocation of resources and assessing its performance.

Entity - wide disclosures:

(i) Revenues from external customers (including other operating income):

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
India	6,787.70	6,109.42
Outside India:		
USA	1,099.80	1,077.69
Germany	1,139.40	1,074.03
Brazil	1,100.33	1,126.14
Other countries	1,388.86	1,340.56
	11,516.09	**10,727.84**

Revenue from external customers is allocated based on the location of the customer.

37 Segment reporting (Continued)

(ii) Non-current assets:

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
India	7,992.28	8,222.48
Outside India:		
USA	39.14	26.89
Germany & Malta*	273.02	162.00
Brazil	89.50	55.15
Other countries	72.93	47.48
	8,466.87	**8,514.00**

Non-current assets include property, plant and equipment, right-of-use assets, intangible assets, capital work-in-progress, intangible assets under development and capital advances. It is allocated based on the geographic location of the respective assets.

* Non current assets as at March 31, 2025 includes Germany ₹66.37 crores (previous year: ₹70.30 crores) and Malta ₹206.65 crores (previous year: ₹91.70 crores).

(iii) Major customers:

The Group has no external customer which accounts for more than 10% of the Group's total revenue for the year ended March 31, 2025 and March 31, 2024.

38 Financial Instruments

(i) Financial assets and liabilities

Accounting classification and fair values:

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in crores)

As at March 31, 2025	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial assets:					
Amortised cost:					
Cash and cash equivalents	573.48	-	-	-	-
Bank balances other than cash and cash equivalents	5.98	-	-	-	-
Trade receivables	1,866.45	-	-	-	-
Investments	0.01	-	-	-	-
Loans	7.59	-	-	-	-
Other financial assets	205.57	-	-	-	-
Fair value through other comprehensive income:					
Investment in equity instruments/LLP	43.56	-	-	43.56	43.56

38 Financial Instruments (Continued)

(₹ in crores)

As at March 31, 2025	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
Fair value through profit or loss:					
Investment in mutual funds	112.21	112.21	-	-	112.21
Derivative instruments:					
Designated as cash flow hedge	4.84	-	4.84	-	4.84
Fair value through profit and loss	5.30	-	5.30	-	5.30
	2,824.99	**112.21**	**10.14**	**43.56**	**165.91**
Financial liabilities:					
Amortised cost:					
Borrowings	3,026.09	-	-	-	-
Trade payables	1,820.02	-	-	-	-
Other financial liabilities	364.32	-	-	-	-
Lease liabilities	176.23	-	-	-	-
Derivative instruments:					
Designated as cash flow hedge	12.51	-	12.51	-	12.51
Fair value through profit and loss	29.59	-	29.59	-	29.59
	5,428.76	**-**	**42.10**	**-**	**42.10**

(₹ in crores)

As at March 31, 2024	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial assets:					
Amortised cost:					
Cash and cash equivalents	835.14	-	-	-	-
Bank balances other than cash and cash equivalents	3.90	-	-	-	-
Trade receivables	1,844.30	-	-	-	-
Investments	0.01	-	-	-	-
Loans	5.56	-	-	-	-
Other financial assets	208.01	-	-	-	-
Fair value through other comprehensive income:					
Investment in equity instruments/LLP	31.87	0.08	-	31.79	31.87
Fair value through profit or loss:					
Investment in mutual funds	140.96	140.96	-	-	140.96
Derivative instruments:					
Designated as cash flow hedge	15.66	-	15.66	-	15.66
Fair value through profit and loss	13.88	-	13.88	-	13.88
	3,099.29	**141.04**	**29.54**	**31.79**	**202.37**

38 Financial Instruments (Continued)

(₹ in crores)

As at March 31, 2024	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial liabilities:					
Amortised cost:					
Borrowings	3,937.42	-	-	-	-
Trade payables	2,089.32	-	-	-	-
Other financial liabilities	292.47	-	-	-	-
Lease liabilities	84.52				
Derivative instruments:					
Designated as cash flow hedge	0.24	-	0.24	-	0.24
Fair value through profit and loss	1.19	-	1.19	-	1.19
	6,405.16	**-**	**1.43**	**-**	**1.43**

Determination of fair values:

The following are the basis of assumptions used to estimate the fair value of financial assets and liabilities that are measured at fair value on recurring basis:

Investment in mutual funds: The fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

Equity investments: Equity investments traded in an active market determined by reference to their quoted market prices. Other equity investments where quoted prices are not available, fair values are determined by reference to the expected discounted cash flows from the underlying net assets or current market value of net assets.

Derivative instruments: For forward contracts, future cash flows are estimated based on forward exchange rates (from observable forward exchange rates/yield curves at the end of the reporting period) and contract forward exchange rates, discounted at a rate that reflects the credit risk of respective counterparties.

Significant Techniques and Unobservable Inputs Used for Level 2 / Level 3 Fair Valuation Measurement:

As at 31st March, 2025	Valuation techniques	Significant Unobservable Inputs	Sensitivity of input to fair value measurement
Level 2			
Derivative financial instrument	The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currency.	Not applicable	Not applicable
Level 3			
Investments (unquoted) (other than subsidiaries & associates)	Discounted cash flow method	Expected cash flows	Not applicable

Reconciliation of Level 3 fair value measurements of financial asset and financial liabilities is given below:

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
Movement in level 3 valuations:		
Balance at the beginning of the year	31.79	42.69
Addition	10.00	-
Fair value gain/(loss) recorded in other comprehensive income	1.77	(10.90)
Balance at the end of the year	**43.56**	**31.79**

38 Financial Instruments (Continued)

(ii) Derivative financial instruments

Cash flow hedges:

Derivatives are taken to cover foreign exchange risk of highly probable forecasted sales transactions occurring in foreign currencies. The following are outstanding derivative contracts designated as cash flow hedges:

Nature of derivative contracts	Buy / Sell	Deal Currency	Cross Currency	Weighted average strike price/rate		Net position (Amount in crores)		Fair value gain / (loss) (₹in crores)	
				March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Forward	Sell	USD	INR	87.45	85.49	32.95	31.24	(6.13)	17.89
Forward	Sell	EUR	USD	1.10	1.11	6.09	5.44	1.92	3.29
Forward	Sell	GBP	USD	1.27	1.25	0.89	0.79	(1.19)	(1.14)
Forward	Sell	MXN	USD	0.05	0.05	10.10	6.80	0.86	(2.39)
Forward	Sell	MYR	USD	0.22	0.22	3.77	4.79	(3.00)	1.02
Forward	Sell	RUB	USD	-	0.01	-	47.80	-	(3.29)
Forward	Sell	THB	USD	0.03	0.03	1.50	1.12	(0.13)	0.04
								(7.67)	**15.42**
Less : Deferred tax								(1.93)	5.39
Effective portion of cash flow hedges reserve								**(5.74)**	**10.03**

Maturity profile of nominal value based on the remaining period as at the Balance Sheet date:

(Amount in crores)

Currency	Nature of Derivative contracts	March 31, 2025		March 31, 2024	
		Within 1 year	More than 1 year	Within 1 year	More than 1 year
USD	Forward	16.34	16.61	15.18	16.06
EUR	Forward	3.84	2.25	3.44	2.00
GBP	Forward	0.30	0.59	0.29	0.50
MXN	Forward	5.50	4.60	3.20	3.60
MYR	Forward	2.11	1.66	2.41	2.39
RUB	Forward	-	-	47.80	-
THB	Forward	0.74	0.76	0.05	1.07

The movement of cash flow hedges in other comprehensive income is as follows:

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	10.03	(27.66)
(Gains)/Losses reclassified to profit or loss	(15.43)	(13.18)
Deferred tax on (gains)/losses reclassified to profit or loss	5.39	4.61
Change in the fair value of effective portion of cash flow hedges	(7.66)	71.12
Deferred tax on change in the fair value of effective portion of cash flow hedges	1.93	(24.86)
Balance at the end of the year	**(5.74)**	**10.03**

During the year, ineffective portion of cash flow hedges recognised in the consolidated statement of profit and loss amounted to ₹Nil (Previous year ₹Nil).

38 Financial Instruments (Continued)

(iii) Financial risk management

The Group's activities are exposed to variety of financial risks. These risks include market risk (including foreign exchange risk and interest rate risks), credit risks and liquidity risk. The Group's overall risk management programme seeks to minimise potential adverse effects on the financial performance of the Group through established policies and processes which are laid down to ascertain the extent of risks, setting appropriate limits, controls, continuous monitoring and its compliance.

(a) **Market risk:**

Market risk refers to the possibility that changes in the market rates may have impact on the Group's profits or the value of its holding of financial instruments. The Group is exposed to market risks on account of foreign exchange rates, interest rates and underlying equity prices.

(a1) **Foreign currency exchange rate risk:**

The Group's foreign currency risk arises from its foreign operations, investments in foreign subsidiaries, foreign currency transactions and foreign currency borrowings. The fluctuation in foreign currency exchange rates may have potential impact on the income statement 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 consolidated entities.

Since a major part of the Group's revenue is in foreign currency and major part of the costs are in Indian Rupees, any movement in currency rates would have impact on the Group's performance. Consequently, the overall objective of the foreign currency risk management is to minimise the short term currency impact on its revenue and cash-flow in order to improve the predictability of the financial performance.

The major foreign currency exposures for the Group are denominated in USD & EURO. Additionally, there are transactions which are entered into in other currencies and are not significant in relation to the total volume of the foreign currency exposures. The Group hedges trade receivables and future cash flows up to a maximum of 24 months forward based on historical trends, budgets and monthly sales estimates. The foreign exchange forward contracts are denominated in the same currency as the highly probable forecast sales, therefore the hedge ratio is 1:1 based on management's current assessment. Hedge effectiveness is assessed on a regular basis.

The following table sets forth information relating to foreign currency exposure from non-derivative financial instruments:

(₹ in crores)

As at March 31, 2025	US Dollar	Euro	Others*	Total
Assets:				
Cash and cash equivalents	37.71	179.08	256.38	473.17
Trade receivables	507.74	295.47	627.45	1,430.66
Other assets	19.61	55.41	19.38	94.40
	565.06	**529.96**	**903.21**	**1,998.23**
Liabilities:				
Borrowings	479.25	-	-	479.25
Trade payables	155.55	902.40	96.38	1,154.33
Other liabilities	13.62	36.70	52.82	103.14
Lease liabilities	9.08	19.08	69.08	97.24
	657.50	**958.18**	**218.28**	**1,833.96**
Net assets/(liabilities)	**(92.44)**	**(428.22)**	**684.93**	**164.27**

38 Financial Instruments (Continued)

(₹ in crores)

As at March 31, 2024	US Dollar	Euro	Others*	Total
Assets:				
Cash and cash equivalents	33.40	448.71	248.22	730.33
Trade receivables	503.19	374.42	615.50	1,493.11
Other assets	22.38	88.86	16.74	127.98
	558.97	**911.99**	**880.46**	**2,351.42**
Liabilities:				
Borrowings	604.45	-	-	604.45
Trade payables	159.79	1,185.03	100.92	1,445.74
Other liabilities	21.20	20.01	45.62	86.83
Lease liabilities	10.30	21.63	42.83	74.76
	795.74	**1,226.67**	**189.37**	**2,211.78**
Net assets/(liabilities)	**(236.77)**	**(314.68)**	**691.09**	**139.64**

*Others mainly includes currencies namely British Pound, Mexican Peso, Russian Rouble.

With respect to the Group's derivative financial instruments which is in the form of forward contracts, a 5% increase/decrease in relation to USD & EURO of each of the currencies underlying such contracts would have resulted in increase /decrease of ₹87.19 crores and ₹94.87 crores in the Group's pre-tax profit or loss and ₹166.08 crores and ₹148.03 crores in pre-tax cash flow hedge reserve from such contracts as at March 31, 2025 and March 31, 2024 respectively.

With respect to the parent company's non-derivative financial instruments, a 5% increase/decrease in relation to USD & EURO on the underlying would have resulted in increase /decrease of ₹71.95 crores and ₹51.56 crores in the Group's net profit for the year ended March 31, 2025 and March 31, 2024 respectively.

With respect to the subsidiary's non-derivative financial instruments, a 5% increase/decrease in relation to the underlying currency would have resulted in increase /decrease of ₹31.78 crores and ₹8.09 crores in the Group's foreign currency translation reserve as at March 31, 2025 and March 31, 2024 respectively.

(a2) **Interest rate risk:**

Interest rate risk refers to the possibility that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Group is exposed to fluctuations in interest rates in respect of foreign currency borrowings and rupee borrowings. The Group manages its interest rate risk by monitoring the movements in the market interest rates closely.

As at March 31, 2025, the Group has outstanding rupee borrowings of ₹1,605.89 crores and foreign currency borrowings of ₹479.25 crores (USD 56 Mn) with variable rate of interest and ₹941.88 crores with fixed rate of interest.

Cash flow risk in respect of variable rate instruments:

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increase/(decrease) pre-tax profit or loss and pre-tax equity by ₹20.85 crore. This analysis assumes that all other variables remains constant and change occurs on reporting date. The year end balances are not representative of the average borrowings during the year.

Fair value risk in respect of fixed rate instruments:

The Company carries borrowings at amortised cost and hence, change in the interest rate at reporting date does not affect statement of profit or loss.

38 Financial Instruments (Continued)

(b) Credit risk:

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk materially consist of trade receivables, investments and derivative financial instruments.

All trade receivables are subject to credit risk exposure. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through established policies, controls relating to credit approvals and procedures for continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

The Group has used expected credit loss (ECL) model for assessing the impairment loss. For the purpose, the Group uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses. Please refer note 15 for movement in expected credit loss and trade receivables aging.

The Group does not have significant concentration of credit risk related to trade receivables. There is 1 customer (a distributor based in Latin America) with outstanding balances of more than 10% of outstanding accounts receivable as at March 31, 2025 and March 31, 2024.

With respect to investments, the Group limits its exposure to credit risk by generally investing in liquid securities with counterparties depending on their Composite Performance Rankings (CPR) published by CRISIL. Bank deposits are placed with banks with high credit rating. The Group's investment policy lays down guidelines with respect to exposure per counterparty, rating, processes in terms of control and continuous monitoring. The Group therefore considers credit risks on such investments and bank deposits to be negligible.

With respect to derivatives, the Group's forex management policy lays down guidelines with respect to exposure per counter party i.e. with banks with high credit rating, processes in terms of control and continuous monitoring. The fair value of the derivatives are credit adjusted at the period end.

Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹2,821.30 crores and ₹3,096.63 crores as at March 31, 2025 and March 31, 2024 respectively, being the total of the carrying amount of balances with banks, bank deposits, trade receivables, other financial assets and investments excluding equity investments and such financial assets are of good credit quality including those that are past due.

(c) Liquidity risk:

Liquidity risk refers to the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group generates cash flows from operations to meet its financial obligations, maintains adequate liquid assets in the form of cash & cash equivalents and has undrawn short term line of credits from banks to ensure necessary liquidity.

38 Financial Instruments (Continued)

Contractual maturities of significant financial liabilities are as below:

(₹ in crores)

As at March 31, 2025	Carrying Value	Less than 1 year	1 to 2 years	2 to 5 years	More than 5 years	Total
Trade payables	1,820.02	1,820.02	-	-	-	1,820.02
Borrowings*	3,026.09	1,835.10	301.38	860.79	29.75	3,027.02
Other financial liabilities						
Derivative financial liabilities	42.10	41.55	0.55	-	-	42.10
Others	364.32	351.07	13.25	-	-	364.32
Lease liabilities	176.23	30.37	27.33	66.51	52.02	176.23
	5,428.76	**4,078.11**	**342.51**	**927.30**	**81.77**	**5,429.69**

*Excluding amortised cost adjustment of ₹0.93 crores.

(₹ in crores)

As at March 31, 2024	Carrying Value	Less than 1 year	1 to 2 years	2 to 5 years	More than 5 years	Total
Trade payables	2,089.32	2,089.32	-	-	-	2,089.32
Borrowings*	3,937.42	2,333.64	585.14	791.50	229.26	3,939.54
Other financial liabilities						
Derivative financial liabilities	1.43	1.19	0.24	-	-	1.43
Others	292.47	283.47	9.00	-	-	292.47
Lease liabilities	84.52	20.06	16.64	27.36	20.46	84.52
	6,405.16	**4,727.68**	**611.02**	**818.86**	**249.72**	**6,407.28**

*Excluding amortised cost adjustment of ₹2.12 crores.

Refer Note 21 for Maturity profile of the Group's lease liabilities based on contractual undiscounted payments.

(iv) Capital management

The capital structure of the Group consists of equity, debt, cash and cash equivalents. The Group's objective for capital management is to maintain the capital structure which will support the Group's strategy to maximise shareholder's value, safeguarding the business continuity and help in supporting the growth of the Group. The debt to equity ratio as at March 31, 2025 is 0.40 times (As at March 31, 2024 0.57 times).

39 Exceptional items

(i) The exceptional item for the year ended March 31, 2025, relates to a demand raised by the National Pharmaceutical Pricing Authority (NPPA) in 2017 concerning alleged overcharging, which was under judicial consideration before the Hon'ble Gujarat High Court. During the year, the parent company submitted detailed representations, which were favourably considered by the NPPA. As a result, the parent company's legal exposure was substantially reduced. Following the issuance of a revised demand by the NPPA, the parent company opted to settle the litigation and bring the matter to a definitive close.

(ii) Exceptional item for the year ended March 31, 2024, relates to net gain from sale of the liquid facility in the US which was impaired during the earlier years. Against the carrying value of ₹15.46 crores classified as asset held for sale, the sales consideration was ₹104.03 crores.

40 Related Party Disclosures

The disclosures pertaining to related parties and transactions therewith are set out in the table below:

(₹ in crores)

	Holding Company		Key Management Personnel/ Independent Directors		Other related parties		Total	
(a) Nature of Transactions	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Remuneration to key management personnel/ independent directors	**-**	**-**	**42.82**	**43.99**	**-**	**-**	**42.82**	**43.99**
Samir Mehta	-	-	30.00	26.00	-	-	30.00	26.00
Aman Mehta	-	-	7.57	6.59	-	-	7.57	6.59
Jinesh Shah	-	-	2.05	7.71	-	-	2.05	7.71
Independent Directors	-	-	3.20	3.69	-	-	3.20	3.69
Remuneration	**-**	**-**	**-**	**-**	**0.66**	**0.13**	**0.66**	**0.13**
Shaan Mehta	-	-	-	-	0.66	0.13	0.66	0.13
Contribution to gratuity/superannuation trust	**-**	**-**	**-**	**-**	**70.33**	**55.10**	**70.33**	**55.10**
TPL Employees Group Gratuity Trust	-	-	-	-	47.50	34.50	47.50	34.50
TPL Employees Superannuation Trust	-	-	-	-	22.83	20.60	22.83	20.60
Advance given to/(returned by) gratuity trust	**-**	**-**	**-**	**-**	**-**	**(0.16)**	**-**	**(0.16)**
TPL Employees Group Gratuity Trust	-	-	-	-	-	(0.16)	-	(0.16)
Lease rent paid	**0.02**	**0.02**	**-**	**-**	**-**	**-**	**0.02**	**0.02**
Torrent Investments Limited*	0.02	0.02	-	-	-	-	0.02	0.02
Donation	**-**	**-**	**-**	**-**	**8.00**	**6.06**	**8.00**	**6.06**
UNM Foundation	-	-	-	-	8.00	6.06	8.00	6.06
CSR Expenditure	**-**	**-**	**-**	**-**	**32.05**	**19.90**	**32.05**	**19.90**
UNM Foundation	-	-	-	-	32.05	19.90	32.05	19.90
Purchase of property, plant and equipment	**-**	**-**	**-**	**-**	**1.61**	**-**	**1.61**	**-**
Torrent Electricals Limited*	-	-	-	-	1.61	-	1.61	-
Recovery of expenses	**-**	**-**	**-**	**-**	**0.10**	**0.09**	**0.10**	**0.09**
Torrent Diagnostics Private Limited*	-	-	-	-	0.10	0.09	0.10	0.09
Transfer of Gratuity and leave balance of employees transferred (in)/out (net)	**-**	**-**	**-**	**-**	**-**	**(0.09)**	**-**	**(0.09)**
Torrent Diagnostics Private Limited	-	-	-	-	-	0.01	-	0.01
Torrent Gas Limited	-	-	-	-	-	(0.10)	-	(0.10)

*Excluding Goods and Services Tax.

(₹ in crores)

	Holding Company		Key Management Personnel/ Independent Directors		Other related parties		Total	
(b) Balances at the end of the year	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Other receivables	**-**	**-**	**-**	**-**	**-**	**0.95**	**-**	**0.95**
UNM Foundation	-	-	-	-	-	0.95	-	0.95
Investment in equities	**-**	**-**	**-**	**-**	**0.05**	**0.05**	**0.05**	**0.05**
UNM Foundation	-	-	-	-	0.05	0.05	0.05	0.05

40 Related Party Disclosures (Continued)

(₹ in crores)

	Holding Company		Key Management Personnel/ Independent Directors		Other related parties		Total	
(b) Balances at the end of the year	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Trade payables	**0.02**	**-**	**-**	**-**	**-**	**0.10**	**0.02**	**0.10**
Torrent Investments Limited	0.02	-	-	-	-	-	0.02	-
Torrent Gas Limited	-	-	-	-	-	0.10	-	0.10
Other payables	**-**	**-**	**32.04**	**28.41**	**-**	**-**	**32.04**	**28.41**
Samir Mehta	-	-	30.00	26.00	-	-	30.00	26.00
Independent Directors	-	-	2.04	2.41	-	-	2.04	2.41
Advances to group gratuity trust	**-**	**-**	**-**	**-**	**0.05**	**0.05**	**0.05**	**0.05**
TPL Employees Group Gratuity Trust	-	-	-	-	0.05	0.05	0.05	0.05

Transactions with related parties do not include transactions with Torrent Power Limited (fellow subsidiary), being a public utility engaged in distribution of electricity. Transactions entered with Torrent Power Limited are in nature of purchase of electricity and other related transactions and the tariff charges are determined by an independent regulatory authority.

Name of related parties having transactions and/or balances:

1	Holding Company	Torrent Investments Limited (Formerly known as Torrent Investments Private Limited)	
2	Key Management Personnel/Independent Directors	Samir Mehta	
		Aman Mehta	
		Jinesh Shah ((ceased to be a director with effect from July 23, 2024)	
		Shailesh Haribhakti (ceased to be a director with effect from March 31, 2024)	
		Haigreve Khaitan (ceased to be a director with effect from March 31, 2024)	
		Ameera Shah	
		Dr. Maurice Chagnaud	
		Manish Choksi	
		Nikhil Khattau (with effect from October 1, 2023)	
		Nayantara Bali	
3	Other related parties	**Name of other related party**	**Relation with other related party**
		Shaan Mehta (with effect from December 1, 2023)	Close family member of Key Management Personnel
		TPL Employees Group Gratuity Trust	Post-employment benefit trust
		TPL Employees Superannuation Trust	Post-employment benefit trust
		UNM Foundation	Associate Company
		Torrent Electricals Limited (Formerly known as Torrent Electricals Private Limited)	Fellow Subsidiary
		Torrent Gas Limited (Formerly known as Torrent Gas Private Limited)	Fellow Subsidiary
		Torrent Diagnostics Private Limited	Fellow Subsidiary

Terms and conditions of transactions with related parties

All related party transactions entered during the year were in ordinary course of the business and are on an arm's length basis. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

Notes forming part of the Consolidated Financial Statements

40 Related Party Disclosures (Continued)

(c) Remuneration to Key Management Personnel/Independent Directors:

(₹ in crores)

	Year ended March 31, 2025	Year ended March 31, 2024
Short-term employee benefits**	42.47	43.55
Post employment benefits	0.35	0.44
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
	42.82	**43.99**

** Includes remuneration to Non-executive directors amounting to ₹3.20 crores (Previous year ₹3.69 crores).

Post employment benefits comprises of Gratuity and leave encashment provisions derived based on expenses recognised in statement of profit and loss that is attributable to Key management personnel (KMP). Such benefits are payable at the time of cessation of the employment and hence is not added to the payable balances of the KMPs.

41 Commitments and Contingencies

(₹ in crores)

	As at March 31, 2025	As at March 31, 2024
Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	309.46	417.62
	309.46	**417.62**
Contingent liabilities:		
(a) Claims against the Company not acknowledged as debts:		
Disputed demand of Income tax	1.24	1.60
Disputed employee state insurance contribution liability under E.S.I. Act, 1948	17.53	16.76
Disputed demand of Goods and Services Tax/Excise duty	118.73	128.89
Disputed demand of local sales tax and C.S.T	0.24	0.24
Disputed demand of stamp duty and registration charges	3.43	3.43
Disputed cases at labour court/industrial court	13.33	6.27
Disputed bonus liability under Payment of Bonus (Amendment) Act, 2015	0.25	0.25
Disputed demand of Customs Duty	1.37	-
	156.12	**157.44**

In most of the cases above, the relevant authorities have raised a demand or disallowed/deducted the relevant taxes. The Group has preferred an appeal and the outcome is awaited.

Against the claims not acknowledged as debts, the parent company has paid ₹4.47 crores (previous year ₹3.94 crores). The expected outflow will be determined at the time of final outcome in respect of the concerned matter. No amount is expected to be reimbursed.

(b) The Parent Company and/or its subsidiaries ('the Company' or 'Torrent') are involved in certain legal proceedings, including product liability matters wherein there are two Multi-District Litigations ("MDL") pending against Torrent and other manufacturers for Valsartan and Losartan, and other commercial matters, that arise from time to time in the ordinary course of business. It is difficult to ascertain the financial effect, if any, of such proceedings that will result from its ultimate disposition due to involvement of complex issues with substantial uncertainties and without any

Notes forming part of the Consolidated Financial Statements

41 Commitments and Contingencies (Continued)

precedents. Additionally, many factors like stage of the proceedings, overall length and extent of discovery process; the entitlement of the parties to an action to appeal a decision; the extent of the claims; the possible need for further legal proceedings to establish the appropriate amount of damages, if any; the settlement posture of the other parties to the litigation; uncertainty in timing of litigation and any other factors that may have an implication on the ultimate outcome of the ongoing litigations. The Company assesses likely outcome based on internal assessment as well as considers views of legal counsel representing the Company. Moreover, Company carries product liability insurance policy of amount which it believes to be sufficient for its needs.

(c) In view of amendment in Section 37(1) of Income Tax Act, 1961 introduced in Finance Act, 2022, it is possible that the parent company may get involved in the litigation on allowability of certain expenses in relation to the years for which assessment proceedings have not commenced. It is difficult to ascertain the financial effects from such future proceedings, if any, that will result in to its ultimate disposition. The parent company assesses likely outcome based on internal assessment as well as considers views of external consultants representing the parent company.

42 Relationship with Struck off Companies

The following table depicts the details of balances outstanding in respect of transactions undertaken with a company struck-off under Section 248 of the Companies Act, 2013 or Section 530 of Companies Act, 1956:

(₹ in crores)

Name of struck off company (Nature of transactions with struck off company)	Relationship with struck off company	As at March 31, 2025	As at March 31, 2024
Best Value Hotels Private Limited* (Services availed)	Not related	0.00	0.00
Dhanvanthri Pharma Distributors Private Limited (Sale of goods)	Not related	-	0.02
Manilal Patel Private Limited* (Subscription to equity shares)	Not related	0.00	0.00

* Represents value less than ₹1 lakh.

43 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. The Group has not received any funds from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

44 Proposed dividend

The Board of Directors of Holding Company, in its meeting held on May 20, 2025, has proposed a final dividend of ₹6 per equity share for the financial year ended March 31, 2025. The proposal is subject to the approval of the shareholders of the Holding Company at the ensuing Annual General Meeting and if approved would result in a cash outflow of approximately ₹203.07 crores.

45 The consolidated financial statements for the year ended March 31, 2025 were approved for issue by the Board of Directors on May 20, 2025.

46 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

(a) As at and for the year ended March 31, 2025

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ in crores	As % of consolidated profit or loss	₹ in crores	As % of consolidated other comprehensive income	₹ in crores	As % of consolidated total comprehensive income	₹ in crores
Parent								
Torrent Pharmaceuticals Limited	100.02%	7,592.50	98.79%	1,888.06	44.08%	(41.29)	101.61%	1,846.77
Subsidiaries								
Foreign								
Zao Torrent Pharma	1.06%	79.96	0.66%	12.52	(6.73%)	6.30	1.04%	18.82
Torrent do Brasil Ltda.	5.27%	400.23	0.82%	15.71	30.11%	(28.21)	(0.69%)	(12.50)
Torrent Pharma GmbH	1.58%	120.11	(0.13%)	(2.41)	(2.01%)	1.88	(0.03%)	(0.53)
Torrent Pharma Inc.	(9.22%)	(699.88)	2.56%	48.91	25.23%	(23.63)	1.39%	25.28
Torrent Pharma Philippines, Inc.	1.03%	78.36	(0.70%)	(13.35)	(0.86%)	0.81	(0.69%)	(12.54)
Laboratorios Torrent, S.A. de C.V.	0.87%	66.12	(1.07%)	(20.38)	8.84%	(8.28)	(1.58%)	(28.66)
Torrent Australasia Pty. Ltd.	0.01%	0.42	0.00%	0.08	0.01%	(0.01)	0.00%	0.07
Torrent Pharma (UK) Ltd	(0.54%)	(40.91)	0.20%	3.86	6.00%	(5.62)	(0.10%)	(1.76)
Torrent Pharma (Thailand) Co., Ltd.	0.05%	3.29	(0.31%)	(6.03)	(0.16%)	0.15	(0.32%)	(5.88)
Laboratories Torrent (Malaysia) Sdn. Bhd.	0.24%	17.87	(0.06%)	(1.16)	(0.81%)	0.76	(0.02%)	(0.40)
TPL (Malta) Limited	2.80%	212.65	(0.01%)	(0.11)	-	-	(0.01%)	(0.11)
Heumann Pharma GmbH & Co. Generica KG	4.48%	339.59	3.30%	63.07	(1.25%)	1.17	3.53%	64.24
Heunet Pharma GmbH	1.16%	88.15	1.19%	22.75	(1.12%)	1.05	1.31%	23.80
Torrent Pharma (Malta) Limited	2.39%	181.48	(1.18%)	(22.64)	(1.87%)	1.75	(1.15%)	(20.89)
Curatio Inc.	0.02%	1.77	(0.07%)	(1.33)	-	-	(0.07%)	(1.33)
Torrent International Lanka (Pvt) Ltd (Formerly known as Curatio International Lanka (Private) Ltd)	0.00%	0.31	0.00%	(0.10)	0.04%	(0.04)	(0.01%)	(0.14)
Farmaceutica Torrent Colombia SAS	0.06%	4.86	(0.18%)	(3.42)	0.50%	(0.47)	(0.21%)	(3.89)
Torrent Pharmaceuticals Chile SpA	-	-	-	-	-	-	-	-
Non-controlling interests in all subsidiaries	-	-	-	-	-	-	-	-
Consolidation adjustments	(11.28%)	(856.19)	(3.81%)	(72.78)	-	-	(4.00%)	(72.78)
	100.00%	**7,590.69**	**100.00%**	**1,911.25**	**100.00%**	**(93.68)**	**100.00%**	**1,817.57**

46 (Continued)

b) As at and for the year ended March 31, 2024

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ in crores	As % of consolidated profit or loss	₹ in crores	As % of consolidated other comprehensive income	₹ in crores	As % of consolidated total comprehensive income	₹ in crores
Parent								
Torrent Pharmaceuticals Limited	99.59%	6,828.71	81.93%	1,357.07	182.27%	31.06	82.97%	1,388.13
Subsidiaries								
Foreign								
Zao Torrent Pharma	0.89%	61.23	0.50%	8.23	(35.15%)	(5.99)	0.13%	2.24
Torrent do Brasil Ltda.	6.02%	412.72	7.69%	127.36	25.18%	4.29	7.87%	131.65
Torrent Pharma GmbH	1.76%	120.66	6.49%	107.53	1.35%	0.23	6.44%	107.76
Torrent Pharma Inc.	(10.58%)	(725.21)	6.56%	108.69	(74.65%)	(12.72)	5.73%	95.97
Torrent Pharma Philippines, Inc.	1.33%	90.92	(0.12%)	(1.97)	(9.98%)	(1.70)	(0.22%)	(3.67)
Laboratorios Torrent, S.A. de C.V.	1.38%	94.77	1.12%	18.51	36.21%	6.17	1.47%	24.68
Torrent Australasia Pty. Ltd.	0.00%	0.34	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Torrent Pharma (UK) Ltd	(0.57%)	(39.13)	2.07%	34.35	(20.36%)	(3.47)	1.85%	30.88
Torrent Pharma (Thailand) Co., Ltd.	0.04%	3.03	(0.25%)	(4.12)	(1.00%)	(0.17)	(0.26%)	(4.29)
Laboratories Torrent (Malaysia) Sdn. Bhd.	0.27%	18.28	0.06%	0.99	(3.46%)	(0.59)	0.02%	0.40
TPL (Malta) Limited	2.08%	142.42	(0.00%)	(0.08)	123.83%	21.10	1.26%	21.02
Heumann Pharma GmbH & Co. Generica KG	4.02%	275.34	5.89%	97.61	(10.21%)	(1.74)	5.73%	95.87
Heunet Pharma GmbH	0.94%	64.37	1.41%	23.36	9.62%	1.64	1.49%	25.00
Torrent Pharma (Malta) Limited	1.93%	132.02	(0.43%)	(7.09)	(124.35%)	(21.19)	(1.69%)	(28.28)
Curatio Inc.	0.04%	2.50	0.03%	0.54	(0.18%)	(0.03)	0.03%	0.51
Torrent International Lanka (Pvt) Ltd (Formerly known as Curatio International Lanka (Private) Ltd)	(0.00%)	(0.27)	(0.00%)	(0.06)	(0.18%)	(0.03)	(0.01%)	(0.09)
Farmaceutica Torrent Colombia SAS	0.13%	8.77	(0.03%)	(0.53)	1.06%	0.18	(0.02%)	(0.35)
Non-controlling interests in all subsidiaries	-	-	-	-	-	-	-	-
Consolidation adjustments	(9.27%)	(635.32)	(12.92%)	(214.00)	-	-	(12.79%)	(214.00)
	100.00%	**6,856.15**	**100.00%**	**1,656.38**	**100.00%**	**17.04**	**100.00%**	**1,673.42**

Note: Net assets and share in profit or loss for the parent company and subsidiaries are as per the standalone financial statements of the respective entities.

In terms of our report attached

For and on behalf of the Board of Directors

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Samir Mehta
Executive Chairman
DIN: 00061903

Sadashiv Shetty
Partner
Membership No.: 048648

Sudhir Menon
Executive Director (Finance)
& Chief Financial Officer

Chintan Trivedi
Company Secretary

Mumbai
May 20, 2025

Mumbai
May 20, 2025

(A) Form AOC-1: Statement containing salient features of the financial statement of subsidiaries/joint ventures pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014:

Part "A": Subsidiaries

(₹ in crores except as stated otherwise)

Sr. No.	Name of the subsidiary	Date of acquisition	Reporting currency	As at March 31, 2025						For the year ended March 31, 2025				
				Exchange Rate (₹)	Share capital	Reserves & surplus	Total assets	Total liabilities	Investments	Turnover*	Profit before taxation*	Provision for taxation*	Profit after taxation*	Proposed Dividend*
1	Zao Torrent Pharma	Not Applicable	Rouble	1.0227	0.24	84.04	106.77	22.49	-	135.70	17.33	4.00	13.33	-
2	Torrent do Brasil Ltda.	May 31, 2001	Reais	14.9039	28.53	342.85	957.94	586.56	-	1,099.35	61.68	26.24	35.44	-
3	Torrent Pharma GmbH	Not Applicable	Euro	92.3246	0.23	142.54	176.11	33.34	53.87	1.06	(0.80)	1.79	(2.59)	-
4	Torrent Pharma Inc.	Not Applicable	USD	85.5814	10.27	(709.94)	1,198.90	1,898.57	-	1,066.73	61.33	17.58	43.75	-
5	Torrent Pharma Philippines, Inc.	Not Applicable	Pesos	1.4941	5.76	73.17	181.76	102.83	-	195.51	(16.29)	(3.74)	(12.55)	-
6	Laboratorios Torrent, S.A. de C.V.	Not Applicable	Mxn$	4.1951	31.35	34.60	145.58	79.63	-	182.30	(18.16)	(2.60)	(15.56)	-
7	Torrent Australasia Pty. Ltd.	Not Applicable	Au$	53.4550	0.46	(0.05)	0.55	0.14	-	0.72	0.09	-	0.09	-
8	Torrent Pharma (Thailand) Co., Ltd.	Not Applicable	THB	2.5178	15.59	(12.30)	6.40	3.11	-	4.52	(6.10)	-	(6.10)	-
9	Torrent Pharma (UK) Ltd	Not Applicable	GBP	110.7389	2.49	(58.96)	161.33	217.80	-	181.33	1.42	(0.13)	1.55	-
10	Laboratories Torrent (Malaysia) Sdn. Bhd.	Not Applicable	MYR	19.2751	1.93	15.89	47.90	30.08	-	72.11	(2.64)	(0.54)	(2.10)	-
11	Heumann Pharma GmbH & Co. Generica KG	July 3, 2005	Euro	92.3246	0.10	324.40	1,320.51	996.01	-	1,030.59	70.58	11.95	58.63	-
12	Heunet Pharma GmbH	Not Applicable	Euro	92.3246	0.23	86.19	360.49	274.07	-	185.98	32.57	10.48	22.09	-
13	TPL (Malta) Limited	Not Applicable	Euro	92.3246	216.96	(0.41)	216.57	0.02	216.50	-	(0.12)	-	(0.12)	-
14	Torrent Pharma (Malta) Limited	Not Applicable	Euro	92.3246	216.50	(35.03)	228.46	46.99	-	-	(22.48)	-	(22.48)	-
15	Curatio Inc.	October 14, 2022	Pesos	1.4941	16.86	(15.08)	1.77	(0.01)	-	1.49	(1.30)	0.02	(1.32)	-
16	Torrent International Lanka (Pvt) Ltd (Formerly known as Curatio International Lanka (Private) Ltd)	October 14, 2022	LKR	0.2889	6.86	(6.55)	0.31	-	-	-	(0.10)	-	(0.10)	-
17	Farmaceutica Torrent Colombia SAS	Not Applicable	COP	0.0205	8.79	(3.94)	5.53	0.68	-	0.02	(3.42)	-	(3.42)	-
18	Torrent Pharmaceuticals Chile SpA	Not Applicable	CLP	0.0892	-	-	-	-	-	-	-	-	-	-

Notes:

i. % of shareholding in all subsidiaries either directly or through its subsidiaries is 100%.

ii. Torrent Australasia Pty. Ltd., Farmaceutica Torrent Colombia SAS and Torrent Pharmaceuticals Chile SpA are yet to commence their operations.

iii. Curatio Inc. and Torrent International Lanka (Pvt) Ltd are under liquidation.

* Converted using average exchange rates prevailing during the year.

(A) Form AOC-1: Statement containing salient features of the financial statement of subsidiaries/joint ventures pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014: (Continued)

Part "B": Associates and Joint Ventures

(₹ in crores)

Sr. No.	Name of Associates or Joint Venture	Date of acquisition	Latest Audited Balance Sheet Date	Shares of Associate or Joint Venture held by the Company			Description of how there is significant influence	Reason why the Joint venture is not consolidated	Net worth attributable to shareholding as per latest audited Balance Sheet	Profit/Loss for the year	
				No. of shares	Amount of investment	Extend of Holding %				Considered in Consolidation	Not considered in Consolidation
1	UNM Foundation	Not Applicable	Refer Note below								

Note: UNM Foundation (UNM) is a company incorporated under Section 8 of the Companies Act, 2013 and this company is prohibited to give any right over its profits to the members. In view of restrictions on Section 8 companies, the parent Company's proportionate share in UNM has not been considered in consolidated financial statement.

In accordance with Section 136 of the Companies Act, 2013, the annual audited accounts of each of the subsidiaries shall be made available to the shareholders of the Company seeking such information at any point in time. Further, in accordance with the aforementioned section, the audited financial statements, including the Consolidated Financial Statement and related information of the Company and audited accounts of each of its subsidiaries, are available on our website: www.torrentpharma.com. These documents will also be available for inspection at our registered office during normal business hours (10:00 AM to 6:00 PM) on working days, except Saturdays, Sundays and public holidays up to and including the date of Annual General Meeting of the Company.

For and on behalf of the Board of Directors

Samir Mehta
Executive Chairman
DIN: 00061903

Sudhir Menon
Executive Director (Finance)
& Chief Financial Officer

Chintan Trivedi
Company Secretary

Mumbai
May 20, 2025

FIVE YEAR FINANCIAL HIGHLIGHTS

(₹ in crores except as stated otherwise)

CONSOLIDATED	2024-25	2023-24	2022-23	2021-22	2020-21
SALES, PROFIT & DIVIDEND					
Revenue	11,516	10,728	9,620	8,508	8,005
Operating EBITDA	3,721	3,368	2,842	2,431	2,480
EBIT	2,926	2,559	2,135	1,769	1,822
Profit before exceptional items and tax (PBT)	2,697	2,264	1,847	1,711	1,526
Profit after tax (PAT)	1,911	1,656	1,245	777	1,252
Dividend for the year	1,083	948	745	812	592
Total dividend per share (₹)	32.00	28.00	22.00	48.00	35.00
Special dividend per share (₹)	-	-	-	15.00	-
Normal dividend (interim dividend and proposed final dividend) per share (₹)	32.00	28.00	22.00	33.00	35.00
FINANCIAL POSITION					
Equity share capital	169	169	169	85	85
Other equity	7,421	6,687	6,029	5,868	5,753
Long term borrowings	1,776	2,300	3,532	3,095	4,121
Capital employed	9,366	9,156	9,730	9,048	9,959
Gross block	14,519	13,845	13,577	11,358	11,401
Net block	8,425	8,499	8,887	7,052	7,954
Net current assets	905	186	(134)	750	630
RETURN					
On revenue (PBT)%	23%	21%	19%	20%	19%
On capital employed (EBIT)%	31%*	28%*	22%	19%*	18%
On shareholder's fund (PAT)%	25%*	23%*	20%	18%*	21%
Earnings per share (₹)**	56.47	48.94	36.79	22.96	36.99
Earnings per share before exceptional item net of tax (₹)**	56.99	46.88	36.79	34.28	36.99

*Adjusted for exceptional items

** Adjusted for previous years on account of bonus shares issued during the year 2022-23

Assurance Report

Independent Practitioner's assurance report on identified non-financial information included in Torrent Pharmaceuticals Limited's Integrated Annual Report

To

The Board of Directors

Torrent Pharmaceuticals Limited

Ahmedabad, Gujarat, India

1. We have been engaged to perform an assurance engagement for Torrent Pharmaceuticals Limited ('Torrent Pharma' or 'the Company') vide our engagement letter dated 24 March 2025, to provide reasonable assurance on the non-financial information pertaining to GRI 302-1 and 3, GRI 303 – 3, 4 and 5, GRI 305 – 1 and 2, GRI 306 – 3, 4 and 5 and GRI 403 - 9 ("Subject Matter 1") and limited assurance on the identified non-financial information, other than subject matter 1 ("Subject Matter 2") included in the Integrated Annual Report of the Company for the financial year ended 31 March 2025 (Subject Matter 1 and Subject Matter 2 together referred as "Identified Sustainability Information") prepared by management in accordance with the Criteria stated below. This assurance engagement has been carried out by a multi-disciplinary team including assurance practitioners and engineers.

Identified Sustainability Information

2. The Identified Sustainability Information is summarised as below:

   a) The Subject Matter 1 for the financial year ended 31 March 2025 included in Integrated Annual Report is summarised below:

Series	Material Issue	GRI	Key Performance Indicator
GRI – 300 Environment	302 – Energy (2016)	302-1	Energy consumption within the organization
		302-3	Energy intensity
	303 – Water and Effluents (2018)	303-3	Water withdrawal
		303-4	Water discharge
		303-5	Water Consumption
	305 – Emissions (2016)	305-1	Direct (Scope 1) GHG emissions
		305-2	Energy indirect (Scope 2) GHG emissions
	306 – Waste (2020)	306-3	Waste generated
		306-4	Waste diverted from disposal
		306-5	Waste directed to disposal
GRI – 400 Social	403 - Occupational Health and Safety (2018)	403-9	Work related injuries

   b) The Subject Matter 2 for the financial year ended 31 March 2025 included in Integrated Annual Report is summarised below:

Series	Material Issue	GRI	Key Performance Indicator
GRI 2	General Disclosure (2021)	2 – 7	Employees
		2-8	Workers who are not employees
		2 – 9	Governance structure and composition
GRI – 300 Environment	302 – Energy (2016)	302-4	Reduction of energy consumption
	305 – Emissions (2016)	305-5	Reduction of GHG emissions
		305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions

Series	Material Issue	GRI	Key Performance Indicator
GRI – 400 Social	401 – Employment (2016)	401-1	New employee hires and employee turnover (age and gender)
		401-3	Parental Leave
	404 - Training and Education (2016)	404 - 1	Average hours of training per year per employee
	405 – Diversity and Equal Opportunity (2016)	405-1	Diversity of governance bodies and employees (age and gender)
	413 – Local Communities (2016)	413 – 1	Operations with local community engagement, impact assessments, and development programs

3. The boundary of the report covers the Company's operations in India, Vietnam and Russia and its subsidiaries in Germany, Russia, Sri Lanka, Malaysia, Mexico, Philippines, UK, US, Brazil, Malta, Thailand, Colombia, Chile and Australia.

4. Our assurance engagement is with respect to the Identified Sustainability Information for the reporting boundary as mentioned above for financial year ended 31 March 2025 only unless otherwise stated and we have not performed any procedures with respect to earlier periods or any other elements included in the Integrated Annual Report, therefore, do not express any opinion/ conclusion thereon.

Criteria

5. The Company has prepared the Identified Sustainability Information included in the Integrated Annual Report based on the principles of the International Integrated Reporting Framework published by the International Integrated Reporting Council ('IIRC') of the Value Reporting Foundation with reference to Global Reporting Initiative ('GRI') Sustainability Reporting Standards ('the GRI Standards') issued by Global Sustainability Standards Board (GSSB) (hereinafter referred to as 'Criteria').

Management's Responsibilities

6. The Company's management is responsible for selecting or establishing suitable criteria for preparing the Identified Sustainability Information, taking into account applicable laws and regulations, if any, related to reporting on the Identified Sustainability Information, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of the Integrated Annual Report and the measurement of the Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

Inherent limitations

7. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

Practitioner's Independence and Quality Control

8. We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants ('IESBA'), which is founded on fundamental principles of integrity, objectivity, professional competence, and due care, confidentiality and professional behaviour.

9. Our firm applies International Standards on Quality Management ('ISQM') 1 - Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's Responsibility

10. Our responsibility is to express a reasonable assurance in the form of an opinion on the Subject Matter 1 and express a limited assurance in the form of a conclusion on the Subject Matter 2, based on the procedures we have performed and evidence we have obtained.

11. We conducted our reasonable assurance engagement and limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), "Assurance Engagements other than Audits or Reviews of Historical Financial Information" ('ISAE 3000 (Revised)') issued by the International Auditing and Assurance Standards Board ('IAASB'). This standard

requires that we plan and perform our engagement to obtain reasonable assurance about whether the Subject Matter 1 is prepared, in all material respects, with reference to GRI standards and limited assurance about whether anything has come to our attention that causes to believe that the Subject Matter 2 is not prepared in all material respects with respect to GRI Standards.

12. A reasonable assurance engagement undertaken in accordance with ISAE 3000 involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of the Subject Matter 1, assessing the risks of material misstatement of the Subject Matter 1 whether due to fraud or error, responding to the assessed risks as necessary in the circumstances and evaluating the overall presentation of the Subject Matter 1.

13. A limited assurance engagement undertaken in accordance with ISAE 3000 involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of the Subject Matter 2, identifying areas where material misstatement is likely to arise in the Subject Matter 2 whether due to fraud or error, designing and performing procedures to address identified risk areas as necessary in the circumstances, and evaluating the overall presentation of the Subject Matter 2.

14. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

15. The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.

16. Given the circumstances of the engagement, in performing the procedures listed above, our work procedures included the following:

- Physical site visit at the corporate office and R&D centre at Ahmedabad and site visit at Indrad, Gujarat for data and document verification.
- Interviewing senior executives to understand the reporting process, governance, systems and controls in place during the reporting period.
- Reviewing the records and relevant documentation including information from audited financial statements or statutory reports submitted by the Company to support relevant performance disclosures within our scope.
- Evaluating the suitability and application of Criteria and that the Criteria have been applied appropriately to the Identified Sustainability Information.
- Selecting key parameters and representative sampling, based on statistical audit sampling tables and agreeing claims to source information to check accuracy and completeness of claims such as source data, meter data, etc.
- Re-performing calculations to check accuracy of claims,
- Reviewing data from independent sources, wherever available,
- Reviewing data, information about sustainability performance indicators and statements in the report.
- Reviewing and verifying information/ data as per the GRI and IIRC framework;
- Reviewing accuracy, transparency and completeness of the information/ data provided;

17. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our reasonable assurance opinion on Subject Matter 1.

18. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Subject Matter 2 have been prepared, in all material respects, with reference to GRI Standards.

Exclusions

19. Our assurance engagement scope excludes the following and therefore we do not express an opinion/a conclusion on the same:

- Any disclosure other than those mentioned in the Identified Sustainability Information section above
- Operations of the Company other than those mentioned in paragraph 2 and 3 above on Scope of Assurance

- Data and information outside the defined reporting period
- Data related to Company's financial performance, strategy and other related linkages expressed in the Integrated Annual Report.
- The Company's statements that describe expression of opinion, belief, aspiration, expectation, forward looking statements provided by the Company and assertions related to Intellectual Property Rights and other competitive issues.
- Mapping of the Report with reporting frameworks other than those mentioned in Criteria above.
- While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.
- The procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

Opinion

20. Based on the procedures we have performed and the evidence we have obtained, the Subject Matter 1 included in the Annual Integrated Report for the financial year ended 31 March 2025 is prepared, in all material respects, with reference to the GRI Standards.

Conclusion

21. Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Company's subject Matter 2 contained in the Integrated Annual Report for the financial year ended 31 March 2025, is not prepared, in all material respects, with reference to GRI Standards.

Restriction on use

22. Our assurance report has been prepared and addressed to the Board of Directors of the Company at the request of the Company solely, to assist the Company in reporting on the Company's sustainability performance and activities. Accordingly, the assurance report may not be suitable for any other purpose and should not be used by any other party other than the Board of Directors of the Company, without our prior written consent. Further, we do not accept or assume any duty of care or liability for any other purpose or to any other party to whom the assurance report is shown or into whose hands it may come without our prior consent in writing.

Grant Thornton Bharat LLP

Abhishek Tripathi

Partner

Dated: 16 June 2025
Place: Grant Thornton Bharat LLP
Plot No. 19A, 2nd Floor, Sector – 16A,
Noida - 201301,
Uttar Pradesh, India

GRI Index

Statement of use	Torrent Pharma has reported the information in this index for the period 1st April 2024 to 31st March 2025 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE		LOCATION	
			Section	Page No.
GRI 2: General Disclosures 2021				
GRI 2: General Disclosures 2021	2-1	Organizational details	About Torrent Pharma, about Us	Inner Cover, 8
	2-2	Entities included in the organization's sustainability reporting	Approach to Reporting	4
	2-3	Reporting period, frequency and contact point	Approach to Reporting	4
	2-4	Restatements of information	Approach to Reporting	4
	2-5	External assurance	Approach to Reporting	4, 365
	2-6	Activities, value chain and other business relationships	Product Portfolio	10 - 17, 24
	2-7	Employees	Human Capital	66
	2-8	Workers who are not employees	Human Capital	66
	2-9	Governance structure and composition	Governance Framework	20 - 23
	2-10	Nomination and selection of the highest governance body	Report on Corporate Governance	204
	2-11	Chair of the highest governance body	Report on Corporate Governance	199
	2-12	Role of the highest governance body in overseeing the management of impacts	Report on Corporate Governance	198
	2-13	Delegation of responsibility for managing impacts	Report on Corporate Governance	200 - 204
	2-15	Conflicts of interest	Business Responsibility and Sustainability Report	157
			Report on Corporate Governance	199
	2-16	Communication of critical concerns	Report on Corporate Governance	210
	2-17	Collective knowledge of the highest governance body	Report on Corporate Governance	198
	2-18	Evaluation of the performance of the highest governance body	Report on Corporate Governance	204
	2-19	Remuneration policies	Report on Corporate Governance	204
	2-20	Process to determine remuneration	Report on Corporate Governance	204
	2-21	Annual total compensation ratio	Annexure B to the Directors' Report	114
	2-22	Statement on sustainable development strategy	Executive Chairman's Message	18
	2-23	Policy commitments	Business Responsibility and Sustainability Report	150 - 151
	2-24	Embedding policy commitments	Business Responsibility and Sustainability Report	151
	2-26	Mechanisms for seeking advice and raising concerns	Report on Corporate Governance	210
	2-27	Compliance with laws and regulations	Business Responsibility and Sustainability Report	154

GRI Index (Continued)

GRI STANDARD	DISCLOSURE	LOCATION	
		Section	Page No.
	2-28 Membership associations	Business Responsibility and Sustainability Report	182
	2-29 Approach to stakeholder engagement	Stakeholder Engagement	26 - 27
		Business Responsibility and Sustainability Report	167
Material Topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality Assessment	28
	3-2 List of material topics	Materiality Assessment	29
		Business Responsibility and Sustainability Report	147
	3-3 Management of material topics	Manufactured Capital	44
		Intellectual Capital	49
		Natural Capital	84, 87
		Human Capital	58, 60
Economic Performance			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Financial Capital	38
Environmental Performance			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Natural Capital	84
	302-3 Energy intensity	Natural Capital	84
	302-4 Reduction of energy consumption	Natural Capital	84
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	Natural Capital	87
	303-4 Water discharge	Natural Capital	87
	303-5 Water consumption	Natural Capital	87
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Natural Capital	85
	305-2 Energy indirect (Scope 2) GHG emissions	Natural Capital	85
	305-3 Other indirect (Scope 3) GHG emissions	Natural Capital	86
	305-5 Reduction of GHG emissions	Natural Capital	85
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Natural Capital	86
GRI 306: Waste 2020	306-3 Waste generated	Natural Capital	89
	306-4 Waste diverted from disposal	Natural Capital	89
	306-5 Waste directed to disposal	Natural Capital	89
Social Performance			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Human Capital	66
	401-3 Parental leave	Human Capital	60

GRI Index (Continued)

GRI STANDARD	DISCLOSURE	LOCATION	
		Section	Page No.
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Human Capital	64
	403-4 Worker participation, consultation, and communication on occupational health and safety	Human Capital	64
	403-5 Worker training on occupational health and safety	Human Capital	64
	403-8 Workers covered by an occupational health and safety management system	Human Capital	64
	403-9 Work-related injuries	Human Capital	65
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Human Capital	62
	404-2 Programs for upgrading employee skills and transition assistance programs	Human Capital	62
	404-3 Percentage of employees receiving regular performance and career development reviews	Human Capital	63
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Human Capital	67
		Leadership Team	23
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Social and Relationship Capital	70 - 77
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Glossary of Abbreviations

AAP	Annual Action Plan
AD	Anti-Diabetes
ADA	American Diabetes Association
ADHD	Attention Deficit Hyperactivity Disorder
AER	Adverse Event Reporting
AGES	Austrian Agency for Health and Food Safety GmbH
AGM	Annual General Meeting
AHU	Air Handling Unit
AI	Artificial Intelligence
AIOCD	All Indian Origin Chemists & Distributors
ANDA	Abbreviated New Drug Application
ANSM	The National Security Agency of Medicines and Health Products
ANVISA	Agencia Nacional de Vigilancia Sanitaria
API	Active Pharmaceutical Ingredient
AR	Augmented Reality
ATFD	Agitated Thin Film Dryer
AVD	Alternate Vendor Development
BE	Bioequivalence
BED	Binge Eating Disorder
BGx	Branded Generics
BOD	Board of Directors
BS	Bharat Stage
BSE	Bombay Stock Exchange
CAGR	Compound Annual Growth Rate
CAPA	Corrective Action and Preventive Action
CFB	Coated front back
CFR	Code of Federal Regulations
cGMP	Current Good Manufacturing Practice
CHC	Consumer Health Care
CIS	Commonwealth of Independent States
CII	Confederation of Indian Industry
CME	Continuous Medical Education
CNS	Central Nervous System
COSO	Committee of Sponsoring Organisations
CPS	Cyber-Physical System
CRO	Chief Risk Officer
CSR	Corporate Social Responsibility
CSRS	Corporate Social Responsibility and Sustainability
CV	Cardiovascular
DCGI	Drug Controller General of India
DG	Diesel Generator
DKMA	Danish Medicines Agency
DPCO	Drug Price Control Order
DPP4	Dipeptidyl Peptidase 4
DPS	Dividend per Share
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortisation
e-BMR	Electronic Batch Manufacturing Record
e-BPR	Electronic Batch Packaging Record
ECG	Electrocardiogram
EHS	Environment, Health, and Safety
e-MRD	Electronic Medical Record Department

EPS	Earning Per Share
ERM	Enterprise Risk Management
ERP	Enterprise Resource Planning
ESG	Environment, Social and Governance
ETP	Effluent Treatment Plant
EU	European Union
EV	Electric Vehicle
FCF	Free Cash Flows
FDC	Fixed Dosage Combinations
FICCI	Federation of Indian Chambers of Commerce and Industry
GCCI	Gujarat Chamber of Commerce and Industry
GDP	Gross Domestic Product
GERD	Gastroesophageal Reflux Disease
GHG	Greenhouse Gas
GI	Gastro-Intestinal
GJ	Gigajoules
GLP	Good Laboratory Practices
GMP	Good Manufacturing Practices
GP	General Physician
GRI	Global Reporting Initiative
Gx	Generics
HCP	Healthcare Professional
HMI	Human-Machine Interface
HP-API	Highly Potent Active Pharmaceutical Ingredient
HR	Human Resources
HSD	High-Speed Diesel
HSE	Health, Safety and Environment
HVAC	Heating Ventilation and Air Conditioning
IDMA	Indian Drug Manufacturing Assocaition
ICH	International Council for Harmonisation
ICP-MS	Inductively Coupled Plasma Mass Spectrometry
IFRS	International Financial Reporting Standards
IIRC	International Integrated Reporting Council
ILO	International Labour Organization
IoT	Internet of Things
IP	Intellectual Property
IPA	Indian Pharmaceutical Alliance
IPM	India Pharma Market
IR	Integrated Report
ISO	International Organisation for Standardisation
IT	Information Technology
KPI	Key Performance Indicators
KVA	Kilovolt-amperes
KWH	Kilowatt-Hour
LATAM	Latin America
LDO	Light Diesel Oil
LSHS	Low Sulphur Heavy Stock
LTIFR	Lost Time Injury Frequency Rate
MAT	Minimum Alternate Tax
MEE	Multiple Effect Evaporator
MES	Manufacturing Execution Systems

Glossary of Abbreviations (Continued)

MIS	Management Information System
Mn	Million
MT	Metric Ton
MW	Mega Watt
NABH	National Accreditation Board for Hospitals & Healthcare Providers
NABL	National Accreditation Board for Testing and Calibration Laboratories
NAFLD	Non-Alcoholic Fatty Liver Disease
NASH	Non-Alcoholic Steatohepatitis
NDDS	Novel Drug Delivery System
NF	Nano Filtration
NGRBC	National Guidelines on Responsible Business Conduct
NICU	Neonatal Intensive Care Unit
NLEM	National List of Essential Medicines
NOx	Nitrogen Oxides
NPRA	National Pharmaceutical Regulatory Agency, Malaysia
NSE	National Stock Exchange
OAD	Oral Antidiabetic Drugs
OECD	Organisation for Economic Co-operation and Development
OP. EBITDA	Operating Earnings before Interest, Taxes, Depreciation
OPD	Outpatient Department
OSD	Oral Solid Dosage
OT	Operation Theatre
OTC	Over the Counter
P2P	Principle to Principle
PAGE	Foundation for Pharmaceutical Academy for Global Excellence
PAN	Presence Across Nation
PAT	Profit After Tax
PBM	Pharmacy Business Management
PCPM	Per Capita Per Month
PDE	Permitted Daily Exposure Limits
PHARMEXCIL	Pharmaceutical Export Promotion Council
PHCs	Paediatric Health Centres
PICU	Pediatric Intensive Care Unit
POS	Point of Sale
POSH	Prevention of Sexual Harassment
PPI	Proton Pump Inhibitors
PV	Pharmacovigilance
PVC	Polyvinyl chloride

QbD	Quality by Design
QC	Quality Control
QR	Quick Response
R&D	Research & Development
RCM	Risk Management Committee
RDA	Recommended Dietary Allowance
REACH	Reach EAch CHild
RMC	Risk Management Committee
RO	Reverse Osmosis
ROCE	Return on Capital Employed
ROE	Return on Equity
ROW	Rest of the World
RPT	Related Party Transactions
SAP	Systems Applications and Products
SAS	Statistical Analysis System
SCADA	Supervisory Control And Data Acquisition
SDMS	Scientific Data Management System
SGLT2	Sodium Glucoseco-Transporter-2
SKU	Stock Keeping Unit
SMARC	Strategic Marketing Solutions & Research Centre
SME	Subject Matter Experts
SMS	Short Message Service
SOP	Standard Operating Procedures
SOx	Sulphur Oxides
SPOC	Single Point of Contact
STP	Sewage Treatment Plant
T2DM	Type 2 Diabetes Mellitus
tCO_2	Tonnes of Carbon Dioxide Equivalent
TGA	Therapeutic Goods Administration
TJ	Terajoules
TSDF	Treatment, Storage, and Disposal Facility
TTC	Threshold of Toxicological Concern
UAE	United Arab Emirates
UK	United Kingdom
UN SDG	United Nations Sustainable Development Goals
UNGP	United Nations Guiding Principles
US	The United States
USFDA	United States Food and Drug Administration
UV	Ultraviolet
VAI	Voluntary Action Indicated
VMN	Vitamins Minerals Nutrients
VR	Virtual Reality
WHO	World Health Organisation
ZLD	Zero Liquid Discharge

NOTICE

NOTICE IS HEREBY GIVEN THAT THE FIFTY SECOND ANNUAL GENERAL MEETING OF THE MEMBERS OF TORRENT PHARMACEUTICALS LIMITED will be held on Monday, 28th July, 2025 at 09:30 AM through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Standalone Financial Statements as at 31st March, 2025 including the Audited Balance Sheet as at 31st March, 2025, the Statement of Profit and Loss for the year ended on that date and reports of the Board of Directors and Auditors thereon.

2. To receive, consider and adopt the Consolidated Financial Statements as at 31st March, 2025 including the Audited Balance Sheet as at 31st March, 2025, the Statement of Profit and Loss for the year ended on that date and reports of the Auditors thereon.

3. To confirm the payment of interim dividend on equity shares already paid during the financial year ended 31st March, 2025 and to declare final dividend on equity shares for the said financial year.

   The Board of Directors at its meeting held on 24th January, 2025 had declared the interim dividend of ₹26.00 per equity share of fully paid up face value of ₹5.00 each and in its meeting held on 20th May, 2025 recommended final dividend of ₹6.00 per equity share of fully paid up face value of ₹5.00 each for the financial year ended 31st March, 2025.

4. To appoint a Director in place of Aman Mehta (holding DIN: 08174906), Director, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   RATIFICATION OF REMUNERATION OF COST AUDITORS OF THE COMPANY FOR THE YEAR 2025-26

   "**RESOLVED THAT** pursuant to provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof) ("the Act") and the approval by the Board of Directors at their meeting dated 20th May, 2025, the consent of the Company be and is hereby accorded for ratification of the below remuneration to M/s. Kirit Mehta & Co., Cost Accountants as the Cost Auditors of the Company for the financial year 2025-26:

   ₹10,00,000/- plus out of pocket expenses & GST as applicable to conduct the audit of the cost accounting records for all the manufacturing facilities of the Company."

6. To consider and if thought fit, to pass the following resolution as a Special Resolution:

   ISSUANCE OF EQUITY SHARES INCLUDING CONVERTIBLE BONDS / DEBENTURES

   "RESOLVED THAT pursuant to the provisions of Sections 23, 42, 62 and 71 and other applicable provisions, if any, of the Companies Act, 2013 and the applicable rules made thereunder, Foreign Exchange Management Act, 1999, Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI Regulations"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Listing Agreements entered into by the Company with the stock exchanges where equity shares of the Company of face value of ₹5 each are listed, enabling provisions of the Memorandum and Articles of Association of the Company and any statutory modification(s), re-enactment(s) or amendments to the above mentioned laws, regulations, rules and schemes and clarifications issued thereon from time to time and subject to other applicable laws, rules, regulations, guidelines, notifications and circulars issued by various competent authorities / bodies, whether in India or abroad and subject to such approvals, consents, permissions and sanctions of the Securities and Exchange Board of India ("SEBI"), Government of India ("GOI"), Reserve Bank of India ("RBI"), Ministry of Corporate Affairs, Regional Director, Registrar of Companies ("RoC") and all other appropriate and / or competent authorities or bodies whether in India or abroad to the extent applicable and subject to such conditions and modifications, as may be prescribed by any of them in granting such approvals, consents, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred as "Board" which term shall include any Committee thereof which the Board may have constituted to exercise its powers including the powers conferred by this Resolution), consent of the members be and is hereby accorded to create, issue, offer and allot in one or more tranches, to investors whether Indian or Foreign, including Foreign Institutions, Qualified Institutional Buyers ("QIB"), Non-Resident Indians, Corporate Bodies, Mutual Funds, Banks, Insurance Companies, Pensions Funds, Trusts, Stabilising agents or otherwise or any combination thereof, whether or not such investors are shareholders, promoters, directors or associates of the Company, through issue of Equity Shares and / or Fully Convertible Debentures and / or Partly Convertible Debentures and / or Optionally Convertible Debentures and / or other securities convertible into equity shares at the option of the Company ("Securities") representing either Equity Shares or a combination of any other Securities through one or more public or private offering in domestic and / or one or more international market(s), with or without green shoe option, or a Qualified Institutional Placement ("QIP") in accordance with Chapter VI of the SEBI Regulations, as the Board may deem appropriate, in terms of SEBI Regulations or by one or more combination of the above or otherwise and at such time or times in one or more tranches, at such price or prices, at market price or at a discount or premium to market price in terms of applicable regulations, to any eligible investors, including residents and / or non-residents and / or qualified institutional buyers and / or institutions / banks and / or incorporated bodies and / or individuals and / or trustees and / or stabilising agents or otherwise, whether or not such investors are members of the Company, as may be deemed appropriate by the Board and as permitted under applicable laws and regulations ("Investors"), for an amount not exceeding ₹5000 Crores (Rupees Five Thousand Crores), inclusive of such premium as may be fixed on such Securities at such a time or times, as the Board may determine, where necessary in consultation with the Lead Managers, Merchant Bankers, Underwriters, Guarantors, Financial and / or Legal Advisors, Depositories, Registrars and other agencies and on such terms and conditions as may be determined and deemed appropriate by the Board in its absolute discretion at the time of such issue and allotment considering the prevailing market conditions and other relevant factors in consultation with the merchant banker(s) to be appointed, so as to enable to list on any stock exchanges in India and / or on any of the overseas stock exchanges, wherever required and as may be permissible and the number and / or price of Securities shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate restructuring."

   "RESOLVED FURTHER THAT in the event the Equity Shares are issued in the course of QIP under Chapter VI of SEBI Regulations, the pricing shall be determined in compliance with principles and provisions set out in the Regulation 176 of Chapter VI of the SEBI Regulations and the Board may offer a discount of not more than 5% (five per cent) on the price calculated for the QIP or such other discount as may be permitted under said SEBI Regulations, the Securities shall be allotted as fully paid-up (where the tenure of any convertible or exchangeable Securities shall not exceed 60 (sixty) months from the date of allotment) or such other period as may be permitted under said SEBI Regulations."

   "RESOLVED FURTHER THAT in the event the Equity Shares are issued in the course of QIP under Chapter VI of SEBI Regulations, the relevant date for the purpose of the pricing of the Equity Shares shall be the date of meeting in which the Board or a duly authorised Committee thereof decides to open the issue or such other date as may be prescribed under applicable laws, and in the event that convertible securities (as defined under the SEBI Regulations) are issued to QIBs under Chapter VI of the SEBI Regulations, the relevant date for the purpose of pricing of such convertible securities, shall be the date of the meeting in which the Board or a duly authorised Committee thereof decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the equity shares or such other date as may be prescribed under applicable laws."

   "RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Securities, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the terms thereof, finalisation and approval of the offer documents, private placement offer letter, determining the form, proportion and manner of the issue, including the class of investors to whom the Securities are to be allotted, number of Securities to be allotted, issue price, premium amount on issue / conversion / exercise / redemption, rate of interest, redemption period, fixing record date, listings on one or more stock exchanges in India, entering into arrangements for managing, underwriting, marketing, listing and trading, to issue placement documents and to sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and for other related matters and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such offer(s) or issue(s) or allotment(s) as it may, in its absolute discretion, deem fit."

"RESOLVED FURTHER THAT the Securities to be created, issued, allotted and offered in terms of this Resolution shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall be issued in dematerialised form."

"RESOLVED FURTHER THAT the Equity Shares so issued shall in all respects rank pari passu with the existing Equity Shares of the Company and shall be listed with the stock exchanges where the Company's existing equity shares are listed."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of any Securities or as may be necessary in accordance with the terms of the offering and all such Equity Shares shall rank pari passu with the existing Equity Shares in all respects."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint merchant bankers, underwriters, depositories, custodians, registrars, trustees, bankers, lawyers, advisors and all such agencies as may be involved or concerned in the issue and to remunerate them by way of commission, brokerage, fees or the like (including reimbursement of their actual expenses) and also to enter into and execute all such arrangements, contracts / agreements, memorandum, documents, etc., with such agencies, to seek the listing of Securities on one or more recognised stock exchange(s), to affix common seal of the Company on any arrangements, contracts / agreements, memorandum, documents, etc. as may be required."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorised in consultation with the merchant banker(s), advisors and / or other intermediaries as may be appointed in relation to the issue of Securities, to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient for the issue and allotment of Securities and listing thereof with the stock exchanges or otherwise as may be required in relation to the issue and to resolve and settle all questions and difficulties that may arise in the issue, offer and allotment of Securities, including finalisation of the number of Securities to be issued in each tranche thereof, form, terms and timing of the issue of Securities including for each tranche of such issue of Securities, identification of the investors to whom Securities are to be offered, utilisation of the proceeds and other related, incidental or ancillary matters as the Board may deem fit at its absolute discretion, to make such other applications to concerned statutory or regulatory authorities as may be required in relation to the issue of Securities and to agree to such conditions or modifications that may be imposed by any relevant authority or that may otherwise be deemed fit or proper by the Board and to do all acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit and to settle any questions, difficulties or doubts that may arise in relation to any of the aforesaid or otherwise in relation to the issue of Securities."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate (to the extent permitted by law) all or any of the powers herein conferred to any officer of the Company."

7. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

TO APPOINT SECRETARIAL AUDITORS OF THE COMPANY

"RESOLVED THAT pursuant to Section 204 and other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("the Act"), Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws (including any statutory modification(s) or re-enactment(s) thereof), the consent of the members of the Company be and is hereby accorded for appointment of M/s. M. C. Gupta & Co., Company Secretaries (Firm Registration No.: S1986GJ003400 and Peer Review Certificate No.: 5380/2023) as the Secretarial Auditors of the Company for the term of 5 (five) consecutive years commencing from the conclusion of 52nd Annual General Meeting ("AGM") till the conclusion of 57th AGM of the Company to be held in the year 2030 at such remuneration, as may be decided by the Board of Directors of the Company from time to time in consultation with the Secretarial Auditors."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, consider necessary, expedient and desirable in order to give effect to this resolution."

8. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

APPOINTMENT OF AMAN MEHTA AS MANAGING DIRECTOR OF THE COMPANY

"RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modification or re-enactment thereof (hereinafter referred to as "the Act") and any other applicable laws and such other approvals as may be required, the consent of the members of the Company be and is hereby accorded for the pre-closure of the term of appointment of Aman Mehta (holding DIN: 08174906), as Whole-time Director approved by Members through Postal Ballot resolution dated 08th September, 2022 and for his appointment as Managing Director of the Company, liable to retire by rotation, for a period of 5 (five) years w.e.f. 01st August, 2025."

"RESOLVED FURTHER THAT Aman Mehta shall exercise substantial powers of management subject to superintendence, control and direction of the Board of Directors of the Company."

"RESOLVED FURTHER THAT the Board of Directors or any Committee thereof specifically authorised for this purpose, be and is hereby authorised to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, consider necessary, expedient and desirable in order to give effect to this resolution."

9. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

PAYMENT OF REMUNERATION TO AMAN MEHTA AS MANAGING DIRECTOR OF THE COMPANY

"RESOLVED THAT subject to the provisions of Section 196, 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (hereinafter referred to as "the Act") and any other applicable laws, if any (including any statutory modification(s) or re-enactment(s) thereof), the consent of the members of the Company, be and is hereby accorded for payment of remuneration to Aman Mehta (DIN:08174906), Managing Director, for a term of five (5) years with effect from 01st August, 2025 as detailed below:

1	**BASIC SALARY**	:		₹91,27,625 per month with effect from 01st August, 2025. Annual increments of upto 15% per annum every year as per the Company Policy in line with the Company annual increment cycle, as may be approved by the Board and/ or Nomination and Remuneration Committee from time-to-time w.e.f. 01st April, 2026.
2	**COMMISSION**			Commission of upto 100% of the Basic Salary based on the performance parameters determined by the Board and / or Nomination and Remuneration Committee from time to time. The final amount shall be subject to approval by the Board and / or Nomination and Remuneration Committee as applicable.
3	**PERQUISITES**	:		The appointee will be also allowed the perquisites as under:
	A.		(i)	The Company shall pay House Rent Allowance @ 20% of the salary.
			(ii)	The Company shall reimburse annual fees for two clubs.
			(iii)	The Company shall pay the premium on personal accident insurance policy as per Company rules.
			(iv)	The Company shall pay the premium on medical insurance for self and family as per the Company rules.
	B.		(i)	The Company shall provide a car with driver for official and personal use.
			(ii)	The Company shall provide telephones at his residence, the cost of which will be borne by the Company.
	C.		(i)	Company's contribution to the provident fund will be as per applicable laws and rules of the Company.
			(ii)	Company's contribution to Pension / Superannuation fund will be as per applicable laws and rules of the Company.
			(iii)	Gratuity shall be payable as per applicable laws and rules of the Company.
4	**OTHER TERMS**		(i)	His entitlement for leave and its accumulation and encashment shall be as per prevailing Company rules.
			(ii)	He shall not be entitled to receive sitting fees for attending Meetings of the Board of Directors or Committee thereof.

"RESOLVED FURTHER THAT the actual amount of remuneration to be paid to Aman Mehta for each year and periodicity of payment shall be recommended by the Nomination and Remuneration Committee and finally approved by the Board of Directors subject to limits as specified above."

"**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profit in any financial year, the Company shall pay Aman Mehta, in respect of such financial year, remuneration by way of salary, allowances, perquisites and other benefits as the Board of Directors may deem fit, subject to the limits prescribed in Section II of Part II of Schedule V to the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof)."

"RESOLVED FURTHER THAT, the Board of Directors or any Committee thereof specifically authorised for this purpose, be and is hereby authorised to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, consider necessary, expedient and desirable in order to give effect to this resolution."

10. To consider and if thought fit, to pass the following resolution as a Special Resolution:

APPROVAL FOR ENHANCEMENT OF LIMIT FOR THE LOAN, GUARANTEE AND INVESTMENT BY THE COMPANY UNDER SECTION 186 OF THE COMPANIES ACT, 2013

"RESOLVED THAT in supersession of resolution passed by the Members in the 51st Annual General Meeting of the Company held on 23rd July, 2024 and pursuant to the provisions of Section 186 of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 and all other applicable provisions of the Act (including any statutory modification(s) or re-enactment(s) thereof) and subject to such approvals as may be required in this regard, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company, including a Committee thereof (hereinafter referred to as the "Board") to (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, from time to time in one or more tranches, as the Board at its absolute discretion deem beneficial and in the interest of the Company, in excess of the limits prescribed under Section 186 of the Act, for an amount not exceeding ₹26,000 Crore (Rupees Twenty Six Thousand Crore), outstanding at any point of time, notwithstanding that the aggregate of loans and investments so far made, the amounts for which guarantee or security so far provided to, along with the investments, loans, guarantee or security proposed to be made or given by the Board may exceed sixty per cent of the Company's paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more as prescribed under Section 186(2) of the Act."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts, deeds, matters and things as it may deem necessary and / or expedient to give effect to this Resolution, including but not limited to settle any question or difficulty in connection therewith and incidental thereto."

11. To consider and if thought fit, to pass the following resolution as a Special Resolution:

ENHANCEMENT OF BORROWING LIMITS FROM ₹15,000 CRORE TO ₹26,000 CRORE

"RESOLVED THAT in supersession of postal ballot resolution dated 27th February, 2018 passed by the Members on the matter and pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 ("the Act") and other applicable provisions of the Act and rules made thereunder (including any statutory modification or re-enactment thereof), all other applicable provisions of any other laws, if any, and the Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred as ''Board'' which term shall include a Committee thereof which the Board may have constituted to exercise its powers including the powers conferred by this Resolution) of the Company, to borrow, from time to time, any sum or sums of money (including non-fund based banking facilities), in any currency whether Indian or foreign, as may be required for the purpose of the business of the Company, from one or more Banks, Financial Institutions and other persons, firms, bodies corporates, whether in India or abroad, with or without security, notwithstanding that the monies so borrowed together with the monies already borrowed (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may at any time exceed the aggregate of the paid up share capital of the Company, free reserves and securities premium (or any such amount as stated in the Act as amended from time to time) may be required as provided that the total amount that may be borrowed by the Board and outstanding at any point of time, shall not exceed the sum of ₹26,000 Crore (Rupees Twenty Six Thousand Crore) and the Board be and is hereby authorised to decide all terms and conditions in relation to such borrowing, at their absolute discretion and to do all such acts, deeds and things and to execute all such documents, instruments and writings as may be required."

12. To consider and if thought fit, to pass the following resolution as a Special Resolution:

CREATION OF CHARGE ON COMPANY'S PROPERTIES / ASSETS

"RESOLVED THAT in supersession of postal ballot resolution dated 27th February, 2018 passed by the Members on the matter and pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 ("the Act") and all other applicable provisions of the Act and any rules made thereunder (including any statutory modification or re-enactment thereof), all other applicable provisions of any other laws, if any, and the Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred as ''Board'' which term shall include a Committee thereof which the Board may have constituted to exercise its powers including the powers conferred by this Resolution) of the Company, to mortgage, hypothecate, pledge and / or charge, in addition to the mortgage, hypothecate, pledge and / or charge already created, in such form, manner and ranking and on such terms as the Board deems fit in the interest of the Company, on all or any of the movable and / or immovable properties of the Company (both present and future) and /or any other assets or properties, either tangible or intangible, of the Company and / or the whole or part of any of the undertaking of the Company together with or without the power to take over the management of the business or any undertaking of the Company in case of certain events of defaults, in favour of the Lender(s), Agent(s) and Trustee(s), for securing the borrowing availed or to be availed by the Company, by way of loans, debentures (comprising fully / partly Convertible Debentures and / or Non-Convertible Debentures or any other securities) or otherwise, in foreign currency or in Indian rupees, from time to time, up to the limits approved or as may be approved by the shareholders under Section 180(1)(c) of the Act (including any statutory modification or re-enactment thereof), and other applicable provisions, along with interest, additional interest, accumulated interest, liquidated charges, commitment charges or costs, expenses and all other monies payable by the Company including any increase as a result of devaluation / revaluation / fluctuation in the rate of exchange and the Board be and is hereby authorised to decide all terms and conditions in relation to such creation of charge, at their absolute discretion and to do all such acts, deeds and things and to execute all such documents, instruments and writings as may be required."

By Order of the Board of Directors
For Torrent Pharmaceuticals Limited

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Chintan M. Trivedi
Company Secretary

Mumbai
29th June, 2025

NOTES:

1. The Ministry of Corporate Affairs ("MCA") has vide its circular no. 20/2020 dated 05th May, 2020 read with circular nos. 14/2020 and 17/2020 dated 08th April, 2020 and 13th April, 2020 respectively (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. MCA had vide circular no. 09/2024 dated 19th September, 2024 has allowed the Companies whose AGM are due to be held in the year 2025, to conduct their AGMs on or before 30th September, 2025 in accordance with the requirement provided in this Circular. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM. The detailed procedure for participation in the meeting through VC / OAVM is as per Note no.27 and is also available at the Company's website **www.torrentpharma.com**.

2. Pursuant to MCA Circular no. 14/2020 dated 08th April 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint Authorised Representatives by uploading a duly certified copy of the board resolution authorising their representatives to attend the AGM through VC / OAVM and participate thereat and cast their votes through e-voting.

3. The attendance of the members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

4. The Members can join the AGM through VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. All the members of the Company are encouraged to attend and vote at the AGM through VC / OAVM.

5. The Explanatory Statement pursuant to Section 102(1) and (2) of the Act in respect of Item no. 4 and Special Business i.e. Item No. 5 to 12 is annexed hereto.

6. The Register of Directors and Key Managerial Personnel of the Company and their shareholding maintained under Section 170 of the Act, the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act and all other documents referred to in the Notice will be available for inspection in the electronic mode upto the date of AGM and will also be available electronically for inspection by the Members during the AGM. Members seeking to inspect such documents can send the e-mail to **investorservices@torrentpharma.com**.

7. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Listing Regulations and the MCA Circulars, the Company is providing facility of remote e-voting to its Members through Central Depository Services (India) Limited ("CDSL") in respect of the business to be transacted at AGM. The facility of casting votes by a member using remote e-voting as well as e-voting system on the date of the AGM will be provided by CDSL. Members of the Company holding shares as on the cut-off date i.e. 21st July, 2025, may cast their vote either by remote e-voting or e-voting system as on date of AGM. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.

   The information with respect to voting process and other instructions regarding e-voting are detailed in Note no. 25.

8. In compliance with the MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated 03rd October, 2024, Notice of the AGM along with the Integrated Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company / DPs. Further, a letter providing a weblink for accessing the Notice of the AGM and Integrated Annual Report will be sent to those shareholders who have not registered their email addresses.

   Any Member desirous of obtaining physical copy of the Notice of the AGM along with the Integrated Annual Report may send a request to the Company at **investorservices@torrentpharma.com** mentioning their name, demat account number / folio number, email id and mobile number.

   Members may note that the Notice of 52nd AGM and the Integrated Annual Report of the Company for the year ended 31st March, 2025 have been uploaded on the Company's website **www.torrentpharma.com** and may be accessed by the members and will also be available on the website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at **www.bseindia.com** and **www.nseindia.com** respectively and on the website of CDSL at **www.evotingindia.com**.

9. Rajesh Parekh, Partner, RPAP & Co., Practicing Company Secretary (Membership No. A8073) and failing him Aishwarya Parekh, Partner, RPAP & Co., Practicing Company Secretary (Membership No. A58980) has been appointed as the scrutiniser to scrutinise the remote e-voting and e-voting process on the date of AGM in a fair and transparent manner.

10. The Scrutiniser shall submit a consolidated Scrutiniser's Report (votes casted during the AGM and votes casted through remote e-voting) of the total votes cast in favour of or against, if any, not later than 48 hours after the conclusion of the AGM to the Chairman of the Company. The Chairman, or any other person authorised by the Chairman, shall declare the result of the voting. The result declared along with the consolidated Scrutiniser's Report shall be simultaneously placed on the Company's website **www.torrentpharma.com** and on the website of CDSL and communicated to the BSE Limited and National Stock Exchange of India Limited.

11. The resolution shall be deemed to be passed on the date of AGM, subject to the receipt of sufficient votes.

12. Members seeking any information or clarification on the accounts or any other matter to be placed at AGM are requested to send written queries to the Company on **investorservices@torrentpharma.com** atleast 10 days before the date of the meeting to enable the management to respond appropriately.

13. The final dividend on equity shares, if declared at the AGM, will be paid / dispatched around 04th August, 2025 to those members whose name appear on the Company's Register of Members or List of Beneficial Owners as received from the National Securities Depository Limited or Central Depository Services (India) Limited on 20th June, 2025 i.e. the Record date fixed for this purpose.

14. The Company is required to deduct income tax from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ('the IT Act'). For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and the amendments thereof. In general, Members are requested to complete and / or update their Residential Status, Permanent Account Number ('PAN') and Category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company / its RTA.

    A Resident individual member with PAN and who is not liable to pay Income Tax can submit a yearly declaration in Form no. 15G / 15H, to avail the benefit of non-deduction of tax at source by uploading documents on the link: **https://ris.kfintech.com/form15/** on or before 05th July, 2025. Members are requested to note that, inter-alia in case the PAN duly linked with Aadhar is not registered or declarations with requisite information are not provided, the tax will be deducted at higher rate of 20%.

    Non-resident members can avail beneficial rates under tax treaty between India and their Country of residence, subject to providing necessary documents. i.e. self attested copy of PAN Card (if available), No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F or any other documents which may be required to avail the tax treaty benefits by uploading documents on the link: **https://ris.kfintech.com/form15/** on or before 05th July, 2025.

    No communication / documents on the tax determination / deduction for the purpose of final dividend shall be considered after 5th July, 2025. For the detailed process, please click here: **https://www.torrentpharma.com/assets/TDS_on_Dividend_communication_to_Shareholders_Final_2024_25.pdf**

15. Regulation 40 of the Listing Regulations, as amended, mandates that requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form. Members holding the shares in physical form are requested to dematerialise their holdings at the earliest as it will not be possible to transfer shares held in physical mode.

    Further SEBI vide its master circular no SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated 07th May, 2024, has mandated that listed companies shall issue the securities in dematerialised form only, in order to enhance ease of dealing in securities markets by investors, for transactions including Issue of duplicate securities certificate, claim from unclaimed suspense account, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition of shares.

    Dematerialisation would facilitate paperless trading through state-of-the-art technology, quick transfer of corporate benefits to members and avoid inherent problems of bad deliveries, loss in postal transit, theft and mutilation of share certificate and will not attract any stamp duty. It also substantially reduce the risk of fraud. Hence, we request all those members who have still not dematerialised their shares to get their shares dematerialised at the earliest.

16. The Company has sent intimation to all such Members who have not claimed their dividend for 7 consecutive years. All such Members are requested to claim their Unclaimed Dividend expeditiously failing which their shares shall be transferred to the demat Account of IEPF Authority and no claim shall lay against the Company. The Members thereafter need to claim their shares from IEPF Authority by filing IEPF Form-5 and by following such procedures as prescribed therein.

    During the year 2024-25, the Company has transferred 18,088 equity shares to the demat account of IEPF Authority.

    Pursuant to the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), the Company has uploaded the information in respect of the unclaimed dividends as on 31st March, 2024 on its website **www.torrentpharma.com** and also on the website of the Investor Education and Protection Fund **www.iepf.gov.in**.

17. In accordance with the provisions of Section 72 of the Act and SEBI circulars, the facility for nomination is available for the members of the Company in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting the Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he / she may submit the same in Form No. ISR-3 or Form No. SH-14, as the case may be. The said forms are available on the Company's website at **https://www.torrentpharma.com/investors/share-holder/investor-services/**.

    Members are requested to submit the said details to their respective DPs, in case the shares are held by them in dematerialised form and to the Company/RTA in case the shares are held by them in physical form.

18. As required in terms of Secretarial Standard - 2 and Listing Regulations, the information (including profile and expertise in specific functional areas) pertaining to Director recommended for appointment in the AGM has been provided in the explanatory statement to the Notice.

19. SEBI has mandated the submission of PAN (duly linked with Aadhar), KYC details and nomination by holders of physical securities vide master circular no SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated 07th May, 2024 Members are requested to submit their PAN, KYC and nomination details to the Company's RTA. The forms for updating the same are available at **https://www.torrentpharma.com/investors/share-holder/investor-services/**

    Members holding shares in electronic form are requested to submit their PAN to their depository participant(s).

20. Members are encouraged to utilise the Electronic Clearing System (ECS) for receiving dividends by registering their bank account details with the Company. Members holding shares in dematerialised mode are requested to register complete bank account details with the Depository Participants and members holding shares in physical mode are requested to send a duly signed request letter to RTA mentioning the name, Folio no, bank details, self-attested copy of PAN Card and original cancelled cheque leaf along with Form ISR-1. In case of absence of name of the first shareholder on the original cancelled cheque, bank attested copy of first page of the bank passbook / statement of accounts in original along with Original cancelled cheque. Format of the Form ISR-1 and other required details are available on the website of the Company at the link **https://www.torrentpharma.com/investors/share-holder/investor-services/**

    Effective 01st April, 2024, SEBI has mandated that the shareholders, who hold shares in physical mode and whose folios are not updated with any of the KYC details [viz., (i) PAN (ii) Contact Details (iii) Mobile Number (iv) Bank Account Details and (v) Signature], shall be eligible to get dividend only in electronic mode. Accordingly, payment of final dividend, subject to approval at the AGM, shall be paid to physical holders only after the above details are updated in their folios.

    Further, SEBI has introduced the ODR Portal to streamline and strengthen the existing dispute resolution mechanism in the Indian Securities Market. With introduction of this mechanism, there will be enhanced degree of regulatory supervision of SEBI over disputes between aggrieved parties. The ODR order is binding on the parties involved in the dispute.

21. Process for those Members whose email ids are not registered with the Depositories or the Company for obtaining login credentials for e-voting:

    - Members holding shares in physical form may request for the same along with providing necessary details like Folio No., Name of Member, self attested scan copy of PAN Card and Aadhar Card by email to **investorservices@torrentpharma.com**
    - Members holding shares in demat form may request for the same along with providing Demat account details (CDSL-16 digit beneficiary ID or NSDL - 8 character DPID + 8 character Client ID), Name of Member, client master or copy of Consolidated Account statement, self attested scan copy of PAN Card and Aadhar Card by email to **investorservices@torrentpharma.com**

22. Process for updation of email ids / mobile no of the members whose email ids / mobile no. are not registered with the Company or Depositories:

    - Members holding shares in physical form - Update your email id and mobile no by providing Form ISR-1 and ISR-2 available on the website of the Company / RTA.
    - Members holding shares in demat form – Update your email id & mobile no. with your respective Depository Participant (DP); for individual members holding shares in demat form, updation of email id & mobile no. is mandatory for e-voting and joining virtual meetings through depositories.

23. Since the AGM will be held through VC / OAVM in accordance with the MCA Circulars, the route map, proxy form and attendance slip are not attached to the Notice.

24. The toll free number regarding any query / assistance for participation in the AGM through VC / OAVM is 1800 21 09911.

25. Voting process and instruction regarding remote e-voting:

Section A: Voting Process:

Members should follow the following steps to cast their votes electronically:

Login method for e-voting and joining virtual meeting for individual members holding shares in demat form:

i Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09th December, 2020, under Regulation 44 of the Listing Regulations, Listed Companies are required to provide remote e-voting facility to its members, in respect of all members' resolutions.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed companies in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the members.

In order to increase the efficiency of the voting process, all the demat account holders have been enabled for e-voting by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs.

ii Members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to aforesaid SEBI Circular, login method for e-Voting and joining virtual meetings for Individual members holding shares in Demat mode is given below:

Type of Members	Login Method
Individual Members holding securities in Demat mode with **CDSL**	1) Users who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website **www.cdslindia.com** and click on Login icon and My Easi New (Token) Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting the vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi / Easiest, option to register is available at CDSL website **www.cdslindia.com**. Click on login & My Easi New (Token) Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from the e-Voting link available on **www.cdslindia.com**. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-Voting is in progress and will also be able to directly access the system of all e-voting service providers.

Type of Members	Login Method
Individual Members holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: **https://eservices.nsdl.com**. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at **https://eservices.nsdl.com**. Select "Register Online for IDeAS" Portal or click at **https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp** 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: **https://www.evoting.nsdl.com/**. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder / Member' section. A new screen will open. You will have to enter your User ID (i.e. 8 character DPID followed by 8 character Client ID), Password / OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4) For OTP based login you can click on **https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp**. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN, Verification code and generate OTP. Enter the OTP received on registered email id / mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual members (holding shares in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at abovementioned websites.

Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL:

Login type	Helpdesk details
Individual Members holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at **helpdesk.evoting@cdslindia.com** or contact at Toll free No. 1800 21 09911.
Individual Members holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at **evoting@nsdl.co.in** or call at : 022-48867000 and 022-24997000

Login method for e-voting and joining virtual meeting for members other than individual members holding shares in demat form & members holding in physical mode:

Step 1: Open the web browser during the voting period and log on to the e-voting website **www.evotingindia.com**.

Step 2: Click on "Shareholders" to cast your vote(s).

Step 3: Please enter User ID

(i) For account holders in CDSL: Your 16 digits beneficiary ID.

(ii) For account holders in NSDL: Your 8 Character DP ID followed by 8 Character Client ID.

(iii) Members holding shares in Physical Form should enter Folio Number registered with the Company.

Step 4: Enter the Image Verification as displayed and Click on "Login".

Step 5: If you are holding shares in demat form and had logged on to **www.evotingindia.com** and voted on an earlier voting of any company, then your existing password is to be used. If you have forgotten the password, then enter the User ID and the image verification code and click on "FORGOT PASSWORD" and enter the details as prompted by the system.

Step 6: Follow the steps given below if you are first time user:

(i) holding shares in physical form

(ii) holding shares in demat form other than individual

PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. The sequence number is printed in the covering e-mail. Members who have not registered their email address may obtain the sequence number from the Company by following the process defined in Note No. 21
DOB	Enter the Date of Birth ("DOB") as recorded in your demat account or in the Company records in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio no. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the Depository or Company, please enter the DP ID and Client ID / folio number in the Dividend Bank details field as mentioned in Step 3.

Step 7: After entering these details appropriately, click on "SUBMIT" tab.

Step 8: Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

Step 9: For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

Step 10: Click on the EVSN for the TORRENT PHARMACEUTICALS LIMITED on which you choose to vote.

Step 11: On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES / NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

Step 12: Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

Step 13: After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

Step 14: Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote. You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting page.

Section B: Other instructions regarding remote e-voting:

i. The voting period shall begin on 24th July, 2025 from 09:00 A.M. and end on 27th July, 2025 at 05:00 P.M. During this period Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e. 21st July, 2025, may cast their vote electronically. Thereafter the e-voting module shall be disabled.

ii. Non – Individual Members and Custodians (i.e. other than Individuals, HUF, NRI etc.) are additionally required to note and follow the instructions mentioned below:

- They are required to log on to **www.evotingindia.com** and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**.

- After receiving the login details, user would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delinked in case of any wrong mapping.

iii. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to upload the following in PDF Format in the system for the scrutiniser to verify the same:

a) Copy of Board resolution (where institution itself is voting)

b) Power of Attorney issued in favour of the Custodian as well as the Board resolution of the Custodian.

Alternatively, Non-Individual members are required to send the relevant Board Resolution / Authority Letter etc. together with attested specimen signature of the duly authorised signatories who are authorised to vote, to the scrutiniser at the e-mail id **rpap@csrajeshparekh.in**, if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutiniser to verify the same.

iv. Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat account.

v. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (FAQs) and e-voting manual available at **www.evotingindia.com**, under help section or contact Mr. Rakesh Dalvi, Sr. Manager, CDSL, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mills Compounds, N. M. Joshi Marg, Lower Parel (East), Mumbai – 400013 or write an email to **helpdesk.evoting@cdslindia.com** or call Toll free No-1800 21 09911 during working hours on all working days.

26. Voting process and instruction regarding e-voting at AGM are as under:

a. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

b. Only those Members, who will be present in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available in the AGM.

c. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

27. Instruction for members for attending the AGM through VC / OAVM are as under:

a. The link for VC / OAVM to attend the AGM will be available where the EVSN of the Company will be displayed after successful login as per instruction mentioned above for remote e-voting.

b. Members are encouraged to join the Meeting through Laptops / IPads for better experience. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

c. For ease of conduct, Members who would like to express their views / ask questions during the meeting may register themselves as a speaker by sending their request atleast 10 days prior to the date of meeting mentioning their name, demat account number / folio number, email id, mobile number at **investorservices@torrentpharma.com**. The shareholders who do not wish to speak during the AGM but have queries may send their queries mentioning their name, demat account number / folio number, email id, mobile number at **investorservices@torrentpharma.com**. These queries will be replied to by the Company suitably by email.

d. Those shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the meeting. Further the shareholders will be required to allow the camera for participation in the meeting as speaker.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) AND 102(2) OF THE COMPANIES ACT, 2013

Item No. 5

Section 148(3) of the Companies Act, 2013 read with Rule 14(a) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof) (“the Act”), requires the Board to appoint an individual, who is a Cost Accountant or a firm of Cost Accountants in practice, as Cost Auditor on the recommendations of the Audit committee, which shall also recommend their remuneration and such remuneration shall be considered and approved by the Board of Directors and ratified subsequently by the members.

The Board of Directors at its meeting held on 20th May, 2025, on recommendation of the Audit Committee, approved the appointment of M/s. Kirit Mehta & Co., Cost Accountants, as the Cost Auditors of the Company for the financial year 2025-26 at a fees of ₹10,00,000/- plus out of pocket expenses and GST as applicable for conducting the audit of the cost accounting records of all the manufacturing facilities of the Company.

The resolution contained in Item no. 5 of the accompanying Notice, accordingly, seek members’ approval for ratification of remuneration of Cost Auditors of the Company for the financial year 2025-26.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary resolution set out at Item No. 5 of the Notice.

The Board commends this resolution for your approval.

Item No. 6

The Company has been pursuing, both organic process and inorganic opportunities, for its growth. Further, there is ongoing requirement of working capital and capex for upgradation / expansion of Company’s existing manufacturing facilities and ongoing projects. The generation of internal funds may not be adequate to meet all the requirements of the Company’s growth plans. It would be therefore, prudent for the Company to have the requisite enabling approvals in place for meeting the fund requirements of its organic and inorganic growth, capital expenditure, long term working capital, refinancing the existing borrowings and also such other corporate purposes as may be permitted under the applicable laws and as may be specified in the appropriate approvals. This would also help the Company to take quick and effective action to capitalise on the opportunities, primarily those relating to inorganic growth, as and when available.

The requirement of funds is proposed to be met from both equity and debt from issuance of appropriate securities. Prudence would require the funding to be structured with an appropriate mix of equity and debt to meet with the objective of optimisation of the cost as well as conservative financial management.

Purpose / objects of the fund raise: In order to meet the additional fund requirements of the Company for the aforesaid purposes and pursuant to Section 62(1)(c) of the Companies Act, 2013 (“the Act”) and rules made thereunder, as amended in case the Company proposes to issue equity shares to any persons other than existing Members, whether or not such persons are Members, approval of Members through a special resolution is required.

Basis or Justification of Price in case of issue of Qualified Institutions Placement (“QIP”): The pricing of the Securities shall be determined by the Board in accordance with the regulations on pricing of securities prescribed under Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI Regulations”). The “Relevant Date” for this purpose, will be the date when the Board or a duly authorised Committee thereof decides to open the issue, if Equity Shares are issued, or, in case of issuance of convertible securities, the date of the meeting in which the Board decides to open the issue of the convertible securities or the date on which the holders of such convertible securities become entitled to apply for the equity shares as provided under Chapter VI of the SEBI Regulations. The resolution enables the Board to offer such discount not exceeding 5% on the price calculated for the QIP or such other discount as may be permitted under applicable law on the price determined pursuant to the SEBI Regulations.

The Board of Directors, accordingly, at their meeting held on 20th May, 2025 has recommended to the Members to give their consent through special resolution to the Board of Directors or any Committee of the Board to raise funds through issuance of Equity Shares and / or Convertible Debentures or any equity linked instrument/s (“Securities”) as may be appropriate to persons who may or may not be the existing shareholders through private placement and / or Qualified Institutional Placement and / or any other permitted modes at a price to be determined as per the SEBI Regulations or as per other applicable rules and regulations, upto an amount not exceeding ₹5000 Crores (Rupees Five Thousand Crores) under Section 62 read with Section 179 of the Act, as amended or other applicable laws. While no specific instrument or instruments of Securities has been identified at this stage, the Board may opt for an appropriate instrument in the best interest of the Company. Such issue shall be subject to the provisions of the Act, as amended and rules made there under from time to time, Articles of Association of the Company, SEBI Regulations and other applicable laws.

Pursuant to Sections 42 and 62 of the Act, as amended read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, a company offering or making an invitation to subscribe aforesaid Securities is required to obtain prior approval of the Members by way of the special resolution. If approved by Members, QIP issue shall be completed within 365 days from the date of passing of special resolution and in case of issue by way other than QIP, provisions as applicable to the proposed issue shall be applicable. Equity Shares, proposed to be issued, shall in all respects rank pari passu with the existing equity shares of the Company.

In view of the above, it is proposed to seek approval from the Members of the Company to offer, create, issue and allot above Securities, in one or more tranches, to investors inter alia through QIP by way of private placement or otherwise and to authorise the Board of Directors (including any Committee thereof authorised for the purpose) to do all such acts, deeds and things on the matter. The Board may offer a discount of not more than 5% on the price calculated for the QIP or such other discount as may be permitted under said SEBI Regulations.

The resolution contained in Item no. 6 of the accompanying Notice, accordingly, seek members' approval through special resolution for raising funds as above through issue of Securities in one or more tranches and authorising the Board of Directors (including any Committee thereof authorised for the purpose) of the Company to complete all the formalities in connection with the issue of Securities.

The Company has not allotted any securities on a preferential basis in the previous year.

Directors / Key Managerial Personnel of the Company / their relatives may be deemed to be concerned or interested in the Resolution to the extent of their shareholding in the Company.

The Board commends this resolution for your approval.

Item No. 7

Pursuant to the provisions of Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Section 204 of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors at their meeting held on 20th May, 2025 have approved and recommended the appointment of M/s. M.C. Gupta & Co., Company Secretaries (Firm Registration no: S1986GJ003400 and Peer Review Certificate No.: 5380/2023) as Secretarial Auditors of the Company for a term of upto 5 (Five) consecutive years to hold office from the conclusion of this 52nd Annual General Meeting ("AGM") till the conclusion of 57th AGM of the Company to be held in the Year 2030 on following terms and conditions:

a. **Term of appointment:** Upto 5 (Five) consecutive years from the conclusion of this 52nd AGM till the conclusion of 57th AGM.

b. **Proposed Fees:** Upto ₹5,25,000/- (Rupees Five Lakhs Twenty Five Thousand only) plus applicable taxes and other out-of-pocket expenses in connection with the secretarial audit for Financial Year ending 31st March, 2026 and for subsequent year(s) of their term, such fees as determined by the Board in consultation with Secretarial Auditors.

   The proposed fees is based on knowledge, expertise, industry experience, time and efforts required to be put in by them, which is in line with the industry benchmark. The fees for services in the nature of certifications and other professional work will be in addition to the secretarial audit fee as above and will be determined by the Board in consultation with the Secretarial Auditors.

c. **Basis of recommendations:** The recommendations are based on the fulfilment of the eligibility criteria & qualification prescribed under the Act & Rules made thereunder and Listing Regulations with regard to the secretarial audit, experience of the firm, capability, independent assessment, audit experience and also based on the evaluation of the quality of audit work done by it in the past.

d. **Credentials:**

   M. C. Gupta & Co., a Proprietorship firm of Company Secretaries was established in November, 1986 and is Peer reviewed and also quality reviewed by the Quality Board Review of ICSI. The firm has been ranked first continuously for the third year, in an All- India Survey conducted by Cimplyfive, Bangaluru, for conducting highest number of Secretarial Audits from Gujarat based companies amongst Top 500 Companies of India. The firm is supported by competent professionals and assistants. Mr. Gupta is having a brilliant academic record to his credit. He was one of the toppers (amongst Top 10) of the Rajasthan Higher Secondary Education Board and also of Rajasthan University. He is MBA (Finance) – 1981, an Associate Member of Institute of Cost Accountants of India and fellow member of ICSI. He is having LL. M. in commercial Laws. He is a visiting faculty for approx. 4 decades and coached in all the three professional Institutes ICAI, ICMAI and ICSI and many MBA Institutes, addressing many seminars, webinars on varied subjects all over India. He is also a certified CSR Professional from ICSI.

   M/s. M.C. Gupta & Co., Company Secretaries have given their consent to act as Secretarial Auditors of the Company and confirmed that their aforesaid appointment (if made) would be within the limits specified by the Institute of Company Secretaries of India. They have also confirmed that they are not disqualified to be appointed as Secretarial Auditors in terms of provisions of the Act & Rules made thereunder and Listing Regulations.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary resolution set out at Item No. 7 of the Notice.

The Board commends this resolution for your approval.

Item No. 4, 8 & 9

The Members through Postal ballot resolution dated 08th September, 2022, had appointed Aman Mehta as the Whole-time Director of the Company for a period of 5 years, starting from 01st August, 2022 and ending on 31st July, 2027, on the terms and conditions of appointment contained in the said resolution.

Aman Mehta, aged 33 years holds a bachelor's degree in economics from Boston University and an MBA from Columbia University, New York. He brings with him a dynamic blend of academic excellence and practical leadership experience across diverse business sectors.

During his 10+ year tenure with Torrent, Aman has held key leadership positions in both the Power and Pharma verticals of the Group. As an Executive Director at Pharma, Aman has primarily been involved in the India business, Torrent's largest revenue contributor. He played an instrumental role in the seamless integration of the Unichem acquisition and the strategic identification and integration of Curatio Healthcare, both of which delivered substantial value and synergies to the Company.

Since his appointment as Whole-time Director, Aman has continued to make a significant impact on the Company's growth and transformation journey. His contributions include:

- Leading several organic growth initiatives that have begun delivering measurable market share expansion. His efforts have focused on the launch of new products and broadening market presence in focus therapies.
- Driving strategic evaluation and execution of inorganic opportunities, with a strong emphasis on long-term value creation for the India business.
- Bringing a renewed focus on innovation, empowerment, and sustainability by fostering a high-performance culture rooted in the Company's core values and philosophies.
- His notable contribution to long term sustainable growth for India business are as under:
  - Driving field force expansion from 3,600 MRs in 2022 to 6,400 MRs in FY2025, with year on year improvement in productivity and market share
  - Turnaround in cardiac portfolio, Company's largest revenue contributor which was earlier marred with legacy portfolio issues
  - Increase in rank in Diabetes (OAD) TA from 11th to 6th, with an ambition to reach the top 3 in the near future
  - Portfolio revamp with addition of complex products with large addressable markets in India, with a goal to in first wave of launches
  - Launching the Consumer Health Division with a focus on 4 key brands that has delivered meaningful growth acceleration
  - New launch excellence across TAs, achieving top 3 market share ranks in most new launches in the recent past
  - In-licensing key products as growth levers (empagliflozin, saroglitazar etc.)
  - Turnaround of mature Unichem portfolio to double digit growth and delivering industry leading margins
  - Acceleration of Curatio portfolio growth with emphasis on commercial excellence and product innovation

In addition to these contributions, Aman has taken charge of the Research & Development and Operations (Supply chain & procurement included) functions. Under his leadership:

- R&D has witnessed a sharper alignment with business strategy, emphasising differentiated product development and accelerated timelines for critical projects.
- Operational excellence initiatives have been introduced to enhance productivity and cost efficiency across manufacturing and supply chain processes, resulting in tangible improvements in margins and service levels.

Aman's contributions as Whole-time Director have been substantial in advancing the Company to its next phase of growth. Through a combination of strategic foresight, operational rigor, and people-centric leadership, he continues to play a key role in transforming the Company into a more agile, innovative, and globally competitive organisation.

In view of the above and as part of long-term strategy and succession planning and based on the recommendation of Nomination and Remuneration Committee, the Board at its meeting held on 20th May, 2025, approved the appointment of Aman Mehta as Managing Director, for a period of 5 (Five) years effective from 01st August, 2025 with the pre-closure of his existing term as Whole-time Director subject to Members' approval. Such appointment will not be considered as a break in his service with the Company.

Aman Mehta shall be liable to retire by rotation as Director while he holds the office of the Managing Director. As the Managing Director, he will exercise substantial powers of the management, subject to superintendence, control and direction of the Board of Directors of the Company.

The proposed terms of his appointment as Managing Director is as under:

Particulars	
Type of Compensation:	
1) Fixed	₹91,27,625 per month with effect from 01st August, 2025. Annual increments of upto 15% per annum every year as per the Company Policy in line with the Company annual increment cycle, as may be approved by the Board and / or Nomination and Remuneration Committee from time-to-time w.e.f. 01st April, 2026.
2) Variable	Commission of upto 100% of the Basic Salary based on the performance parameters determined by the Board and / or Nomination and Remuneration Committee from time to time. The final amount shall be subject to approval by the Board and / or Nomination and Remuneration Committee as applicable.
Methodology:	Nomination and Remuneration Committee shall determine and recommend the Annual increments and Commission to the Board for its approval.
Perquisites:	As specified in terms and conditions of his appointment forming part of the Resolution no 9 of the accompanying notice.
Comparative Remuneration with respect to Industry, size of the Company, profile of the position and person	The proposed fixed remuneration has been determined based on a comprehensive benchmarking exercise conducted by an external, reputed compensation advisory firm. As per the benchmarking report, the proposed remuneration falls in P25 of the relevant peer group comprising of comparable companies in terms of size, sector, complexity, ensuring competitiveness and alignment with market practices. P25 positioning is with respect to peer data set of FY 2023-24 (the most recently disclosed data), while the proposed remuneration is for FY 2025-26.

With regard to the proposed appointment of Managing Director as aforesaid, the Company has received declaration from Aman Mehta, that he is not disqualified from being appointed as Director in terms of Section 164 of the Act, a declaration to the effect that he is not debarred or disqualified from being appointed or continuing as director of any company by the SEBI or Ministry of Corporate Affairs or any such authority and confirmation of compliance with conditions under Section 196 and Schedule V of the Act, and other requisite consents, declaration and disclosures as applicable.

In the opinion of the Board, the Company will continue to benefit from his valuable experience, knowledge and counsel.

Companies (other than Torrent Pharmaceuticals Limited) in which Aman Mehta holds directorship and committee membership:

Sr. No.	Directorship in Companies	Name of Committees
1.	Torrent Investments Limited	• Group Risk Management Committee – Member • Asset & Liability Committee - Member
2.	Irelia Sports India Private Limited	-
3.	Saat Rasta Properties Private Limited	-

He has not resigned as director from any listed entity in past 3 years.

Aman holds 200 Equity shares of your Company. He has attended all 6 (six) Board meetings held during the year 2024-25. He is son of Samir Mehta, Executive Chairman. He will be paid the remuneration in accordance with the Resolution no. 9 of the accompanying notice. For the details pertaining to remuneration drawn during the year 2024-25, please refer to the Corporate Governance Report forming part of the Annual Report.

Except Aman Mehta himself, Samir Mehta, relative of Aman Mehta and their relatives, none of the other Directors / Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary resolutions set out at Item No. 4, 8 and 9 of the Notice.

The copy of relevant resolution of the Board with respect to the appointment shall be available for inspection by the members in the electronic mode upto the date of AGM and during the AGM.

The Board commends these resolutions for your approval.

Item no. 10

Pursuant to Section 186 of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014, the Company is permitted to: (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, in excess of 60% of its paid-up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, with approval of Members of the Company by way of a Special Resolution.

The Members by their resolution passed in the 51st Annual General Meeting of the Company held on 23rd July, 2024 had accorded the consent under Section 186 of the Act for increasing the limit upto an aggregate amount not exceeding ₹10,000 Crore (Rupees Ten Thousand Crore) outstanding at any point of time.

Inorganic opportunities have been integral to the Company's growth journey. In the past the Company has undertaken acquisition of India and Nepal business of Elder Pharmaceuticals Limited, acquisition of Zyg Pharma Private Limited, acquisition of Unichem Laboratories Limited's India and Nepal business and acquisition of Curatio Health Care (I) Private Limited. All these acquisitions have continued to create value and have expanded market reach. In furtherance to the strategic objectives of the Company and to create a future-ready, diversified healthcare platform combining a deep chronic segment heritage with emerging international CDMO capabilities, the Board of Directors of the Company at its meeting held on 29th June 2025, has subject to the relevant regulatory approvals, approval by the Competition Commission of India and approval by its Members has proposed to undertake the following transactions:

a) Acquisition of 7,44,81,519 (Seven Crore Forty Four Lakh Eighty One Thousand Five Hundred and Nineteen) equity shares of J.B. Chemicals & Pharmaceuticals Limited ("JB Chemicals"), representing 46.39% of the equity share capital of JB Chemicals on a fully diluted basis, from the promoter of JB Chemicals, Tau Investment Holdings Pte. Ltd ("Promoter Seller"), for cash consideration, at a price of ₹ 1,600/- (Rupees One Thousand Six Hundred only) per equity share, aggregating to a total consideration of approximately ₹ 11,917 crore (Rupees Eleven Thousand Nine Hundred Seventeen Crore only), subject to receipt of Members' approval and applicable statutory and regulatory approvals ("Share Acquisition"). For this purpose, a share purchase agreement dated 29th June, 2025, has been executed between the Company, Promoter Seller and JB Chemicals ("SPA"); and.

b) Potential acquisition of up to 44,99,782 (Forty Four Lakh Ninety Nine Thousand Seven Hundred and Eighty Two) equity shares of JB Chemicals, representing up to 2.80% of the equity share capital of JB Chemicals on a fully diluted basis, from certain employees of JB Chemicals at a price not exceeding ₹ 1,600/- (Rupees One Thousand Six Hundred only) per equity share consequent to exercise of their respective vested employee stock options, subject to receipt of applicable statutory and regulatory approvals ("Potential Acquisition").

Simultaneously, to the above, the Board of Directors of the Company have also approved:

c) Making an open offer for the acquisition of up to 4,17,45,264 (Four Crore Seventeen Lakh Forty Five Thousand Two Hundred and Sixty Four) equity shares of JB Chemicals, representing 26% of the expanded share capital of JB Chemicals, at a price of ₹ 1,639.18/- (Rupees One Thousand Six Hundred Thirty Nine and Eighteen Paise only) per equity share, from the eligible public shareholders of JB Chemicals ("Open Offer"), in accordance with SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 ("Takeover Regulations"), subject to receipt of applicable statutory and regulatory approvals; and

d) Amalgamation of the JB Chemicals with the Company pursuant to a scheme of amalgamation under Sections 230 to 232 and other applicable provisions of the Act ("the Scheme").

The Share Acquisition, Potential Acquisition, Open Offer and the Scheme are hereinafter collectively referred as the "Proposed Transaction". Taking into consideration the Proposed Transaction and future plans of the Company, to achieve financial flexibility and to support its strategic objectives, the Board of Directors of the Company subject to the Members' approval has unanimously approved to increase the limits under Section 186 of the Act to ₹26,000 crore (Rupees Twenty Six Thousand Crore). The approval by the Members will support the Company in various acquisition opportunities. To achieve the same, the Company may be required, from time to time, to make investments / give loans / provide guarantees / security in respect of loans to body(ies) corporate. As a result, the approval of the members is being sought by way of a special resolution pursuant to Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the

Act or any regulations, rules and guidelines, if any, related thereto (including any statutory modification, or re-enactment thereof), for increasing the limit upto an aggregate amount not exceeding ₹26,000 Crore outstanding at any point of time.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special resolution set out at Item no. 10 of the Notice.

The Board commends this resolution for your approval.

Item no. 11 & 12:

The Company has been pursuing, both organic process and inorganic opportunities, for its growth. This would require sufficient resources including funds to be available and to be allocated, from time to time. The generation of internal funds may not always be adequate to meet all the requirements of the Company's growth plans. It would be therefore, prudent for the Company to have the requisite enabling approvals in place for meeting the fund requirements of its organic and inorganic growth, capital expenditure, working capital, refinancing the existing borrowings and also such other corporate purposes as may be permitted under the applicable laws and as may be specified in the appropriate approvals. This would also help the Company to take quick and effective action to capitalise on the opportunities, primarily those relating to inorganic growth, as and when available.

Further the Proposed Transaction will be financed through a mix of internal accruals and external fund raise by the Company.

In order to meet the additional fund requirements of the Company for the aforesaid purposes, it is proposed by the Board at its meeting held on 29th June, 2025, to increase the overall borrowing limits of the Company from ₹15,000 Crore to ₹26,000 Crore.

In terms of the provisions of Section 180(1)(c) of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014, the Board of Directors of the Company require Members approval by way of special resolution to borrow moneys, in excess of aggregate of the paid up share capital, free reserves (reserves not set apart for any specific purpose) and securities premium (or any such amount as stated in the Act as amended from time to time) excluding temporary loans obtained from the Company's bankers in the ordinary course of business. The Members by their postal ballot resolution dated 27th February, 2018 had accorded consent to the Board of Directors for borrowing any sum or sums of money outstanding at any point of time, not exceeding the sum of ₹15,000 crore (Rupees Fifteen Thousand Crore). The Members had also accorded consent to the Board of Directors for creation of mortgages, charges and hypothecations etc. to secure aforesaid borrowings through the same resolution passed by postal ballot.

The proposed borrowings by the Company, if required, is to be secured by mortgage or charge on all or any of the movable or immovable or any tangible and intangible assets / properties of the Company (both present & future), in favour of any lender including the financial institutions / banks / debenture trustees etc. in such form, manner and ranking as may be determined by the Board of Directors of the Company from time to time, in consultation with the lender(s).

The resolutions contained in Item nos. 11 & 12 of the accompanying Notice, accordingly, seek Members' approval through special resolutions for increasing the borrowing limits and disposal of the Company's undertaking(s) by creation of mortgage / charge etc. thereon and for authorising the Board of Directors (including a Committee thereof authorised for the purpose) of the Company to complete all the formalities in connection with the increase in the borrowing limits and creating charge on Company's properties, respectively.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way concerned or interested, financially or otherwise, in the Special resolutions set out at Item No 11 and 12 of the Notice.

The Board commends these resolutions for your approval.

By Order of the Board of Directors
For Torrent Pharmaceuticals Limited

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Chintan M. Trivedi
Company Secretary

Mumbai
29th June, 2025

CORPORATE INFORMATION

BOARD OF DIRECTORS
1. Samir Mehta
   Executive Chairman
2. Ameera Shah
3. Nayantara Bali
4. Manish Choksi
5. Nikhil Khattau
6. Aman Mehta
   Whole-time Director
7. Jinal Mehta
   Non-Executive Director

AUDIT COMMITTEE
1. Nikhil Khattau
   Chairman
2. Ameera Shah
3. Nayantara Bali

SECURITIES TRANSFER AND STAKEHOLDERS RELATIONSHIP COMMITTEE
1. Ameera Shah
   Chairperson
2. Nikhil Khattau
3. Aman Mehta

NOMINATION AND REMUNERATION COMMITTEE
1. Manish Choksi
   Chairman
2. Ameera Shah
3. Nayantara Bali

CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY COMMITTEE
1. Nayantara Bali
   Chairperson
2. Manish Choksi
3. Nikhil Khattau

RISK MANAGEMENT COMMITTEE
1. Nikhil Khattau
   Chairman
2. Nayantara Bali
3. Sudhir Menon

EXECUTIVE DIRECTOR (FINANCE) & CFO
Sudhir Menon

COMPANY SECRETARY
Chintan M. Trivedi

STATUTORY AUDITORS
B S R & Co. LLP
Chartered Accountants

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