June 03, 2025

To	To
The Corporate Relations Department **BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 **Code: 540222**	**The Listing Department** **National Stock Exchange of India Ltd.,** Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 **Code: LAURUSLABS**

Dear Sir / Madam,

Sub: Notice of the 20th Annual General Meeting and the Annual Report FY 2024-25 as per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 34 of SEBI (LODR) Regulations, 2015, please find enclosed the Notice convening the 20th Annual General Meeting (AGM) of shareholders and the Annual Report for the financial year 2024-25 which is being circulated to the shareholders through electronic mode for the AGM to be held on Thursday, June 26, 2025 at 03.00 PM (IST) through video conference (VC).

Click Here to download the Notice of AGM.

Click Here to download the Annual Report.

The Notice and the annual report will also be made available on the Company's website at www.lauruslabs.com.

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LAURUS Labs
Chemistry for Better Living

The Schedule of events are as follows:

Date and Time of AGM	Thursday, June 26, 2025; 3.00 P.M. (IST)
Eligibility date for participation in the AGM	June 19, 2025
Remote e-voting start date and time	Monday, June 23, 2025; 9.00 A.M. (IST)
Remote e-voting end date and time	Wednesday, June 25, 2025; 5.00 P.M. (IST)
Website of NSDL for remote e-voting and participation in the AGM through VC for Non-Individual Shareholders	https://www.evoting.nsdl.com/
Website for registration in IDeAS Portal for Individual shareholders holding demat with NSDL for remote e-voting and participation in the AGM through VC	https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
Website for registration in Easi/Easiest Portal for Individual shareholders holding demat with CDSL for remote e-voting and participation in the AGM through VC	https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration

This is for your information and records.

Yours faithfully,

For **Laurus Labs Limited**

VENKATESWAR REDDY GOGIREDDY
Digitally signed by VENKATESWAR REDDY GOGIREDDY
Date: 2025.06.03 14:18:15 +05'30'

G. Venkateswar Reddy
Company Secretary & Compliance Officer

Encl: A/a

Chemistry for Better Living

Integrated Annual Report 2024-25

LAURUS Labs
Chemistry for Better Living

Chemistry for Better Living

Scientific breakthroughs change lives. And true progress happens when innovation meets purpose. At Laurus Labs, our research-driven approach enables us to develop innovative medicines through chemistry, improving quality of life and creating a lasting impact.

FY25 was a pivotal year for us as we expanded our research capabilities, ventured into new areas of biotechnology and reinforced our commitment to a healthier planet. Our investments are not driven by short-term gains but by meaningful innovation that delivers real-world impact and lays the foundation for transformative change.

Strategic investment to advance next-gen bio-based solutions

Read more on pg 12

Opened new R&D facility - A hub for pharmaceutical breakthroughs

Read more on pg 34

A commitment beyond business for a healthier world

Read more on pg 50

What's inside

About the report

Our Integrated Report for FY25 offers a comprehensive overview of our financial and non-financial progress, governance structures, key issues, risk management, opportunities, strategic direction and outlook. It details how our vision, purpose, strategy, and business model are interconnected to generate value for stakeholders in the short, medium, and long term.

Integrated thinking at Laurus Labs

Integrated thinking shapes our strategic direction, governance and future opportunities, ensuring consistent value creation for all our stakeholders.

We are led by → Vision — Mission

Read more **on page 06**

Building on capitals →

- F Financial capital
- I Intellectual capital
- M Manufactured capital
- H Human capital
- S Social and relationship capital
- N Natural capital

Read more **on page 10**

Enabled by strategy →

- Innovate
- Expand
- Excel

Read more **on page 38**

Supported by our values →

- Knowledge
- Innovation
- Excellence
- Care
- Integrity

Read more **on page 06**

Delivering consistent value for stakeholders →

- Employees
- Communities
- Customers
- Suppliers
- Environment
- Investors

Read more **on page 52**

Scope of reporting

Reporting period

The report is published for the period April 1, 2024, to March 31, 2025.

Reporting boundary

The report covers ESG performance of six manufacturing plants and one R&D facility. The financial performance is presented on a consolidated level.

Report alignment

Our Integrated Annual Report FY25 is prepared with reference to globally recognised standards, including the Global Reporting Initiative (GRI) Indian Accounting Standards (Ind AS), to ensure consistency, transparency and comparability. By aligning with these reporting frameworks, we aim to provide our stakeholders with a comprehensive overview of our environment, social, and governance (ESG) KPIs, targets and their impact. Through this report, we strive to showcase the value we bring to the healthcare industry and our dedication to uplift society.

Board responsibility statement

The Board firmly believes that this report is a fair representation of the Company's financial, non-financial, sustainability and operational performance and addresses all material topics relevant to the Company for FY25. The Board acknowledges that the contents of this report have been prepared by the respective functions and businesses under the guidance of the senior management.

Assurance

The management has conducted a thorough examination of the information and statements provided in the report to maintain their accuracy and reliability. This review process was undertaken to ensure that all the facts and qualitative information contained within the report were presented in an unbiased and transparent manner.

Feedback and queries

We invite you to share your valuable insights, suggestions, and questions regarding our Report, which will help us enhance our future reporting endeavours. You can communicate your suggestions and queries by using the form available at esg@lauruslabs.com

FY25 highlights

Financial

₹5,554 crores
Revenue from operations
10%

₹1,115 crores
EBITDA
40%

₹358 crores
Profit after tax
112%

17%
Dividend payout ratio

20.1%
EBITDA margin
430 bps

9.7%
Return on capital employed
330 bps

y-o-y growth

Operational

6
Big Pharma partnerships

237
Patents granted

15
Development and manufacturing sites

7,800+ KL
Reactor volume

ESG

34,62,897 GJ
Energy consumed

1,14,524 GJ
of total energy from renewable sources

3,41,418 KL
Water recycled

57%
Waste recycled or reused

7,042
Total employees

9%
Female employees

1,51,125
Manhours spent on health and safety training

₹16.62 crores
CSR expenditure

50%
Independent Directors

20%
Women Directors

Who we are

We are a research-driven, integrated pharmaceutical company with a robust presence across four core business portfolios: Contract Development and Manufacturing (CDMO), Generics Finished Dosage Forms (FDF), Active Pharmaceutical Ingredients (APIs), and Biotechnology. These portfolios position us to effectively meet the diverse needs of our customers across the pharmaceutical, animal health, crop science, consumer health and nutrition sectors in various global markets.

Vision

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

Mission

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

Values

At Laurus Labs, the five-spoke wheel enabling the journey of the Company consists of these values.

Knowledge
Seek to learn constantly to stand out from the crowd

Excellence
Scale new peaks in everything we do

Innovation
Strike out on new paths to go farther

Care
Be diligent, safe, and sensible

Integrity
Stand up always for what is right

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Corporate overview
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Our strengths

Scalable and integrated manufacturing facilities

Our advanced manufacturing infrastructure ensures high-quality, efficient, and scalable production across key therapeutic segments. With backward integration, stringent regulatory compliance, and operational excellence, we deliver reliable and cost-effective solutions to global pharmaceutical markets.

15
Development and manufacturing (D&M) sites

Our facilities are compliant with leading global regulatory agencies, including US FDA, EU EMA, WHO and Japan PMDA

Robust R&D capabilities

With state-of-the-art R&D centres and a highly skilled scientific team, we focus on continuous process improvement aligned with sustainable manufacturing practices, developing niche APIs, novel formulations, and integrating cutting-edge technologies. Our expertise in synthetic and fermentation-based technologies allows us to cater to evolving industry needs while ensuring high-quality and cost-effective solutions for global markets.

5
State-of-the-art R&D centres with >48,000 m^2 area

90
Drug substance (DS) and Drug product (DP) launches

Strong team guided by experienced management

Our highly skilled and diverse workforce, including scientists, regulatory experts and industry professionals, is backed by experienced leadership. With deep expertise in pharmaceutical research, process development, large-scale manufacturing and quality compliance, our team plays a pivotal role in driving innovation and delivering high-quality solutions across the globe.

7,042
Total employees

2,634
Scientists and quality team

70%
of the Board has more than 30 years of experience

Global customer base

Over the past two decades, we have established ourselves as a trusted partner, delivering high-quality APIs, intermediates, formulations, and specialty ingredients to meet the needs of global customers. Our strong manufacturing capabilities and expanding market presence across North America, Europe, and LMICs have fuelled consistent growth. We are committed to deepening collaboration with key customer segments and strengthening these partnerships for the future.

Revenue share by region (%)

20%
North America

25%
Europe

55%
ROW

250+
Global customers served worldwide

80+
Countries where our products are distributed

68%
Revenue contribution from exports

What we offer

With a strong focus on innovation, backward integration, and regulatory compliance, we drive sustained growth and deliver high-quality pharmaceutical solutions worldwide. Our expertise in complex chemistry and advanced manufacturing enables us to serve global pharmaceutical, biotech, animal health, crop science and specialty ingredient industries.

Business division

CDMO

Our CDMO division provides drug development including human health and manufacturing services to global pharma, crop science, animal health, speciality ingredients and biotech firms, with facilities in Hyderabad and Visakhapatnam. Key markets include the US, EU and Japan.

Generics API and FDF

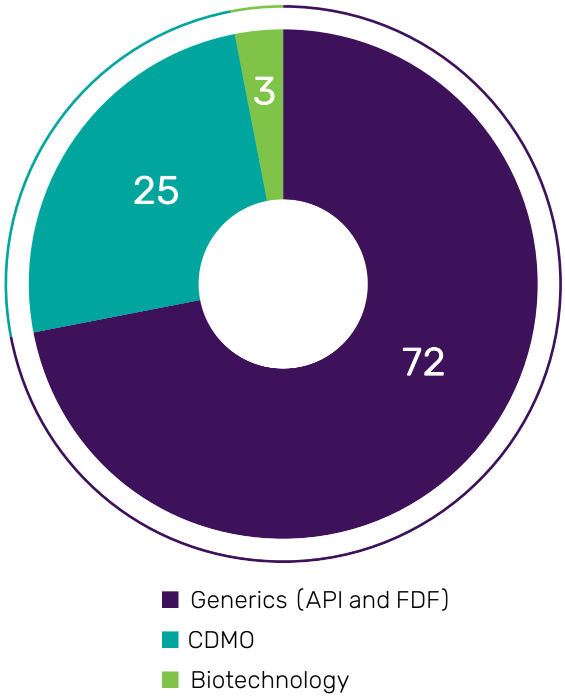
With the largest Hi-Potent API capabilities in India, we are world's leading third-party API supplier for antiretrovirals. Our portfolio spans ARV, oncology, steroids, hormones and cardiovascular APIs, supplied to the top global generic pharmaceutical companies. Our Generics FDF business focuses on oral solid formulations. Central to our innovation is the integrated API/FDF Development at a large scale.

Biotechnology

Through our subsidiary, Laurus Bio, we offer comprehensive services from clone and strain engineering to large-scale production, supporting clients across the microbial precision fermentation spectrum. Our solutions serve sectors like regenerative medicine, vaccines, cultured meat and more.

Offerings	Division-wise revenue in FY25
• Commercial scale supplies • Clinical phase supplies • Analytical and research services	₹1,374 Cr
• ARVs • Hepatitis C • Cardiovascular • Anti-diabetic • Anti-asthma • Gastrointestinal • Oncology • Ophthalmic products	₹4,020 Cr
• Nutraceuticals (natural ingredients) • Dietary supplements • Cosmeceutical products • Alternate food proteins	₹160 Cr

Revenue contribution by division (%)



How we create value

Input

F **Financial capital** Efficiently deploying financial resources to generate long-term value through strategic investments in capacity expansion, R&D and global outreach.	• Equity: **₹4,473 crores** • Debt: **₹2,693 crores** • Gross Block: **₹6,250 crores**
I **Intellectual capital** Strengthening innovation and knowledge assets by advancing R&D, securing patents and developing differentiated solutions.	• R&D investment: **₹257 crores** • **5** R&D centres • **2,634** R&D and quality team strength
M **Manufactured capital** Investing in scalable and integrated manufacturing infrastructure while enhancing operational efficiency through technology-led process improvements.	• **15** manufacturing sites, including bio division • **160** quality audits • **~7,800 KL** reactor capacity • **100%** pharmaceutical manufacturing sites are cGMP compliant
S **Social and relationship capital** Building stakeholder trust through transparent engagement and proactively addressing their needs and expectations.	• CSR spend: **₹16.62 crores** • **146** customer audits
H **Human capital** Cultivating a highly skilled team through targeted training and aligning their expertise with our vision.	• Total employees: **7,042** • Employee benefit expense: **₹720 crores** • **1,51,125 training man-hours** spent on health and safety training
N **Natural capital** Safeguarding natural resources by adopting sustainable sourcing and optimising operations.	• **114,524 GJ** of energy from renewable sources • **33,48,373 GJ** of energy from non-renewable sources • **9,99,103 KL** of water consumed

Value creation process

Vision

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

Business division

Strategy

Stakeholders impacted

Employees Communities Customers

Values

- Knowledge
- Integrity
- Excellence
- Innovation
- Care

- Innovate
- Excel
- Expand

Output	Outcome
• Revenue: **₹5,554 crores** • EBITDA: **₹1,115 crores** • Market capitalisation: **₹330 billion** • Total dividend paid: **₹43 crores**	Enhanced shareholder returns through capital appreciation and dividend payout
• **257** patents granted • **90** launches across drug product (DP) and drug substance (DS)	Superior solutions, patent portfolio growth and expanded expertise
• **10 billion** tablets and capsules formulation (OSD) • **Zero** incidents of product recall • **7** ongoing growth projects (3 DS, 1 DP, 1 Bio, 2 Cell and Gene)	Increased efficiency through technological advancements in continuous manufacturing
• **250+** clients served • **₹1,754 crores** revenue from domestic customers	Strengthened trust and collaboration with all stakeholders, including regulatory bodies
• Certified as great place to work • **100%** of employees received career development reviews • Healthy and skilled workforce	A more skilled workforce aligned with organisational goals through ongoing development
• **'BBB'** rated by MSCI ESG Rating • **S&P Global** ESG Score of 73 (vs. PY: 59) • **3,15,457** tCO_2 of Scope 1 emissions • **181,901** tCO_2 of Scope 2 emissions • **30,906 tonnes** of waste recycled and re-used	Reduced environmental impact through sustainable practices and operational efficiency

Suppliers Environment Investors

Strategic investment to advance next-gen bio-based solutions

This strategic investment would enable Laurus Bio to expand and accelerate microbial fermentation capabilities, including faster development of new products, speeding up the internal pipeline, enhancing high-quality commercial-scale capacity to partners and growing our industry position.

~ Dr. Satyanarayana Chava
Executive Director and CEO

Equity investment in Laurus Bio

In December 2024, Laurus Bio, our biotechnology subsidiary, secured an equity investment of ₹120 crores from Eight Roads Ventures and F-Prime Capital, with Laurus Labs co-investing an additional ₹40 crores. This strategic infusion aims to expand and accelerate our microbial fermentation capabilities, facilitating the development of bio-based proteins and enzymes.

Enhancing sustainable biomanufacturing

The investment will enhance our manufacturing and R&D infrastructure, expedite product development and strengthen our position in the biomanufacturing industry. These advancements are pivotal in driving sustainability across sectors such as food production, industrial processes and environmental management.

Chairman's statement

Dear stakeholders,

I am delighted to present that FY25 has been a transformative year for Laurus Labs, marked by consistent progress, innovation, and a renewed focus on delivering integrated solutions across the life sciences value chain. We have strengthened our position as a trusted global partner, continuously advancing on our strategic priorities while staying deeply committed to quality, sustainability, and long-term value for our stakeholders.

Industry landscape

The global life sciences and pharmaceutical industry has continued to evolve, driven by shifting healthcare demands, increasing complexity in drug development, and a greater focus on speed, specialisation, and supply chain resilience. As a result, we have seen increased demand for outsourcing—from development to manufacturing services—with clients seeking agile, integrated partners who can support them throughout the product lifecycle. This year, we have leveraged our scientific expertise, scalable manufacturing capacity, and commitment to operational excellence, positioning ourselves to meet these demands and remain a leader in the market.

"Our ability to rapidly scale production and our extensive portfolio of active pharmaceutical ingredients (APIs) and finished dosage forms (FDFs) and Contract Development and Manufacturing (CDMO) positions us as a key player in the global pharmaceutical supply chain. As a result, we are well-placed to seize opportunities arising from supply chain de-risking driven by geopolitical factors."

Delivering integrated and diversified growth

Over the year, we successfully maintained momentum across our business divisions, delivering strong performance through our integrated model. We achieved continued growth in our CDMO business, which became a larger share of our overall portfolio, while also seeing consistent contributions from our generics and API division. We have diversified our revenue streams across customer segments and global regions, including North America, Europe, and the Rest of the World, ensuring that we adapt to market dynamics and reinforce our relationships with key clients.

Strengthening innovation and capabilities

Our commitment to innovation remains at the core of our strategy. We have proactively invested in R&D capabilities, infrastructure, and technology platforms to enhance our ability to deliver high-quality, cost-effective solutions. We made significant advancements in sustainable and continuous manufacturing, expanded our capacities, and successfully integrated new technologies into our operations. Our efforts to build a comprehensive, scalable R&D platform have positioned us as an efficient, high-quality partner, and we are well-equipped to support customers from early-stage development through to commercial-scale production.

Upholding quality, compliance and sustainability

We have maintained our focus on "One Quality for All Markets," upholding the highest standards of quality, safety, and compliance across all our operations. This year, we continued to make significant strides in our sustainability agenda by enhancing our energy management systems, securing renewable energy partnerships, and applying green technologies in our operations. Our dedication to ESG principles was also recognised through several external awards, reaffirming our position as a responsible corporate citizen.

Investing in people and culture

Our teams have been integral to our success. We have fostered a culture of scientific curiosity, collaboration, and continuous improvement, which has allowed us to drive innovation, deliver excellence, and make a meaningful impact for our customers and communities. Our investment in talent and employee development continues to be a priority, and we are proud of the passion and dedication our teams bring to work every day.

Looking ahead

As we look ahead, we remain focused on strengthening our integrated capabilities, scaling our global presence, and deepening our customer partnerships. We will continue to execute on our strategic vision, ensuring that we remain positioned for sustainable long-term growth and create enduring value for all our stakeholders.

Sincerely,

Dr. K. Ravindranath

Non-Executive Chairman and Independent Director

CEO'S statement

In FY25, we strengthened our scientific and technological capabilities, expanded our capacities and made strategic investments to strengthen our bio-division. Our commitment to delivering integrated solutions has driven key project wins further solidifying our industry position in the global pharmaceutical landscape."

Dear stakeholders,

It gives me immense pleasure to address you as I reflect on an eventful year marked by robust performance alongside meaningful progress across multiple fronts. In FY25, we strengthened our scientific and technological capabilities, expanded our capacities and made strategic investments to reinforce our bio-division. Our commitment to delivering integrated solutions has driven key project wins further solidifying our industry position in the global pharmaceutical landscape.

Through these efforts, we continue to deliver solutions that address emerging healthcare needs while strengthening our commitment to improving health outcomes and enhancing quality of life through chemistry.

Navigating industry shifts with resilience

The pharmaceutical and healthcare industries continue to experience profound shifts, shaped by the rise of precision medicine, demand for faster drug development, increasing complexity of molecules and the growing importance of sustainable manufacturing. Within the CDMO space, small and large molecule development, advanced modalities including cell and gene therapies, and the application of cutting-edge technologies such as biocatalysis, flow chemistry and continuous manufacturing are reshaping the competitive landscape.

In the face of these industry trends, evolving regulatory frameworks and intensifying competitive pressures, we have demonstrated agility and purpose. Our strategic focus on diversifying the business, moving beyond legacy ARV revenue streams and expanding CDMO offerings, has positioned us strongly to capture opportunities at both clinical and commercial stages across multiple therapeutic areas and markets.

Delivering robust performance

In FY25, Laurus Labs reported revenues of ₹5,554 crores (+10% YoY growth), reflecting robust demand for our CDMO offerings despite external challenges. Gross margins were maintained at a healthy 55.4%, supported by a favourable product mix. EBITDA of ₹1,115 crores (+40% YoY growth) resulted in a margin of 20.1%, in line with our outlook, and we see a clear pathway for further margin expansion as we continue delivering on mid-late phase projects, ramping up new assets, and better asset utilisation.

ROCE improved from 6.4% to 9.7%, reflecting the early benefits of operational efficiencies and disciplined capital deployment. During the year, we invested ₹659 crores in capex, primarily directed toward expanding our CDMO and CMO capabilities, while net debt-to-EBITDA improved from 2.9x to 2.3x, highlighting our strong capital allocation discipline and focus on sustainable growth.

Strengthening our business pillars

We have continued to execute on our key strategic priorities with strong focus on commercial execution. The CDMO business delivered robust performance, achieving 49% growth in the small molecules division, driven by strong market momentum and the successful ramp-up of new manufacturing assets. We now manage over 110 active CDMO projects spanning human health, animal health, and crop science, with an encouraging shift toward high-value, complex programmes for Big Pharma partners. Investments in advanced technologies, such as high-potency R&D and enzyme engineering, are further strengthening our integrated development and manufacturing capabilities.

The Generics division maintained steady progress, especially in the ARV and developed market portfolios, recording revenues of ₹4,020 crores. We executed several integrated CMO contracts and advanced multiple ANDA filings, reinforcing our product pipeline and market presence. The Krka joint venture collaboration remains on track, with land acquisition completed and construction of the GMP manufacturing facility scheduled to commence in June 2025.

In large molecules and advanced modalities, our Bio-division laid the foundation for future growth, with potential groundbreaking for commercial-scale fermentation facility in Visakhapatnam by June 2025. Our initiatives in Cell and Gene technologies continue to show significant progress. Our associate company, ImmunoACT, has supported around 300 patients with encouraging survival outcomes through NexCAR-19. ImmunoACT is also conducting Phase 1 trials of NexCAR-19 in pediatric patients and exploring its use in multiple myeloma through BCMA targeting. We expect our second GMP facility to begin operations by September 2025, adding capacity for an additional 2,500 treatments. Additionally, we have appointed new leadership to drive our Gene Technology and Conjugates platform services, where we plan to invest over US$15 million.

Enhancing innovation and execution

As an R&D-driven manufacturing company, we remain focused on continuously strengthening our technological competitiveness and expanding our capabilities. We commissioned a new small-molecule R&D centre, enhanced our high-potency and continuous manufacturing infrastructure, and successfully delivered several complex projects.

Importantly, we have evolved our operating model around two simplified business divisions – CDMO and Generics – to enhance focus, accountability and long-term growth alignment. This restructuring will enable us to sharpen execution, strengthen innovation, and drive scalable impact across the value chain.

Upholding quality, compliance and ESG

Throughout FY25, your Company successfully completed over 160 quality audits by regulatory agencies and customers—an increase of 20% over the previous year—with no critical findings. Your Company also received Establishment Inspection Reports for its Unit 4 API facility in Visakhapatnam.

Our deep-rooted commitment to environmental, social, and governance (ESG) priorities continued to guide our operations. Across energy use, waste management, safety, and community engagement, we advanced key initiatives to position your Company as a responsible, sustainable organisation aligned with global best practices and stakeholder expectations.

Looking ahead with confidence

As we step into FY26, Your Company is well-positioned to continue evolving as a diversified CDMO and CMO leader, underpinned by a strong pipeline, enabling technologies, and commercial excellence. We will continue to emphasis deepening collaboration with major clients and execute on CDMO potential while improve resourcing in Generics business, supported by CAPEX investments.

We anticipate operating margins will improve further, supported by continued enhancements in utilisation rates and product mix optimisation.

As a close I extend my thanks to our community of 7,000+ colleagues for what we have been able to achieve together in 2025. Together, we will continue to push boundaries, create value, and deliver on our purpose: improving lives across the world through innovation, excellence, and the enduring chemistry of better living.

Dr. Satyanarayana Chava

Executive Director and CEO

Business review
CDMO

Our CDMO business is built on a strong foundation of integrated R&D and manufacturing capabilities, enabling us to serve global pharmaceutical and biotech companies across the drug development lifecycle.

CDMO operating landscape

Small molecules continue to dominate global drug approvals, accounting for over 70% of new therapies. Demand for complex APIs and niche molecules remains strong.

Specialised expertise is important, with increasing demand for Continuous manufacturing, high-potent compounds and complex synthesis, leading to better pricing but longer lead times.

Supply chain optimisation by big and mid-sized pharma has accelerated outsourcing, creating opportunities for CDMOs with proven track records.

Growing interest in phase-appropriate manufacturing, particularly for orphan drugs, is driving demand for flexible and integrated CDMO services.

Strategic partnerships and M&A activities are shaping the sector, with a shift towards sustainable and resilient supply chains.

Our strategic response

At Laurus Labs, we continue to scale our CDMO operations to meet growing demand, with targeted investments in infrastructure, innovation and partnerships

Significant investment into Continuous manufacturing.	Strengthening integrated manufacturing capabilities, offering seamless drug substance-to-drug product solutions.	Expanding high-potency API (HPAPI) and complex chemistry capabilities, aligning with demand for difficult-to-make small molecules.	Accelerating biologics CDMO expansion, including GMP-compliant CGT facilities to support next-gen therapies.	Enhancing phase-appropriate services, ensuring agility across preclinical, clinical, and commercial stages.

FY25 performance overview

Strong double-digit growth, driven by ramp-up of new assets and clinical project advancements.

49% ↑

FY24 ₹922 crores

₹1,374 crores FY25

Key developments in FY25

- Increased late-phase project acquisitions and successful execution of key commercial validation supplies in both pharmaceutical and animal health segments.
- Commissioned a new Drug Substance (DS) block at Unit-4 and Animal Health DS facility (LSLP-U2), with MB-3 operational and MB-4 under construction. Additionally, the Agrochemicals facility at LSPL Unit-4 has been brought online.
- Opened a new 200,000 sq. ft. small molecule R&D facility at IKP Knowledge Park, Hyderabad with advanced capabilities in flow chemistry, high-potent API development and continuous manufacturing.

Outlook for FY26 and beyond

Looking ahead, we are committed to scaling our global CDMO footprint through continuous capacity expansion and technology investments while advancing into high-value specialty service capabilities such as biologics and gene therapy. Additionally, we are leveraging automation and AI-driven process optimisation to enhance efficiency and compliance. With a strong foundation and a robust pipeline, we are well-positioned to capture growth opportunities and reinforce our position as a trusted global CDMO partner.

Business review

Generics - API

We develop, manufacture, and supply high-quality APIs across key therapeutic areas such as ARVs, cardiovascular and CNS. With advanced facilities and strong quality systems, we serve global pharmaceutical partners while meeting international regulatory standards.

Generics API operating landscape

The global API market is poised for steady growth, with projections indicating an increase from US$247.8 billion in 2024 to US$347.9 billion by 2029 at a CAGR of 5.90%. This growth is driven by factors such as the rising prevalence of chronic diseases, increased demand for generic medicines, and advancements in API manufacturing technologies.

In the generic drug industry, mid-single-digit annual price erosion is anticipated, accompanied by modest organic revenue growth. Despite pricing pressures, the emphasis on cost-efficient manufacturing and the expansion of biosimilars are expected to contribute positively to the market dynamics.

Our strategic response

In response to the evolving market landscape, our strategic initiatives include:

Capacity optimisation
Focus on capacity alignment to meet customer demand, Increased R&D resourcing to enhance product pipeline.

Cost efficiency measures
Implementing efficiency enhancement initiatives to mitigate pricing headwinds and maintain competitiveness in the generic API market.

Expansion of CMO engagements
Strengthening collaborations with CMOs to augment production capabilities and meet the growing demand for APIs across various therapeutic segments.

FY25 performance overview

In FY25, our API division experienced a temporary softness, primarily due to prioritised capacity allocation into attractive business opportunities, lower volume offtake, and pricing erosion in select product basket within ARV and Oncology.

4% ↓

FY24 ₹2,545 crores

FY25 ₹2,438 crores

FY25 key developments

- **ARV API production:** Effective sourcing and operational efficiencies helped us to maintain leadership position in the supply ARV APIs to various partners. We took initiatives to de-bottleneck few processes to increase manufacturing capacities.
- **Order intake and CMO engagements:** We achieved a positive trend in order intake reflecting sustained demand for our APIs. Additionally, we expanded our CMO engagements optimising our production capacity and flexibility.
- **Efficiency enhancement initiatives:** Ongoing initiatives aimed at enhancing operational efficiency were implemented to counteract pricing headwinds and maintain market competitiveness.

Outlook for FY26 and beyond

Looking ahead, while pricing pressures persist across generic markets, the broader outlook for our Generic API division remains positive. This is supported by planned capacity expansions to address current constraints, particularly in the ARV API space. A strong order book is expected to translate into sales, contributing to revenue growth. We will continue to focus on cost efficiency and operational excellence to navigate pricing challenges effectively. In parallel, we are strengthening strategic partnerships with CMOs and other collaborators to diversify our API portfolio and enhance our global market position.

Business review

Generics - FDF

We develop, manufacture and supply high-quality generics FDF across therapeutic areas such as ARVs, cardiovascular, CNS and anti-infectives. Supported by state-of-the-art facilities and strong quality systems, we serve a global customer base.

Generics FDF operating landscape

The global generic pharmaceuticals market is projected to grow from $457.04 billion in 2024 to $492.16 billion in 2025, reflecting a compound annual growth rate (CAGR) of 7.7%. This growth is driven by factors such as the rising prevalence of chronic diseases, increasing demand for affordable medications, and a growing emphasis on cost-effective healthcare solutions.

Despite pricing pressures, the emphasis on cost-efficient manufacturing and the expansion of biosimilars are expected to contribute positively to the market dynamics.

Our strategic response

Expanding generic FDF offerings to include complex generics and addressing unmet medical needs and enhancing our market presence.	Investing in advanced manufacturing technologies, including continuous manufacturing and process optimisation, to improve efficiency and ensure compliance with regulatory standards.
Collaborating with strategic partners to augment production capabilities and accelerate time-to-market for new products.	Strengthening regulatory affairs team to navigate the complex global regulatory landscape effectively, ensuring timely approvals and market access.

FY25 performance overview

In FY25, our Generic FDF division registered a 12% growth. This performance was driven by healthy progress across ARV and Developed market portfolio. Our order book remained healthy, reflecting sustained demand for our products.

12%

FY24 ₹1,414 crores

₹1,582 crores FY25

FY25 key developments

Capacity optimisation: Addressed capacity constraints in ARV production by reallocating manufacturing lines, ensuring the fulfillment of contractual obligations.

Krka pharma joint venture: Collaboration progressing well. A cumulative investment of ₹215 crores was made in FY25 (including Laurus: ₹105 crores and Krka: ₹110 crores). Land acquisition in Hyderabad is complete, and groundbreaking for the FDF manufacturing facility is expected by June 2025, with a focus on serving new markets including India.

Order intake and CMO engagements: Achieved a positive trend in order intake. Expanded CMO engagements to bolster production capacity and flexibility; additional CMO formulation lines are expected to come online by December 2025.

Efficiency enhancement initiatives: Implemented initiatives to improve operational efficiency in response to pricing pressures and to maintain market competitiveness.

Regulatory filings and approvals: Filed seven product dossiers and received six approvals, including tentative approvals, thereby strengthening the product pipeline.

Outlook for FY26 and beyond

Looking ahead, we anticipate growth in our Generic FDF division, driven by continued commercial execution on the CMO partnerships supporting portfolio diversification, ramp up in the non-ARV portfolio especially approvals within North America market. Continued focus on cost efficiency and operational excellence will help navigate pricing pressures.

Business review

Biotechnology

This division focuses on enzyme engineering, fermentation-based solutions and biologics CDMO services. Focusing on innovation, process optimisation and capacity expansion, we strengthened our bio-CDMO presence and advanced commercial fermentation to support long-term growth.

Biotechnology operating landscape

The global biotechnology sector witnessed significant advancements in enzyme engineering, fermentation-based API manufacturing and bio-catalysis applications. The increasing demand for sustainable bioprocessing solutions and specialised CDMO partnerships fuelled growth opportunities. Additionally, evolving regulatory frameworks and the expansion of synthetic biology applications further accelerated industry momentum.

In India, government-backed initiatives continued to drive investments in biologics and bio-manufacturing, supporting the transition towards advanced fermentation and high-value biologics production. As the industry moves toward scalable and efficient bio-based manufacturing, expanding fermentation capacity and R&D infrastructure remains critical to sustaining a competitive edge.

Our strategic response

Our Biotechnology division remained focused on strengthening CDMO capabilities, enhancing R&D infrastructure and scaling up fermentation capacity to address increasing customer demand.

Expanded CDMO customer pipeline, securing new collaborations in enzyme engineering, small-molecule biologics and fermentation-based API projects.

Enhanced R&D capacity, adding high-throughput systems to optimise processes and accelerate innovation.

Advanced fermentation manufacturing infrastructure, with commercial capacity expansion at our Visakhapatnam facility progressing as per plan.

FY25 performance overview

Delivered a stable revenue performance, supported by healthy demand for bio-offerings across CDMO and AOF portfolio.

FY24 ₹160 crores

FY25 ₹160 crores

FY25 key developments

- Strengthened our strategic partnerships with ₹120 crores equity infusion from Eight Roads to further scale our fermentation capabilities.
- We expect groundbreaking for the large-scale fermentation facility in Visakhapatnam by June 2025 and to begin operations by end-2026.
- Diverse and potential longer-term programs added to the pipeline in CDMO services business.
- Achieved 1.5x expansion in client base in FY25 over FY24 with a pipeline of over 60 active R&D projects.
- Application of enzyme engineering platform continued to grow, driving strong traction across clinical and commercial API projects.

Outlook for FY26 and beyond

Looking ahead, we will focus on strengthening our commercial fermentation capabilities, investing in next-generation bioprocessing technologies and deepening strategic collaborations in high-value biologics. Additionally, we will leverage automation and AI-driven analytics, we aim to optimise bio-manufacturing and improve efficiency.

Manufacturing excellence

We continue to strengthen our development and manufacturing (D&M) capabilities across CDMO services, APIs, FDFs and biotechnology, while expanding into emerging segments such as animal health and crop science ingredients. With an integrated and flexible D&M network, we are investing in capacity expansion, process improvements, new technology and operational efficiency to support global demand.

Manufacturing highlights

7,800+ KL
Reactor volumes

240 KL
Bio-ingredients

10+ billion
Tablets and capsules

Integrated development and manufacturing network

Visakhapatnam, Andhra Pradesh

Unit 1

Manufacturing of Non-Potent & Potent-Cytotoxic APIs

1,223 KL

Unit 2

Finished Dosage Forms (FDF) Manufacturing

Capacity to produce over 10 billion units annually; 89 KL

Unit 3

Manufacturing of Non-Potent & Potent-Cytotoxic APIs; R&D for APIs

2,340 KL

Unit 4

Manufacturing of Non-Potent APIs

1,959 KL

Unit 5

Manufacturing of Potent-Hormonal APIs; R&D for APIs

161 KL

Unit 6

Manufacturing of Non-Potent APIs

1,475 KL

Laurus Synthesis Pvt Ltd Unit 1

Manufacturing of Pharmaceutical Ingredients

145 KL

Laurus Synthesis Pvt Ltd Unit 2

Manufacturing of Animal Health Ingredients

293 KL

Laurus Synthesis Pvt Ltd Unit 4

Manufacturing of Cropscience Ingredients

61 KL

Manufacturing excellence

Hyderabad, Telangana

R&D centre and pilot production facility

APIs and Finished Dosages

4.5 KL

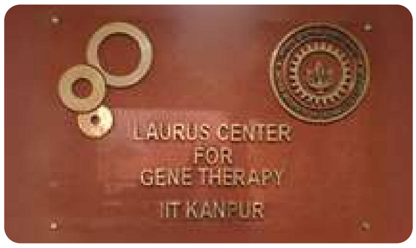
New R&D centre (IKP Knowledge Park)

Complex Drug synthesis, Flow chemistry, bio-catalysis, high potent, high pressure hydrogenation and continuous manufacturing

Sriam Labs

Manufacturing of Pharmaceutical Ingredients

81 KL



Gene Therapy Lab & ADC

Plasmids DNA, cGMP Pilot scale Vector Manufacturing and Anti-body Drug Conjugates facility

Bengaluru, Karnataka

Biologics & Biotechnology R&D Facility

Focused on Microbial Precision Fermentation solution

240 KL

Mumbai, Maharashtra

Cell Therapy GMP Unit 1*

CAR-T Cell Therapy Development & Manufacturing

Cell Therapy GMP Unit 2 (under construction)*

CAR-T Cell Therapy Development & Manufacturing

*Through our Associate company ImmunoACT

Expanding capabilities across segments

CDMO

Our additional R&D facility in Hyderabad (IKP Knowledge Park), inaugurated in September 2024, significantly enhances drug development and process innovation capabilities. This expansion is complemented by strategic investments in flow chemistry, continuous manufacturing, and biocatalysis focused CDMO projects, reinforcing our position as a preferred development and manufacturing partner.

API manufacturing

We maintain a strong API business with backward integration and regulatory approvals across major global markets. Our API sites in Visakhapatnam specialise in anti-retroviral, oncology, cardiovascular, and gastroenterology APIs.

With a total installed capacity exceeding over 7,800 KL, we have enhanced efficiency with advanced process automation and sustainability-focused manufacturing practices.

Finished dosage forms

To support our growing formulations business, we have scaled our oral solids manufacturing facility in Visakhapatnam, adding high-volume production capabilities and new packaging lines. These enhancements strengthen our ability to supply cost-effective, high-quality formulations to regulated markets. The facility is expected to be fully operational within the next 18 months in a phased manner, positioning us to meet increasing global demand.

Biotechnology

We have made significant progress in biotechnology-driven innovations, with multiple initiatives advancing biopharmaceutical manufacturing and precision medicine. This includes two GMP facilities in Mumbai dedicated to cell and gene therapy, including CAR-T-based therapeutics, and a dedicated gene therapy unit in Hyderabad focused on research and manufacturing of advanced biological medicines.

Animal health and crop protection

Recognising the growth potential in animal health and crop protection, we have expanded our API and Drug Substance (DS) capabilities. The Animal Health DS facility (LSLP-U2) in Visakhapatnam is now operational with three manufacturing blocks, and MB-4, currently under construction, is expected to be commissioned before September 2025, further strengthening our veterinary API portfolio. Additionally, a new crop-science ingredients facility was commercialised in the last quarter, supporting our expansion into agrochemical solutions.

Quality and compliance

At Laurus Labs, quality and compliance are at the core of our commitment to delivering safe, effective and reliable pharmaceutical products. We uphold the highest global standards, ensuring stringent adherence to Good Manufacturing Practices (GMP) and a unified quality framework across all markets.

Delivering One Quality Standard across All Markets

Our "One Quality Standard for All Markets" approach reflects our commitment to the highest regulatory benchmarks, embedding cGMP, Environmental Health & Safety (EHS) and Quality Assurance (QA) systems across operations.

We have strengthened our quality management with advanced systems, enhanced regulatory oversight and a culture of continuous improvement, ensuring alignment with evolving global expectations. This commitment guarantees that every product meets stringent quality standards, reinforcing our reputation as a trusted pharmaceutical partner.

Commitment to regulatory excellence

Our strong compliance framework is reflected in our adherence to global regulatory standards and successful completion of regular inspections and audits. A robust internal auditing mechanism and well-defined Standard Operating Procedures (SOPs) ensure operational consistency and regulatory alignment. All sites are cGMP-certified, reinforcing our commitment to quality and regulatory excellence.

1,260
Quality audits and inspections by global customers and regulatory authorities since inception

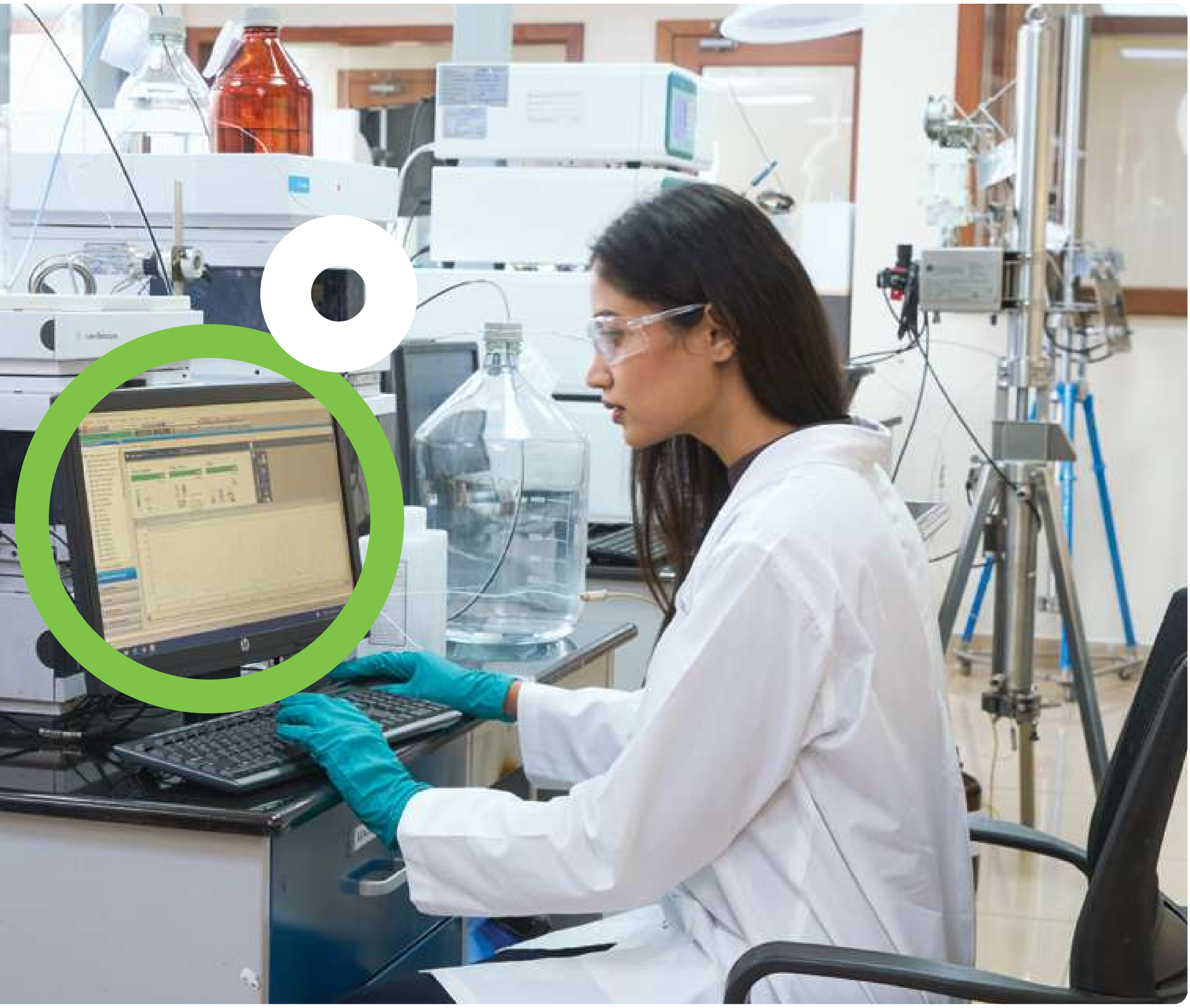
54
Inspections by major regulators, including US FDA, WHO, EU EMA and Japan PMDA

FY25 performance

In FY25, we reinforced our compliance framework, successfully navigating audits and regulatory inspections. Our commitment to quality is reflected in our key achievements:

160
Quality audits completed comprising 14 regulatory and 146 customer audits

Zero
Product recalls recorded in FY25



Strengthening quality systems and oversight

We have consistently elevated our quality management frameworks, leveraging advanced technologies and digital tools to enhance operational efficiency and compliance. Our key initiatives include:

- Advanced Document Management System (DMS) for seamless handling of quality documentation.
- SAP-driven inventory management ensuring precise tracking and control.
- Electronic Quality Assurance Management System (eQAMS) to support equipment calibration, preventive maintenance and real-time quality oversight.
- Implementation of ICDAS for stability chambers and Minitab for quality data analysis, strengthening product stability and quality review mechanisms.

Fostering a culture of quality and compliance

We invest in continuous learning and development to cultivate a strong quality-first mindset within our workforce. Our training initiatives include:

- Electronic Learning Management System (eLMS) tailored to specific roles and responsibilities.
- Structured induction programmes for new hires to reinforce regulatory and quality best practices.
- Specialised cGMP training sessions, facilitated by industry experts, ensuring employees remain aligned with the latest global compliance standards.

Advancing R&D and innovation

Our state-of-the-art R&D infrastructure, supported by a strong team of scientists and research professionals, fuels our ability to innovate and develop transformative therapies. With a research-first philosophy, we remain focused on advancing complex drug formulations, sustainable manufacturing technologies and next-generation therapeutic solutions.

Key research initiatives

Gene Therapy

We are advancing our 60,000 sq. ft. GLP/GMP gene therapy lab, focused on viral vectors and innovative gene therapy solutions. Phase 1 is expected to be operational by FY26-end, with in-licenced assets from IIT-Kanpur progressing into clinical trials. A newly appointed Head for CGT is spearheading these initiatives to accelerate innovation.

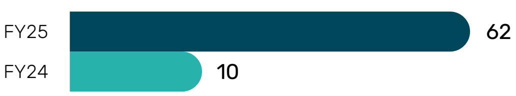
Cell Therapy

Since NexCAR19 launch in November 2023, it has treated over 300 patients. The Phase I/II clinical trial results from NexCAR19 was recently published in The Lancet Haematology, showing encouraging 73% response rate in patients with relapsed or refractory B-cell malignancies. This highlight the therapy's potential as a more affordable alternative to global CAR-T offerings. The hospital network has grown to 80+ centres, enabling broader accessibility. During FY25, NexCAR19 revenue grew significantly, reflecting broader access and demand.

Preparing for the next phase

Recognising the need for robust manufacturing infrastructure to support long-term scalability, we are investing in a second GMP facility in Navi Mumbai. Spanning 55,000 sq. ft, this site is expected to be operational by mid-2025 and will add capacity for 2,500 CAR-T treatments per year.

Revenue growth (₹ in crore)



90
Drug substance (DS) and drug product (DP) launched

2,634
R&D team, including 1,260+ scientists

Sustainable drug development

We remain at the forefront of sustainable pharmaceutical development, continuously refining our R&D platforms:

- **Continuous flow technology:** Expanded investments to enhance efficiency, safety and sustainability. Added new flow screening instruments and progressed commercial-scale continuous flow reactions. Executed ton-level project utilising proprietary designed flow reactors at high temperature and high pressure. During FY25, our Company witnessed 30% increase in Continuous Flow Reaction projects.

- **Bio-catalysis and fermentation:** Strengthened our enzymatic technology capabilities. During FY25, we added four bio-catalysis projects for green synthesis of small molecules reflecting about 40% increase.
- **Process technology:** Enhanced platforms for green chemistry and efficiency improvement, optimising cost and raw material usage. During FY25, our small molecule R&D platform supported over 75 projects across drug substance and drug products.

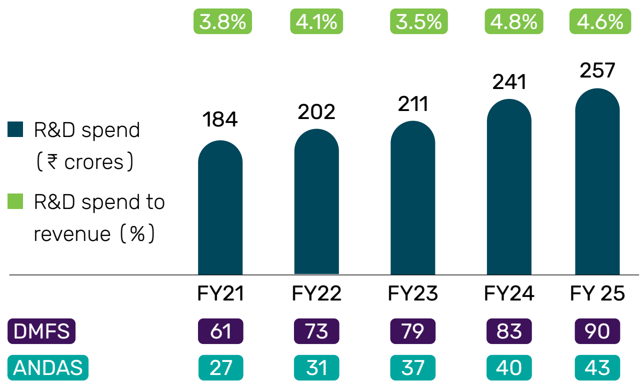
Digital excellence and intellectual property

Our digital transformation integrates advanced inventory management and ALCOA+ data integrity, driving efficiency and precision. We continue to expand our intellectual property portfolio:

352
Patents filed

130
Dossiers submitted

Investing in portfolio with product specific approach based on complexity and scale to continue



Commitment to future growth

Our R&D investments remain focused on building a high-quality, one-stop CMO/CDMO platform, accelerating the adoption of sustainable technologies, and ensuring a globally competitive product pipeline. With continued investments in innovation, sustainability, and operational excellence, we are well-positioned to deliver breakthrough healthcare solutions and long-term stakeholder value.

Our new R&D facility – A hub for pharmaceutical breakthroughs

Inauguration of the state-of-the-art R&D centre

In September 2024, Laurus Labs inaugurated a cutting-edge R&D facility at IKP Knowledge Park, Telangana. This 200,000 square-foot centre, established with an initial investment of ₹250 crore, is designed to bolster our Contract Development and Manufacturing Organisation (CDMO) business and gain expertise in new technologies. The facility is expected to create employment opportunities for over 800 professionals in two years.

Operating environment

The pharmaceutical industry is undergoing a major shift, shaped by evolving regulatory frameworks, breakthroughs in drug discovery, the rise of biologics and next-generation therapies and a growing emphasis on sustainability. At Laurus Labs, we closely monitor industry dynamics and accordingly adapt our strategy while implementing proactive risk management measures to drive sustainable growth and long-term value creation.

Responding to the industry trends proactively

Supply chain resilience and diversification

Recent global events have highlighted vulnerabilities in pharmaceutical supply chains, prompting a shift towards building resilience and reducing dependency on specific regions. For instance, the European Union has announced plans to decrease reliance on Asia for antibiotics and other critical drugs, aiming to address supply chain vulnerabilities for approximately 270 essential medicines.

This trend indicates the importance of diversifying supply sources and investing in local manufacturing capabilities to ensure uninterrupted access to essential medicines.

Digital transformation and technological advancements

The integration of digital technologies, particularly artificial intelligence (AI) and machine learning (ML) is transforming drug discovery, development and manufacturing processes. Investments in AI are projected to reach US$188 billion by 2030. These technologies enable more efficient data analysis, predictive modelling and personalised medicine approaches, thereby enhancing R&D productivity and operational efficiency.

Mergers, acquisitions and strategic partnerships

The industry is witnessing a surge in mergers and acquisitions as companies strive to expand their portfolios, enter new markets and leverage synergies across different healthcare segments.

Focus on sustainability and eco-friendly practices

There is a growing emphasis on sustainable practices within the pharmaceutical industry, driven by environmental concerns and regulatory pressures. Companies are increasingly adopting green chemistry principles, reducing waste and minimising their carbon footprint. This shift not only aligns with global sustainability goals but also meets the expectations of environmentally conscious stakeholders.

Embracing advanced manufacturing technologies

The adoption of advanced manufacturing technologies, including continuous flow chemistry and precision fermentation, is transforming production processes. These innovations lead to more efficient, scalable, and cost-effective manufacturing, enabling companies to meet the increasing global demand for medicines while maintaining high-quality standards.

Regulatory evolution and policy shifts

The regulatory environment is evolving, with authorities implementing reforms to enhance drug approval processes and ensure patient safety. In the United States, the Food and Drug Administration (FDA) continues to focus on facilitating the development and expedited approval of drugs for serious or life-threatening conditions, particularly for rare diseases. Additionally, potential policy shifts, such as changes in drug pricing regulations, require companies to remain agile and responsive to maintain compliance and competitiveness.

Personalised medicine and genomic advancements

Advancements in genomics and biomarkers are paving the way for personalised medicine, offering more precise treatment options tailored to individual patient profiles. This approach enhances therapeutic efficacy and reduces adverse effects, marking a significant shift from traditional one-size-fits-all treatments.

Strategic objectives

We continue to evolve as a future-ready organisation by strengthening our capabilities across research, technology and operations. With a focus on integrated offerings and advanced platforms, we are enhancing product pipelines, deepening customer engagement, and expanding our market presence. Our sustained investments in infrastructure, digitalisation and talent development position us to create enduring value while staying agile in a dynamic industry landscape.

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

- Strong product portfolio and customer-centricity
- Operational excellence and regulatory compliance
- Talent devleopment and leadership culture

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

Strategic objectives

Strategic objectives	Actions/Initiatives	Progress in FY25
R&D-led diversification & integrated offerings	Leveraging strengths in innovative chemistry and commercial excellence, we have expanded from ARV APIs to a diversified API portfolio and forward-integrated into formulations. Our CDMO investments further strengthen integrated service capabilities.	Added multiple clinical stage projects and commercial phase programs for Big Pharma utilising cutting-edge technologies Flow Chemistry established at commercial scale
Investment in disruptive innovation	We allocate up to 10% of our profits towards transformative technologies, including cell and gene therapy (CGT), novel drug delivery systems (e.g. oral disintegrating films), and process automation to improve patient outcomes.	Associate company ImmunoACT initiated Phase 1 trials for its second programme targeting BCMA Phase 1 trials for NexCAR-19 in paediatrics patients have also commenced
Advancing technology & sustainable platforms	Focus on continuous flow chemistry, biocatalysis, and precision fermentation to develop efficient, eco-friendly solutions that enhance R&D capabilities and production efficiency.	Several novel enzymes for bio-catalysis developed and manufactured
Digitisation and automation	Integrating AI, machine learning (ML), and robotics to optimise R&D, accelerate decision-making and enhance process efficiency.	Implementation of AI-based HVAC energy efficiency systems

Strategic objectives	Actions/Initiatives	Progress in FY25
Strong product portfolio & customer-centric approach	Adopting a 'research-first' philosophy, ensuring cost-effective and sustainable small-molecule solutions across multiple therapeutic areas.	**90** Product launches across DS and DP Development of Antibody Drug Conjugages (ADCs)
Operational excellence and regulatory compliance	Seamless integration of R&D, manufacturing, quality control, and project management aligned with global benchmarks such as cGMP, EHS, and QA systems to ensure regulatory compliance and efficiency.	e-Batch record implementation at Drug Product facility In-house waste treatment plant operational
Talent development & leadership culture	Investing in talent development and leadership programs to enhance operational efficiency, ensuring a skilled workforce aligned with business priorities.	MDP programme for middle level leaders
Large-scale manufacturing infrastructure	Expanding fungible, state-of-the-art manufacturing facilities to ensure agility in responding to customer needs, from early-stage clinical molecules to commercial-scale production.	Two large scale manufacturing blocks construction completed at Unit 4
Market & customer base expansion	Expanding product portfolios and service capabilities while maintaining a 'One Quality Standard for All Markets' approach to deepen engagement with pharmaceutical companies and adjacent industries.	ARV FDF access improved in several African regions
Leveraging technology synergies	Utilising pharmaceutical expertise and process innovations to expand into CMO, CDMO, and new sectors like animal health, agrochemicals, and specialty ingredients.	Nurtured a new relationship in AH and Crop Science Ingredients

Engaging with stakeholders

At Laurus Labs, we recognise that meaningful stakeholder engagement is key to driving sustainable business practices. By fostering open communication, building trust, and aligning our initiatives with stakeholder expectations, we aim to create shared value for our customers, communities, and the environment. Our proactive approach ensures that we not only understand stakeholder concerns but also integrate them into our strategic decision-making.

Our stakeholder engagement process

Identifying key stakeholders

We systematically map and categorise stakeholders into internal (employees, management, investors) and external groups (customers, regulators, suppliers, communities). Prioritisation is based on their influence, impact and level of engagement with our business.

Determining material topics

We conduct an in-depth review of industry trends, regulatory developments, and business priorities, followed by discussions with leadership teams to identify and validate key material issues.

Engaging with stakeholders

We employ multiple channels, including surveys, focused discussions and stakeholder forums to gather insights and feedback. This structured engagement helps us better understand expectations and emerging concerns.

Integrating insights & action

We analyse stakeholder responses to identify priority themes. These insights shape our strategic direction, inform sustainability initiatives, and guide improvements in our operations.

Employees

Capitals impacted
Human capital
Manufactured capital

Frequency of engagement
Continuous

Value created
1,51,125
Training man-hours

Purpose of engagement

Our employees are our most valuable assets. They are critical to increasing our competitive edge and strengthening market leadership, thereby driving our long-term success.

Strategic priorities

- Safe working environment
- Equal opportunities and treatment
- Learning and growth
- Work-life balance
- Employee benefits
- Fair rewards and recognition

Mode of engagement

- Meetings/Town hall briefings
- Employee engagement surveys
- Team building, workshops, capability building and training
- Annual appraisals
- Rewards and recognitions
- Robust people policies

Customers

Capitals impacted
Social and relationship capital
Intellectual capital

Frequency of engagement
Continuous

Value created
Zero
Incidents of product recall

Purpose of engagement

Engaging with customers enables us to understand evolving needs, ensure product quality and compliance, and foster long-term business relationships.

Strategic priorities

- Anticipating evolving needs
- Innovative product solutions to cater to changing needs
- Creating service delight with faster turnaround time

Mode of engagement

- Customer engagement surveys

Engaging with stakeholders

Community

Capitals impacted
Social and relationship capital
Human capital
Natural capital

Frequency of engagement
Monthly

Value created
₹16.62 crores
CSR spend

Purpose of engagement
Empowering the community is necessary to our long-term sustainability. Through numerous upliftment projects and activities, we continue to develop our relationships with the communities and transform their lives.

Strategic priorities
- Contribution to society
- Provide opportunities for self-sustenance and empowerment

Mode of engagement
- CSR initiatives

Suppliers

Capitals impacted
Social and relationship capital
Manufactured capital

Frequency of engagement
Continuous

Value created
Our procurement team is trained on various aspects of sustainable procurement guidelines.

Purpose of engagement
We collaborate with the suppliers to maintain a seamless business operation, ensuring effective and efficient procurement practices.

Strategic priorities
- Long-term partnerships
- Transparent practices
- Timely redressal of any queries
- Cost efficiency

Mode of engagement
- Regular operational reviews
- Vendor meets

Investors

Capitals impacted

Social and relationship capital

Financial capital

Frequency of engagement

Quarterly

Value created

₹43 crores

Total dividend paid

Purpose of engagement

We engage with investors to build trust and communicate our strategic direction and growth potential.

Strategic priorities

- Enhancing shareholder value through innovation
- Maintaining transparency
- Showcasing long-term growth strategies

Mode of engagement

- Quarterly earnings calls
- Annual shareholder meetings
- Publishing regular financial reports

Government/ Regulatory authorities

Capitals impacted

Financial capital

Social and relationship capital

Frequency of engagement

Need-basis

Value created

- Timely tax payment
- High compliances with regulations

Purpose of engagement

The government agencies and regulatory bodies provide required registrations, essential to conducting the businesses smoothly.

Strategic priorities

- Compliance with rules and regulations
- Timely reporting through various compliance-based forms

Mode of engagement

- Disclosures and filings for compliance reporting
- Meeting authorities for permissions/approvals

Materiality

To identify the ESG topics that are most significant to our operations and stakeholders, we actively involve our stakeholders in a comprehensive materiality assessment process. We revisit and update our materiality assessments biennially to ensure relevance and responsiveness. Our thorough approach guarantees extensive stakeholder involvement – covering both internal and external parties – to spotlight priority ESG topics critical to us.

Material topic	ESG category	Topic priority	Linkage with report
Regulatory compliance	Governance	High	Governance, ethics and compliance
Product quality and safety	Social Governance	High	Manufactured capital
Occupational health and safety	Social	High	Human capital
Protecting intellectual property rights	Governance	High	Intellectual capital
Cybersecurity and data privacy	Governance	High	Governance, ethics and compliance
Ethical governance	Governance	High	Governance, ethics and compliance
Risk management	Governance	High	Managing risks – An integrated approach
Employee well-being and satisfaction	Social	High	Human capital
Talent attraction and retention	Social	High	Human capital
Learning and development/skilling	Social	High	Human capital

Opportunity or risk	Rationale for identifying the risk/opportunity
Risk	Regulatory compliance is vital for us to maintain product quality, adhere to legal requirements, build reputation and trust, access markets, protect intellectual property, conduct ethical research and ensure a secure and compliant supply chain.
Risk	Issues related to quality and safety of our products may impact our brand reputation, ability to differentiate from competitors and create value for our stakeholders.
Risk	The health and safety of employees are of paramount importance to us; hence it is our responsibility to provide them a safe and healthy workplace. Health and safety hazards pose regulatory, reputational, and business continuity risks.
Risk	It helps us encourage innovation, safeguard market exclusivity, prevent unauthorised use and copying, maintain competitive advantage and fosters collaboration.
Risk	Implementing robust cybersecurity measures is essential to mitigate risks, reduce vulnerabilities and safeguard our digital assets and operations.
Risk	Ethical governance is vital for us as it ensures compliance with regulations, builds stakeholder trust and reputation, and access to medications, avoids conflicts of interest, upholds ethical supply chain practices and contributes to long-term sustainability.
Risk	It is crucial for us to identify and mitigate our risks to protect our reputation and brand, maintain business continuity and ensure financial stability.
Opportunity	Employees form backbone of our operations and to drive their productivity and boost retention, and talent acquisition, it is crucial that we take care of them.
Opportunity	It is essential for us to bring in fresh talent and at the same time retain our valuable employees to foster innovation and creativity in the Company.
Opportunity	Enhancing skills and competencies of our employees helps us in enhanced performance and productivity.

Materiality

Material topic	ESG category	Topic priority	Linkage with report
Access and affordability	Social	High	Social and relationship capital
Responsible supply chain management	Social	High	Social and relationship capital
Innovation management	Social	High	Intellectual capital
Ethical sales and responsible marketing	Governance	High	Social and relationship capital
Digitisation	Governance	Medium	Intellectual capital
Toxic emissions	Environment	Medium	Natural capital
Climate risks and resilience	Governance Environment	Medium	Natural capital
Climate and environment management	Environment	Medium	Natural capital
Human rights	Social	Medium	Human capital
Green chemistry	Environment	Medium	Natural capital
Community engagement	Social	Medium	Social and relationship capital
Antimicrobial resistance	Environment	Medium	Natural capital
Biodiversity management	Environment	Low	Natural capital
Diversity and Inclusion	Social	Low	Human capital

Opportunity or risk	Rationale for identifying the risk/opportunity
Opportunity	Better access and affordability are crucial as it results in improved health outcomes, equity in healthcare access and the overall well-being of countries that cannot afford medicines.
Risk	It is essential for us to identify and mitigate risks related to our supply chain such as disruptions in raw material supply, supplier reliability, or environmental sustainability.
Opportunity	Innovation is a crucial aspect for us to maintain our competitive advantage and encourage collaboration and partnerships.
Risk	Given the nature of the industry we are in, it becomes essential that we adhere to responsible and ethical marketing of our products to protect against their misuse or off-label promotion.
Opportunity	With the rapid technological advancements, it is imperative that we bring these solutions in our operations to enhance our efficiency, reduce costs and support the development of innovative solutions.
Risk	Managing our emissions into the environment is crucial for us to not only comply with the regulation but remain true to our environmental stewardship commitments.
Risk	Climate risks pose serious financial and reputational risk to Laurus Labs in the coming future. It is therefore essential that we ensure that we pay attention to develop timely mitigation strategies.
Risk	To reduce our environmental impacts and deal with the associated business continuity and human safety risks, it is important that an adequate climate and environment management system is in place.
Risk	It is our ethical responsibility to respect the human rights of every stakeholder associated with us.
Opportunity	By adopting green chemistry principles, we can significantly contribute to environmental protection by reducing our air and water pollution, conserving resources, and minimising our carbon footprint.
Opportunity	Community engagement allows us to build trust and create shared value for the communities in which we operate.
Risk	AMR poses a significant business risk to us as it may reduce the effectiveness of our products and increase the need for new drug development.
Opportunity	Sustainable use of biodiversity becomes important for us as many of our ingredients are derived from these.
Opportunity	Diversity is an important aspect for a business as it drives innovation and creativity and enhances decision-making.

A commitment beyond business for a healthier world

At Laurus Labs, our commitment goes beyond business outcomes. We believe that true progress lies in acting responsibly and making a tangible difference, whether it is through reducing our environmental footprint, upholding safety or creating long-term value for all stakeholders.

Strengthening climate action

In FY25, we formalised our near-term climate targets by signing with the Science Based Targets initiative (SBTi) and advanced our clean energy transition through a long-term renewable energy purchase agreement.

Improving ESG performance

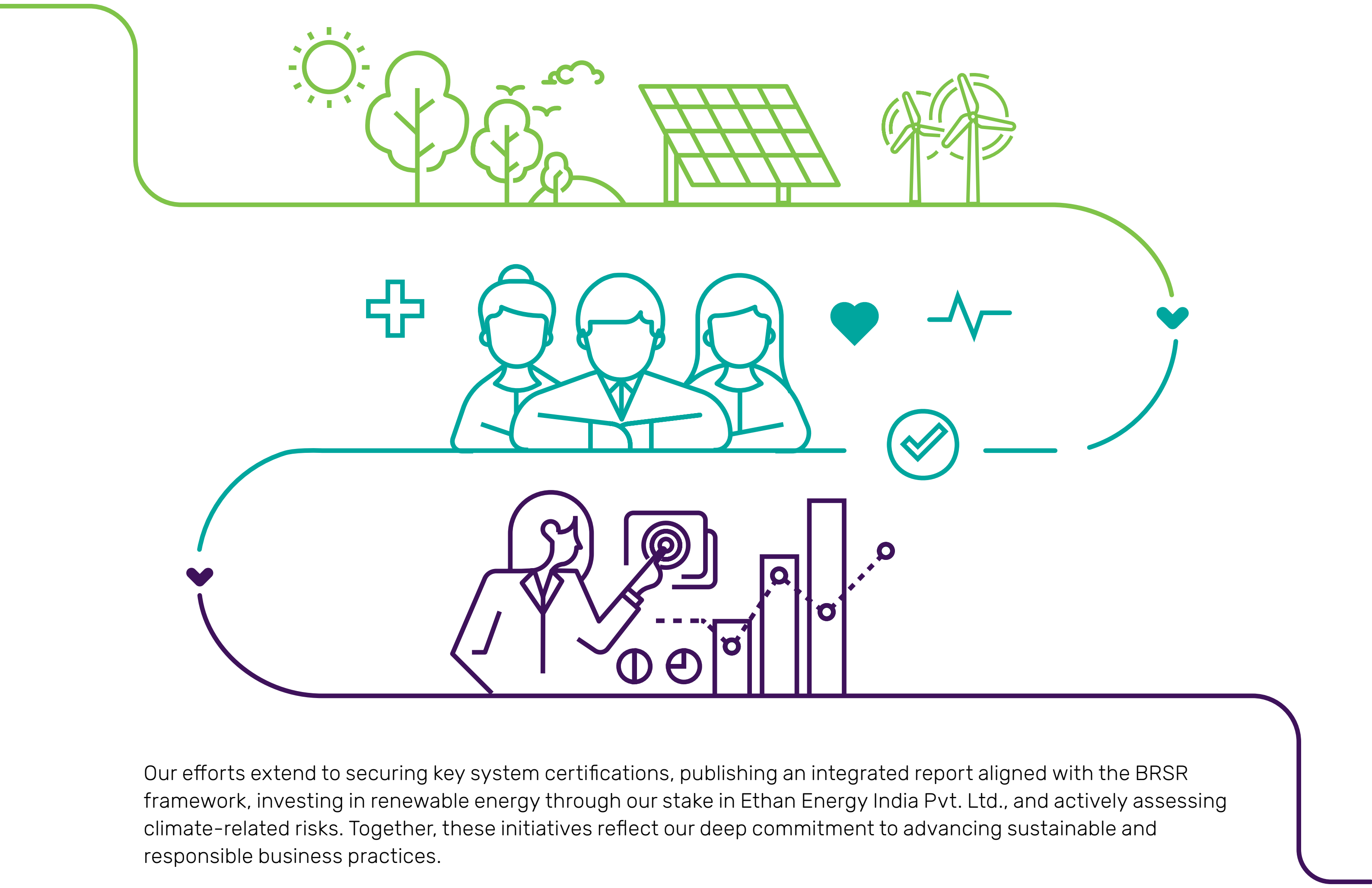
Our ESG score on the Dow Jones Sustainability Index (DJSI) improved during the year, reflecting greater transparency and stronger governance. We were also recognised as an “Industry Mover” in the S&P Global Sustainability Yearbook 2025.

Fostering a culture of safety

Safety remains a key focus across all our operations. Through dedicated efforts, including the launch of #SANKALP, we have strengthened our safety culture with strong leadership engagement and collaborative action.

Our ESG approach

Laurus Labs integrates Environmental, Social, and Governance (ESG) principles as a core part of its business strategy. We drive progress by adopting innovative technologies such as bio-catalysis and continuous flow chemistry, fostering safe and inclusive workplaces, and upholding the highest standards of ethics and compliance.



Our efforts extend to securing key system certifications, publishing an integrated report aligned with the BRSR framework, investing in renewable energy through our stake in Ethan Energy India Pvt. Ltd., and actively assessing climate-related risks. Together, these initiatives reflect our deep commitment to advancing sustainable and responsible business practices.

Sustainability Yearbook Member

Named First time in S&P Global Sustainability Yearbook 2025

SCIENCE BASED TARGETS

Commited to Near term GHG targets

S&P Global ESG Score

73

Data Availability | Very High

Methodology Year: 2024

Improved S&P ESG Score Vs. 59/100LY

MSCI ESG RATINGS BBB

Consecutive "BBB" ratings in FY22-25

PSCI

Joined PSCL reaffirming commitment to responsible business practice and supply chain resilience

Environment

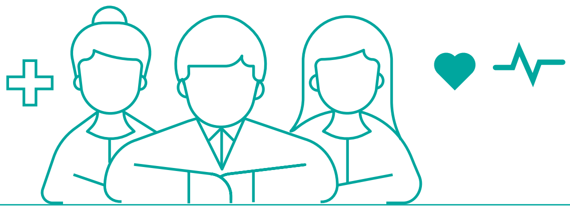
8%
Reduction in Scope 1 and 2 emission intensity per rupee of turnover

100%
Sites ISO 14001 and ISO 50001 certified

114,524 GJ
Renewable energy consumption

30,906
Tonnes waste recycled and re-used

Social



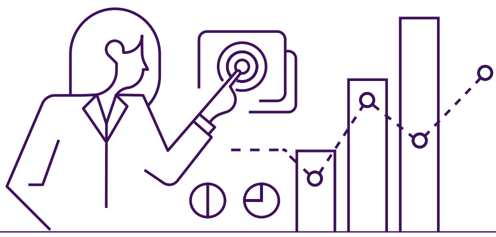
₹16.62 crores
Investment in community and social

Zero
Lost time injury rate

9%
Women in the workforce

100%
Employees trained on code of conduct and ethics

Governance



20%
Women Directors

50%
Independent Directors

Zero
Cases of unethical business practices against the Company

Zero
Incidents of data breaches

Way forward

We plan to complete the implementation of an Energy Management System (EMS) in accordance with ISO 50001 across all facilities in the near future. Additionally, several other environmental management projects are in the pipeline. These include the operationalisation of a solar project at Unit 2 and the adoption of biomass briquettes for Units 3 and 5 to reduce Scope 1 emissions.

Employees

At Laurus Labs, we are committed to fostering a workplace that prioritises safety, inclusivity and continuous development while ensuring the holistic well-being of our employees. Through structured people initiatives, we enhance their professional growth, workplace experience and overall health and safety.

100%
Employees trained on code of conduct and ethics

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

Zero
Lost time injury frequency rate (LTIFR)

Great Place to Work certified organisation

Material issues

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

Key risks

- EHS risk
- Operating risk

SDGs impacted

Talent acquisition, onboarding and retention

Our people strategy is focused on attracting top talent, ensuring seamless onboarding, and fostering long-term retention. To strengthen our talent pipeline, we have introduced key initiatives in structured induction, campus hiring, and technology-driven recruitment. Our onboarding programme facilitates a smooth transition for new employees, integrating them into our culture and operations. We continue to expand partnerships with leading institutions to nurture future leaders while leveraging AI-driven assessments to enhance hiring efficiency and candidate alignment.

7,042

Total employees in FY25

Employee well-being and engagement

We prioritise the holistic well-being of our employees, ensuring they thrive in a supportive and engaging environment. Our well-being initiatives focuses on enhancing physical, mental and financial health of our employees, while our employee engagement programmes foster a culture of collaboration, recognition and continuous improvement.

Health & wellness initiatives

We take a proactive approach to employee well-being through comprehensive health programs that address physical, mental, and emotional wellness. Strengthening our commitment, our partnership with the PRAAN Foundation has expanded the scope of the 'A Healthier and Happier You' Employee Assistance Programme (EAP), providing enhanced support and resources for our ewmployees.

- **Physical well-being:** Employees have access to regular health check-ups, preventive screenings, and Company-sponsored fitness programmes.
- **Mental & emotional well-being:** To support mental resilience, we provide access to mindfulness applications, counselling services and stress-management workshops.
- **Financial well-being:** Our employee assistance programmes include financial planning support and enhanced insurance benefits.

Employee engagement and recognition

A strong culture of collaboration and recognition is integral to our employee experience.

- **Collaboration and communication:** Platforms such as IGNITE and SANCHALAK enhance internal communication and foster peer-to-peer engagement.
- **Recognition framework:** We celebrate high performers and culture champions through structured monthly, quarterly and annual rewards.
- **Employee satisfaction survey:** Participation in the Great Place to Work survey has increased, reflecting our commitment to an inclusive and responsive workplace.

At Laurus Labs, we are committed to creating an inclusive and supportive workplace where our employees can thrive both professionally and personally. As part of this commitment, we introduced Laurus Littlest, our on-campus day-care facility. This initiative is designed to support working parents by providing a safe and convenient childcare solution, enabling them to better manage their work-life balance. It reflects our broader efforts to foster a caring and empowering environment for all employees.

Employees

Workplace safety and occupational health

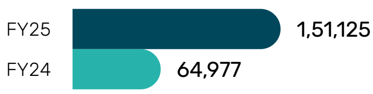
Ensuring a safe and healthy work environment is fundamental to our operations. We uphold the highest safety standards through rigorous protocols, continuous training, and advanced risk management systems, reinforcing our commitment to zero harm. Our proactive approach includes strengthening safety culture, leveraging technology, and enhancing leadership accountability.

Safety performance FY25

Zero

Case of Lost Time Injury Frequency Rate (LTIFR) for two consecutive years

Total safety training (man-hours)



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

Key safety initiatives

To continuously improve workplace safety, we have implemented several targeted initiatives:

- **SANKALP programme:** Strengthening safety culture through behavioural training and awareness programmes.
- **Advanced PPE and digital safety tools:** Deploying AI-driven risk detection systems for proactive hazard identification.
- **Safety leadership training:** Enhancing accountability across all organisational levels to drive a safety-first mindset.

Received the CII SETA 2024 Jury Award for Safety Excellence in recognition of robust safety systems and on-ground implementation.

Honoured with the Best Safety Practices Award by the Andhra Pradesh Factories Department during National Safety Week.

Maintained the British Safety Council Five-Star rating for key manufacturing sites, reinforcing adherence to global safety standards.

Expanded the Behaviour-Based Safety (BBS) programme across units, covering a large section of shopfloor employees.

Learning and development

Building a future-ready workforce requires a strong focus on continuous learning, leadership development and career progression. Our talent development initiatives are designed to enhance technical expertise, leadership capabilities and functional excellence, equipping employees with the skills needed to navigate industry shifts and drive business success. Some of our notable learning and development programmes are:

MANTHAN and Management Development Programme (MDP)

This program is designed to focus on digital transformation, sustainability, and functional excellence, empowering employees with the latest industry insights and best practices.

SANCHALAK – The Guide

A mentoring and career coaching initiative to strengthen leadership pipelines and enhancing employee growth.

Customised learning

Role-specific upskilling initiatives tailored to bridge competency gaps and foster career advancement.

We rolled out an organisation-wide Training Calendar in September 2024, anchored in our performance management insights. This helped identify capability needs across functions, enabling targeted learning interventions. The initiative showed tangible outcomes within 5–6 months and will continue to strengthen workforce capabilities and build future-ready teams.

Employees

Diversity, Equity & Inclusion (DEI)

We recognise that a diverse workforce fosters innovation, strengthens our culture, and enhances our competitive edge. Our commitment to DEI extends beyond compliance to actively cultivating an environment where every employee feels valued, respected and empowered to contribute.

Gender diversity

We continue to strengthen gender diversity across all levels, with targeted initiatives to support the career progression of women employees. We have structured leadership programs and mentorship initiatives are in place to increase female representation in leadership roles. Additionally, we have expanded creche facilities to support working mothers, ensuring access to quality childcare.

Women in Workforce (%)

Women in Board (%)

Zero Tolerance Policy

A safe and inclusive workplace is fundamental to our values. We enforce a strict 'Zero Tolerance Policy to Sexual Harassment' through awareness programmes and stringent reporting mechanisms. Educational materials on workplace ethics and anti-harassment guidelines are displayed across all locations to ensure clear communication of our policies.

Inclusive hiring and workplace accessibility

Our hiring practices prioritise fairness and equal opportunities, ensuring that all candidates are evaluated based on merit and job suitability.

Human rights and ethical labour practices

We are committed to upholding the highest standards of human rights and labour practices across our operations and supply chain. Our approach is guided by globally recognised frameworks, ensuring fair treatment, ethical labour conditions, and responsible business conduct.

Commitment to ethical labour standards

Our policies align with international human rights conventions, including the Universal Declaration of Human Rights (UDHR), International Labour Organisation (ILO) standards, and the United Nations Guiding Principles on Business and Human Rights (UNGPs). We maintain strict compliance with labour laws, ensuring safe working conditions, fair wages, and non-discriminatory practices.

To ensure continuous adherence to ethical labour standards, we conduct human rights due diligence across key operational areas. This includes impact assessments, grievance redressal mechanisms, and worker engagement programs to address potential risks and enhance workplace equity.

Responsible supply chain and compliance

We enforce a Supplier Code of Conduct, setting clear expectations on human rights, labour standards, and workplace safety. Through regular audits and capacity-building programs, we work closely with suppliers to uphold ethical sourcing practices and eliminate any risk of labour exploitation.

Communities

As a responsible corporate entity, we recognise that our growth and sustainability are linked to the well-being of the communities where we operate in. We deeply value fostering positive, productive relationships with community members who directly shape and enhance our business environment. Our approach is focused on making a meaningful contribution to societal progress.

₹16.62 crores

CSR spend

Material issues

- Community engagement
- Access and affordability
- Biodiversity management

Key risks

- EHS risk
- Regulatory risk

SDGs impacted

Our corporate social responsibility (CSR) strategy, guided by the CSR Committee in line with Section 135 of the Companies Act, 2013, shapes our commitment to positively impacting the community. We focus on key areas such as education, healthcare, environmental sustainability, and sports development, ensuring that our efforts lead to meaningful improvements in the lives of those we serve.

In partnership with the Laurus Charitable Trust, along with implementation partners, local NGOs, and community leaders, we ensure our initiatives are aligned with the real needs of the community. This continuous dialogue allows us to remain responsive and effective, ensuring that our contributions create lasting value for all stakeholders.

Communities

Healthcare and Hunger Eradication

Ensuring access to quality healthcare and nutritional support continues to be one of our foremost priorities. During the year, we expanded our outreach through projects aimed at both preventive and critical care.

We supported the installation of a RO plant in Gaddapotharam Village, ensuring safe drinking water for the local community. In our efforts to combat hunger and malnutrition, we partnered with the Hare Krishna Movement India, contributing to their food distribution programme.

Further, we extended direct support to individuals requiring urgent medical assistance. This included financial assistance for CAR T Cell therapy, a life-saving treatment for cancer, and critical surgeries for children and adults through organisations such as the Pure Little Hearts Foundation, Hrudaya Foundation, and Bal Arogya Samvardhan.

Promoting Education and Skill Development

Education remains a cornerstone of our CSR strategy, not only as a means of individual empowerment but also as a catalyst for long-term societal change. We implemented a number of initiatives during the year to strengthen educational infrastructure and promote vocational skills.

Our infrastructure development projects included the modification of school facilities in Moguluru, Munnaluru, and Kotturu villages, aimed at improving the learning environment for rural students. We also supported the Abhaya Foundation's "Super 60" programme, which mentors high-potential students from underprivileged backgrounds.

A significant milestone in our education efforts was the establishment of the Laurus Skill Development Centre, which has become a hub for skilling youth, especially from marginalised communities. With a focus on employment-oriented training, the centre aims to equip young individuals with industry-relevant capabilities and open pathways to sustainable livelihoods.

Preserving heritage and culture

Recognising the importance of India's rich and diverse cultural heritage, we extended support to cultural preservation and promotion initiatives. During the year, we partnered with the Pandit Jasraj Cultural Foundation and the Sangitanjaly Foundation to host music festivals that celebrate traditional art forms.

Additionally, we contributed to the Tribal Cultural Festival organised by the Government of Andhra Pradesh in Araku Valley, which showcased tribal heritage and fostered inclusion through cultural exchange.

Promoting environmental sustainability

Our environmental initiatives are rooted in the belief that sustainable development is only possible through responsible stewardship of natural resources. This year, we undertook targeted efforts in the areas of conservation, afforestation, and biodiversity.

We supported the Shri Kalpavruksha Kamadhenu Welfare Trust for environment-centric community activities and contributed to the maintenance of TTD Gardens, which play an important role in preserving native flora and enhancing urban green cover. These efforts, while small in scale, are steps toward creating resilient ecosystems and promoting ecological awareness.

Contributing to rural development

Rural development forms the backbone of our community outreach efforts. This year, we undertook several infrastructure projects aimed at improving the quality of life in rural areas.

Our efforts included the construction of concrete drains, roads, and toilet blocks in Munnaluru and Moguluru villages, addressing critical gaps in sanitation and connectivity. We also supported the procurement of garbage collection vehicles, contributing to cleaner village environments. Through small but strategic partnerships, such as with SCT, we aimed to amplify our rural development.

Encouraging excellence in sports

We believe in supporting talent at the grassroots and national levels, especially in sports that often lack institutional backing. Our CSR efforts in this area focused on promoting rural and nationally recognised sports.

During the year, we extended financial support to young and promising athletes, including Master Prraneeth Vuppala, a chess prodigy, and Sneha Singh, a golf player. We also provided aid to athletes participating in national-level weightlifting championships, helping them cover essential expenses.

Supporting for disaster management

In times of emergency, we strive to be a dependable partner in relief and rehabilitation. As part of our disaster management commitment, we contributed to Smart Andhra Pradesh Foundation to support their ongoing disaster relief and community rehabilitation efforts. This contribution helped deliver timely assistance to affected populations and enabled capacity-building for future resilience.

Customers

We continue to strengthen our role as a trusted partner to some of the world's leading pharmaceutical companies, emphasising quality, compliance, and innovation. Our commitment to excellence enables us to navigate diverse regulatory landscapes and uphold the highest standards across all markets.

146	Zero	14
Customer audits	Product recall	Regulatory audits

Material issues

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

Key risks

- Regulatory risk
- Competition risk
- Innovation risk

SDGs impacted

8 DECENT WORK AND ECONOMIC GROWTH

Customer profile and market presence

Our diverse customer base spans government agencies, multinational pharmaceutical companies, pharmacy chains, animal health firms, personal care brands, and crop science companies. With a presence in 60+ countries and a portfolio serving over 250 clients, we have established ourselves as a key partner for 90% of the top pharmaceutical companies worldwide.

60+
Countries presence

250+
Clients served

Ensuring product quality and safety

Guided by our philosophy of 'One Quality Standard for All Markets', we uphold uniform product excellence across all geographies. Our facilities operate under rigorous safety and quality frameworks, ensuring compliance with international regulatory requirements. This steadfast commitment enhances product integrity, simplifies adherence to statutory norms, and fortifies our global reputation for reliability.

Customer engagement and service excellence

Our dedicated sales and marketing teams drive customer engagement by delivering tailored solutions that align with client needs. Leveraging our expertise in Contract Research and Manufacturing Services (CRAMS) and Contract Development and Manufacturing Organisation (CDMO) services, we provide high-quality, cost-effective solutions. Regular customer audits and a robust feedback mechanism enable us to refine our operations, strengthen partnerships, and enhance service delivery, ensuring long-term customer satisfaction.

Key customer engagement in FY25

- **CPHI Milan 2024:** We participated in CPHI Milan 2024, held in October 2024. The event provided us with an opportunity to showcase our scientific solutions, connect with global pharmaceutical leaders, and explore potential collaborations in APIs, CDMO, and Formulations.
- **IRACON 2024:** We participated the 39th Annual Conference of the Indian Rheumatology Association held in November 2024, in Bengaluru. This platform allowed us to engage with leading rheumatologists and healthcare professionals, reinforcing our commitment to advancing treatment solutions in autoimmune and inflammatory diseases.
- **ISIEM 2024 – International Conference:** We participated in ISIEM 2024, held in Jaipur in September 2024. The event focused on advancements in engineering and management sciences, where we shared insights on pharmaceutical innovations and industry best practices.
- **DCAT 2025:** Laurus participated in the DCAT 2025 held at New York during 17th to 21st March 2025. This event was a great opportunity to connect with leading pharmaceutical companies in strengthening partnership and also establish new customer engagements.

Upholding global standards

We maintain the highest regulatory compliance standards, with our facilities regularly audited by esteemed global health authorities, including the USFDA, WHO Geneva, and ANVISA Brazil. These audits affirm our unwavering focus on quality, safety, and compliance, reinforcing our credibility as a responsible and trusted industry leader.

Suppliers

Our approach to supplier management is built on a foundation of responsible sourcing and ethical practices, ensuring that our entire supply chain reflects quality, integrity, and social responsibility. By engaging suppliers through regular reviews and meetings, we strengthen their contribution to our Environment, Health, and Safety (EHS) initiatives and ensure their offerings are beneficial to both parties.

65%
Total Tier-1 suppliers of raw material and packing material spend has been screened on ESG criteria

100%
Screened suppliers have complied with our ESG requirements

66%
Indian Tier-1 raw material and packing material suppliers (by spend) have undergone ESG screening

Material issues

- Responsible supply chain management
- Ethical governance
- Risk management

Key risks

- Capacity planning and optimisation risk
- Operating risk

SDGs impacted

Responsible sourcing and supplier engagement

We emphasise robust engagement with suppliers to uphold our commitment to Human Rights, labour rights, employee well-being, and environmental sustainability. Our CEO leads proactive efforts towards meaningful interactions with key suppliers – ensuring that their services align with our Environmental, Social, and Governance (ESG) goals.

100%

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

Supplier policies and commitments

Our supply chain management is guided by two critical policies: the Sustainable Procurement Policy and the Supplier Code of Conduct. These policies are designed to align our suppliers, distributors, and technology partners with our ESG objectives and hold them to high ethical standards. Such an approach ensures that our supply chain practices comply with industry standards, reinforcing our commitment to responsible sourcing.

Supplier base and partnerships

Our supplier network – involved in procurement of key starting materials, packaging, capital and utility equipment, and logistics services – is extensive and sourced equally from local and international markets. In India, our supplier base is concentrated in Gujarat, Maharashtra, Andhra Pradesh, and Telangana but we have undertaken efforts to diversify sources and support domestic production initiatives like Make in India. This diversification helps us mitigate risks associated with single-sourcing and enhances our supply chain resilience.

Supplier assessment and development programme

We follow rigorous procedures, based on capacity, quality, and ESG criteria, to assess new suppliers before onboarding. It is evident from our sustainable supply chain questionnaire. This initial screening is only the beginning of a continuous assessment and development process, which includes annual evaluations and QA audits, now conducted offshore. These audits are crucial to ensuring that our suppliers meet our stringent standards for quality and ethical practices.

Supplier awareness

Our Supplier Code of Conduct establishes strict standards across quality, environment, health, safety, labour, ethics, and management systems. We ensure these standards are transparent and accessible, requiring all suppliers to adhere to these principles to maintain alignment with our operational values and ethics.

Supplier nomination

We select suppliers based on a detailed evaluation of business risks. This process ensures that our supply chain is resilient, compliant, and capable of meeting our high standards for quality and ethical practices.

Supplier performance evaluation

To maintain our high standards, selected suppliers undergo thorough reviews, including a questionnaire as part of Laurus quality audits. This process helps us monitor and assess their performance consistently.

Supplier development

Following audits, we closely analyse the results and work collaboratively with our suppliers to formulate improvement plans. This approach helps refine their practices to meet our requirements, ensuring ongoing compliance and enhanced performance.

Environment

In FY25, we continued to embed sustainability across our daily operations. We focused on improving energy efficiency, cutting emissions, using water responsibly, and strengthening waste management and recycling practices. These actions not only helped us meet regulatory requirements but also demonstrated our ongoing responsibility to the environment and the communities we serve, underscoring our role as a trusted and accountable player in the pharmaceutical sector.

30,906 tonnes	341,418 KL
Waste recycled and reused	Water recycled across our operations

Material issues

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

Key risks

- EHS risk

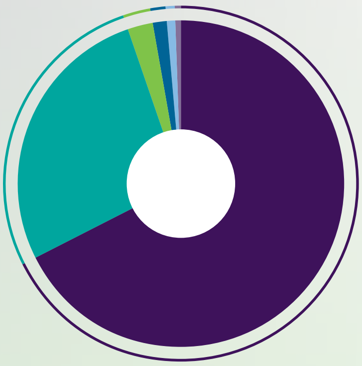
SDGs impacted

Energy management

During the year under review, we strengthened our sustainable energy efforts by diversifying our energy mix and driving greater efficiency across our operations. Our current energy portfolio includes coal, diesel, grid electricity, solar power, and steam from waste heat recovery, with coal and grid electricity remaining the primary sources of emissions. To tackle this, we are steadily increasing the share of renewable energy and working to optimise energy use across all our facilities, reinforcing our commitment to lower our carbon footprint and operate more sustainably.

At the core of our energy management approach is our ISO 50001-certified energy management system (EMS), which enables us to systematically track, assess and enhance our energy performance. Through this system, we identify high-energy consumption areas, set clear reduction targets, and implement focused energy-saving initiatives.

Energy mix in FY25 (%)



Key initiatives in FY25

- We have transitioned to LED lighting across all facilities, significantly reducing energy consumption and supporting our sustainability goals.
- Solar panels with a cumulative capacity of approximately 3.3 MW have been installed at multiple units, increasing our renewable energy use.
- The implementation of Variable Frequency Drives (VFDs) and temperature controls in cooling towers has resulted in notable energy savings.
- Upgrading to more efficient compressor models with radiator cooling has led to considerable reductions in energy usage.
- The installation of movement sensors throughout our facilities has saved approximately 35.59 GJ of energy annually.

Way forward

Moving ahead, we are focusing on reducing our energy intensity as part of our broader environmental commitment. We plan to achieve this through a mix of strategies, including improving energy efficiency across our operations and products. We are also focused on expanding the use of renewable energy by installing solar panels at our sites and increasing the share of green energy we procure from the grid, helping to reduce dependence on conventional energy sources.

Environment

Emissions management

Our efforts are guided by a comprehensive annual greenhouse gas (GHG) inventory that maps emission hotspots and helps prioritise and implement targeted reduction measures. This inventory covers Scope 1, Scope 2, and selected Scope 3 emissions, providing a clear basis for setting and tracking our reduction targets.

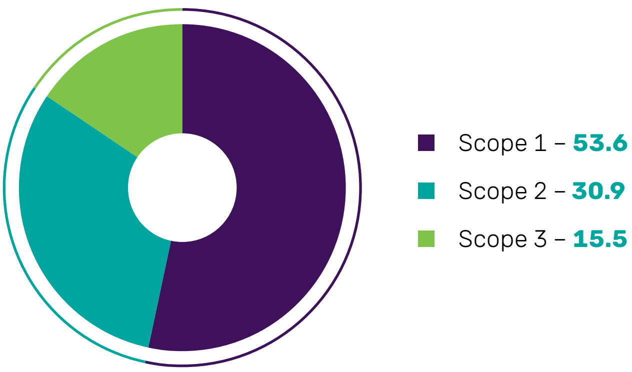
Scope 1 and Scope 2 emissions

Our Scope 1 emissions come from stationary fuel combustion, primarily coal and diesel, along with fugitive emissions from refrigerants. As our operations have grown, Scope 1 emissions have increased, mainly due to higher coal consumption. Scope 2 emissions, linked to purchased electricity, have decreased thanks to more sustainable practices, including the use of co-generated steam for onsite electricity generation.

Scope 3 emissions and supply chain impact

Scope 3 emissions, covering indirect emissions such as transportation and the production of purchased goods, make up a significant share of our carbon footprint. We are actively working to reduce these by localising our supply chain, which shortens transportation distances for raw materials and lowers related emissions.

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



Scope 1 & 2 emission intensity (tCO_2e/₹ million)

Key initiatives in FY25

- Installed additional solar power systems across several units, boosting renewable energy capacity and reducing reliance on grid electricity.
- Equipped facilities with advanced pollution control technologies like electrostatic precipitators and multi-stage scrubbers.
- Implemented real-time monitoring systems to ensure continuous compliance with national air quality standards and to facilitate immediate adjustments for enhanced emission control.

Way forward

Looking ahead to FY26, we are focused on strengthening our GHG reduction efforts and further integrating renewable energy into our operations. We remain committed to advancing our emissions management strategies in line with global sustainability goals, contributing meaningfully to the broader fight against climate change.
To achieve these objectives, we maintain strict monitoring of all relevant emissions data and performance metrics, ensuring transparent reporting aligned with recognised environmental standards.
Each year, we set clear and ambitious targets to reduce energy intensity and emissions across Scope 1, Scope 2, and Scope 3.

Water management

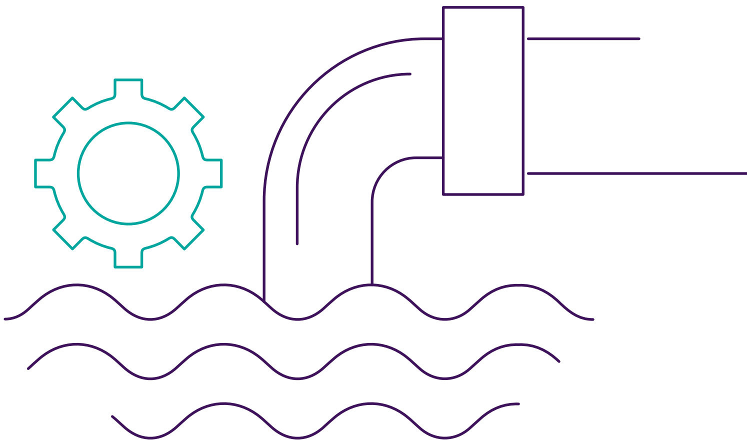
We recognise the importance of responsible water stewardship and the need to optimise our freshwater use and enhance water efficiency throughout our operations. Our approach focuses on recycling and reuse technologies, ensuring water management practices that support both sustainability and operational needs.

Key initiatives in FY25

- We have implemented systems to manage and reduce water use across our facilities. During FY25, we consumed 999,103 KL of water and successfully recycled 341,418 KL using advanced treatment processes such as reverse osmosis (RO) and mixed bed treatments, reintegrating it into our boiler systems.
- We have installed an electrolytic water treatment system specifically for our cooling towers to enhance water quality and recyclability.
- Treatment and recovery of multimedia filter (MGF) backwash water is accomplished through sophisticated filtration systems, with the recycled water being used extensively for horticultural purposes within our premises.
- We actively pursue opportunities to reuse waste steam from adjacent industries, converting what would be a waste product into a valuable resource for our operations.
- Installation of flow restrictors in water lines, particularly in facility washrooms, helps in reducing water wastage, ensuring efficient usage across all touchpointsquality standards and to facilitate immediate adjustments for enhanced emission control.

Way forward

For FY26, our continued focus on water management includes reducing our overall water consumption and increasing our recycling rate. These efforts align with our broader environmental goals, aiming to further minimise our ecological footprint and promote sustainability within the communities and ecosystems where we operate.



Environment

Waste management

We are committed to efficient waste management, ensuring responsible treatment and disposal of all waste types. Guided by the principles of Reduce, Reuse, and Recycle, we manage various waste streams, including hazardous, non-hazardous, e-waste, and biomedical waste. This approach ensures compliance with government regulations and helps minimise our environmental footprint.

Principles of waste management

Reduce

Reuse

Recycle

Key initiatives in FY25

- We work with authorised vendors for the responsible disposal and recycling of hazardous waste. A significant portion is sent for co-processing in cement plants, reducing the volume sent to landfills.
- We prioritise recycling and reuse across all non-hazardous waste streams, including organic waste, which is composted on-site. In FY25, 57% of our total waste was recycled or reused.
- We have focused on recovering solvents from aqueous layers, previously disposed of as effluents. Through partnerships with specialised recovery agencies, we repurposed approximately 184,892 KL of wastewater.

Way forward

Looking ahead, we are working to strengthen our waste management strategies with a focus on reducing landfill dependency. This includes increasing the proportion of hazardous waste diverted to co-processing and expanding our solvent recovery efforts. We also continue to explore opportunities to repurpose wastewater, supporting more circular and resource-efficient operations in the coming years.

Biodiversity management

We recognise the critical role of biodiversity in sustaining ecosystem health and human well-being. We ensure that biodiversity considerations are embedded in our decision-making processes and align our efforts with the highest legal and conservation standards.

Key initiatives in FY25

- We promote biodiversity conservation through awareness programmes for our workforce, celebrating days like World Environment Day and Biodiversity Day with workshops and activities.
- Our collaboration with local environmental bodies, such as the Andhra Pradesh Pollution Control Board, supports community initiatives like beach clean-ups and tree-planting campaigns.

Way forward

Looking ahead, we aim to continue expanding our green initiatives to foster a healthier planet through partnerships and community-focused actions.
We are working to strengthen our planting initiatives and enhance environmental education programmes, with a focus on driving meaningful and lasting stewardship in FY26.

Investors

At Laurus Labs, we remain focused on delivering long-term value through disciplined capital allocation, financial resilience and operational efficiency. Our strong financial foundation enables us to navigate market challenges, pursue strategic growth opportunities, and invest in innovation and sustainability to create enduring value for our shareholders.

₹5,554 cr	₹1,115 cr	₹358 cr	₹1.20
Revenue	EBITDA	PAT	Dividend per share

Material issues

- Ethical governance
- Risk management
- Climate risks and resilience

Key risks

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

SDGs impacted

8 DECENT WORK AND ECONOMIC GROWTH

Financial performance analysis

Revenue

FY25 revenue stood at ₹5,554 crore, reflecting a 10% growth over the previous year. This was led primarily by robust execution in the CDMO division, which continues to gain scale and client confidence. While growth in the generic Finished Dosage Form (FDF) business remained steady, the API division faced headwinds due to external market dynamics. Despite this, the overall revenue performance underscores the effectiveness of our portfolio diversification strategy.

Profitability

We achieved notable margin expansion in FY25, with gross margins improving by 370 basis points to 55.4%. EBITDA grew by 40% to ₹1,115 crores, translating into an EBITDA margin of 20.1%, up 430 basis points year-on-year. These improvements were driven by better business mix, operational efficiencies, and enhanced asset utilisation. Net profit more than doubled to ₹358 crores, highlighting the strength of our execution and financial discipline.

Capital structure and liquidity

While earnings strengthened, operating cash flow was moderated due to a sharp increase in net working capital. This was largely attributed to higher inventories and receivables linked to ongoing CDMO project deliveries. Our net debt position remained broadly stable, supported by prudent financial management. However, return on capital employed (ROCE) remained under pressure due to elevated capital expenditure and negative operating leverage. We remain confident that improved scale and revenue traction will support better capital returns going forward.

Strategic investments in capacity and capabilities

We continued to invest in enhancing our infrastructure and capabilities aligned to our long-term strategy. Key investments included:

- A new R&D centre focused on CDMO activities at the Hyderabad site
- Expansion of intermediate and API manufacturing blocks at LSPL Unit 2 and Unit 4
- Drug product line enhancements and select API block modifications at our Visakhapatnam site
- Ongoing investments aligned with our transition to a diversified CDMO-CMO organisation

These strategic initiatives aim to unlock future growth opportunities, improve service offerings, and drive differentiation across the value chain.

Advancing R&D and innovation

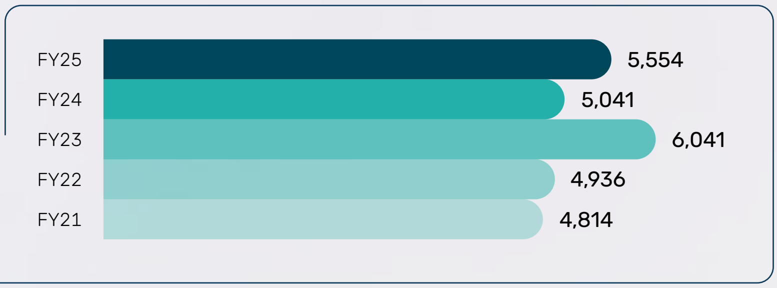
Total R&D expenditure stood at ₹257 crores in FY25, representing 4.6% of revenues. This includes continued investments in Cell and Gene Therapy (CGT) as part of our broader innovation agenda. Our focus remains on expanding our technology platforms, developing niche portfolios, and supporting integrated offerings for global clients.

Investors

Strength in numbers

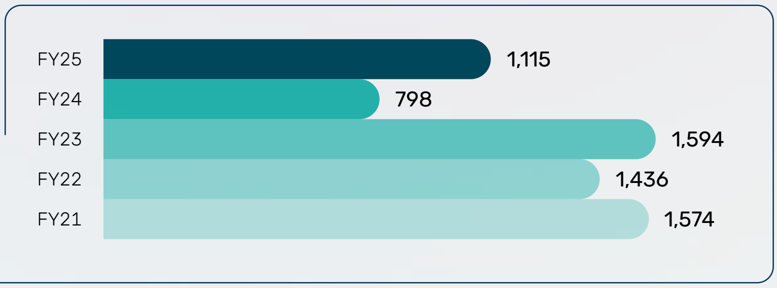
Net sales (₹ in crores)

Revenue growth was supported by strong execution in the CDMO division.



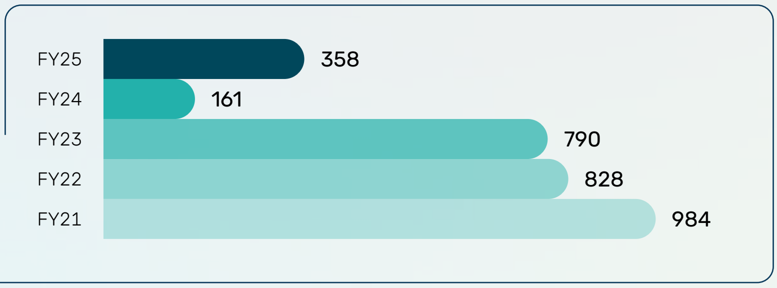
EBITDA (₹ in crores)

Growth in EBITDA reflected improved operating leverage and enhanced asset utilisation.



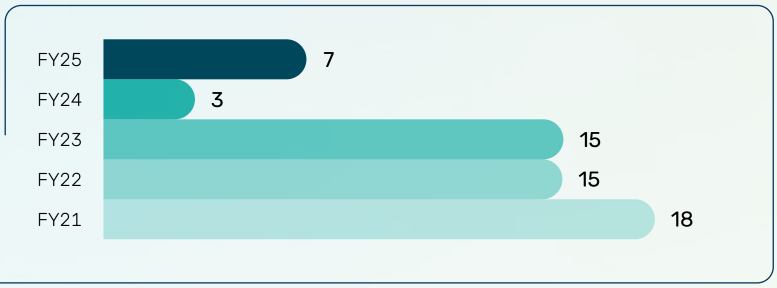
Net profit (₹ in crores)

Net profit was aided by higher operating margins and improved operational excellence.



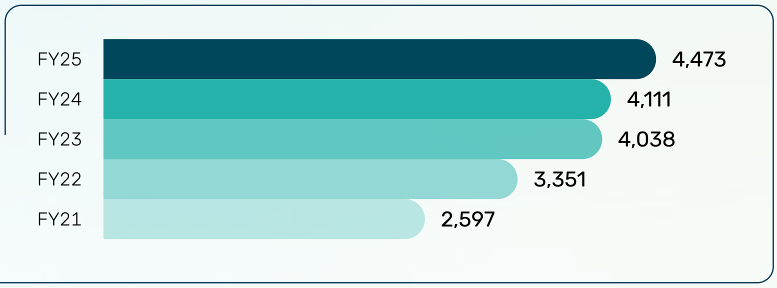
Diluted EPS (₹)

Increase in earnings per share reflects the strong growth in profitability.



Net worth (₹ in crores)

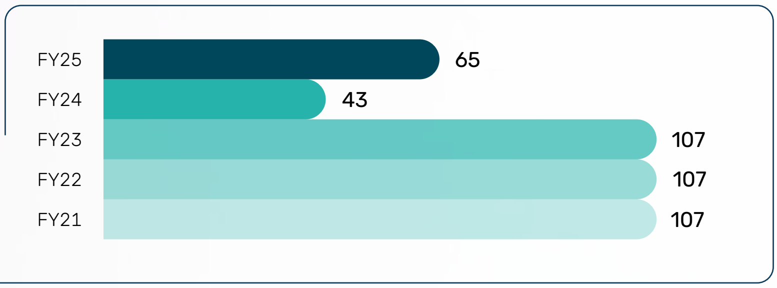
Net worth increased on account of internal accruals.



Dividend

(₹ in crores)

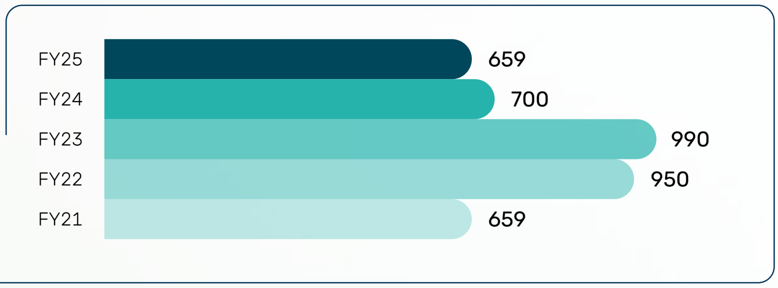
Dividend was aligned with our commitment to balanced capital allocation and rewarding shareholders.



Capital expenditure (Capex)

(₹ in crores)

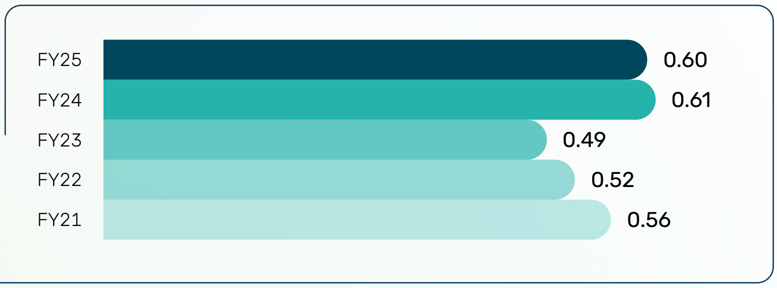
Our capital expenditure in FY25 represents 12% of revenue, underscoring our commitment to expanding large-scale manufacturing and diversifying our growth portfolio.



Debt-equity ratio

(ratio)

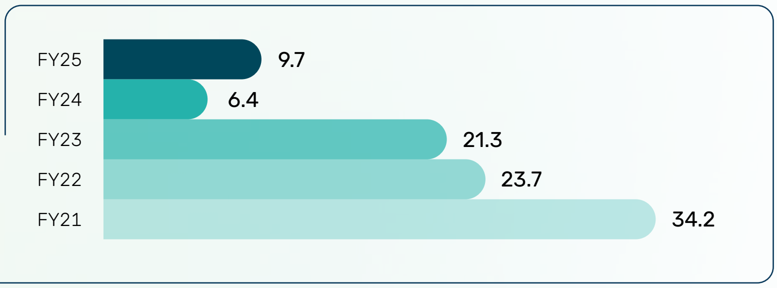
Debt leverage remained stable, supported by prudent debt management amid growth capex.



Return on capital employed

(%)

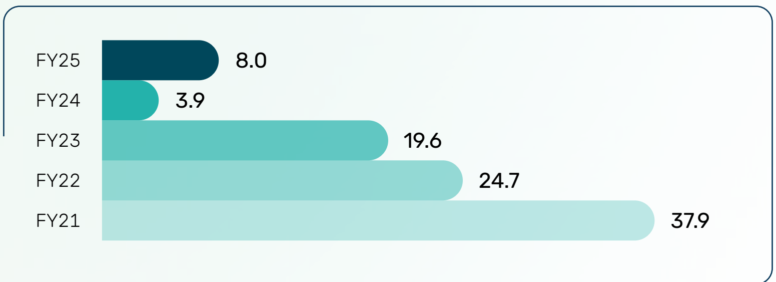
Return on capital improved, reflecting early benefits of asset utilisation and operational ramp-up.

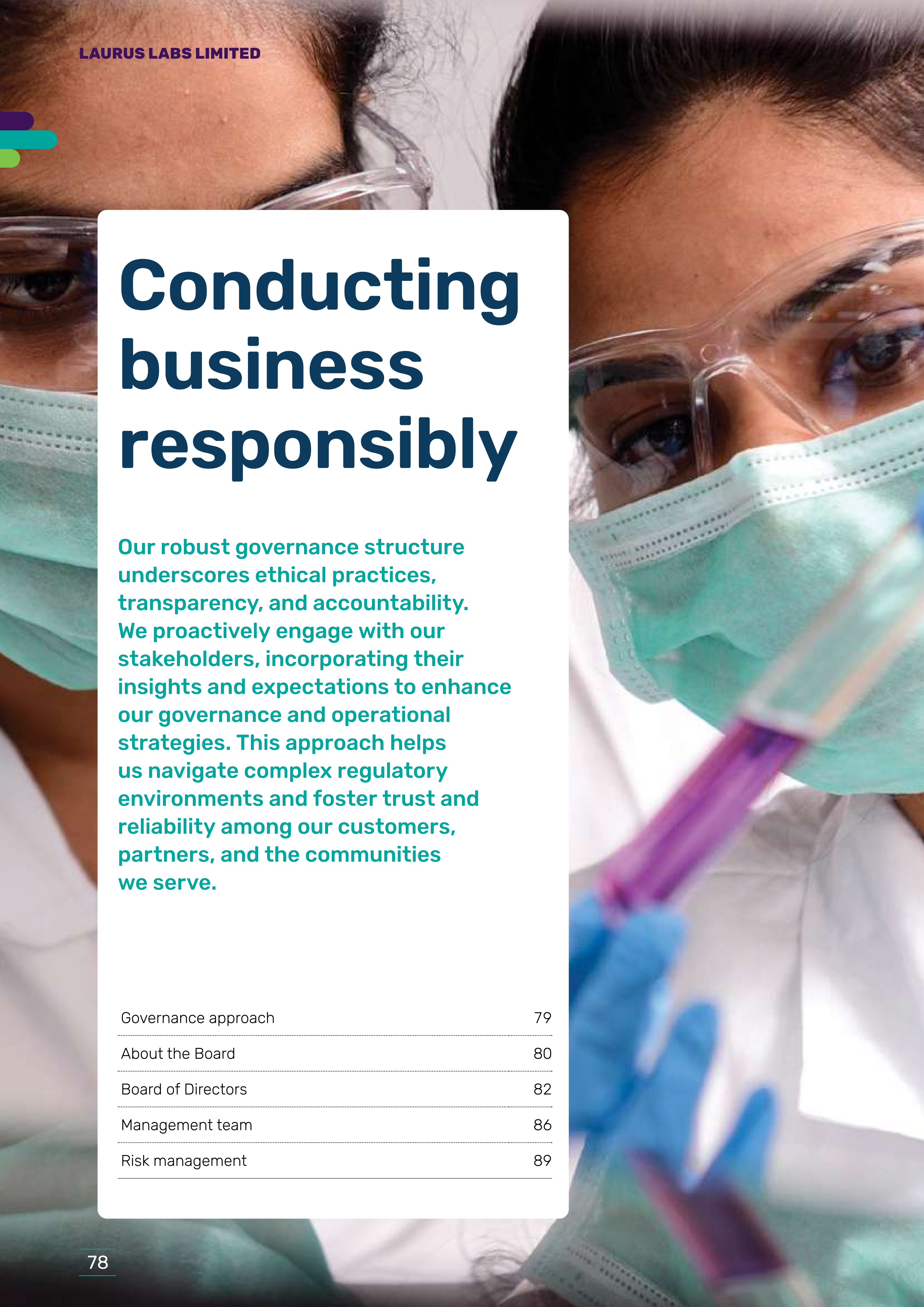


Return on equity

(%)

Growth in return on equity reflected the impact of improved earnings and sustained reinvestment strategy.





Conducting business responsibly

Our robust governance structure underscores ethical practices, transparency, and accountability. We proactively engage with our stakeholders, incorporating their insights and expectations to enhance our governance and operational strategies. This approach helps us navigate complex regulatory environments and foster trust and reliability among our customers, partners, and the communities we serve.

Governance approach

Our culture is defined by ethical integrity, responsible conduct, and strong governance. Our Code of Conduct and policies serve as the foundation for decision-making and interactions within the Company. These guidelines are ingrained in our corporate ethos, ensuring that we conduct business responsibly and with respect for Human Rights.

Code of Conduct

At the Company, the pillars of integrity, honesty, and ethical behaviour are reinforced by our Code of Conduct (CoC), which, alongside our core values, serves as a guiding beacon. We uphold stringent ethical standards that ensure responsible governance and integrate environmental, social, and governance (ESG) principles into every facet of our operations. We continually refine these policies to stay in line with industry best practices and ensure their seamless application across our business.

To guarantee adherence to the Code of Conduct and manage potential conflicts of interest, we employ consistent communication methods. These include induction training for new hires, annual refresher courses for the staff, and continual awareness creation through regular emails. It is essential for everyone in our organisation, including trainees, contractors, and Directors, to understand and commit to these standards. Adherence to the Code of Conduct is also integrated into our employee performance evaluations, creating a culture of ethics and integrity across the Company.

Respecting Human Rights

Our commitment to Human Rights is demonstrated through rigorous policies that prohibit child, adolescent, and forced labour, as well as discrimination and harassment in any form. We promote gender equality and ensure that all employees are treated with the highest dignity and respect. Our zero-tolerance approach extends to all forms of discrimination, whether based on race, ethnicity, gender, sexual orientation, age, religion or disability.

Whistleblower policy

Our whistleblower mechanism provides a secure platform for stakeholders to report any misconduct or unlawful activities that could negatively affect the Company's reputation or financial stability. Reports can be made confidentially via email to wbed@lauruslabs.com, ensuring the whistleblower's identity is protected under all circumstances. The audit committee is charged with overseeing these reports and enforcing disciplinary measures if necessary.

Grievance-handling policy

A robust grievance redressal mechanism is vital to effective governance and employee well-being. Laurus Labs provides multiple channels to employees to express concerns, including suggestion boxes, direct access to department managers, HR, and management, as well as through grievance-handling registers and exit interviews. For more information, please refer to the grievance redressal policy on our website.

Data privacy policy

Our operations frequently handle sensitive information, including patient data, research findings, and proprietary data. Therefore, we adhere strictly to our data privacy policy. This policy outlines our principles for processing and protecting personal data responsibly.

Reporting breaches

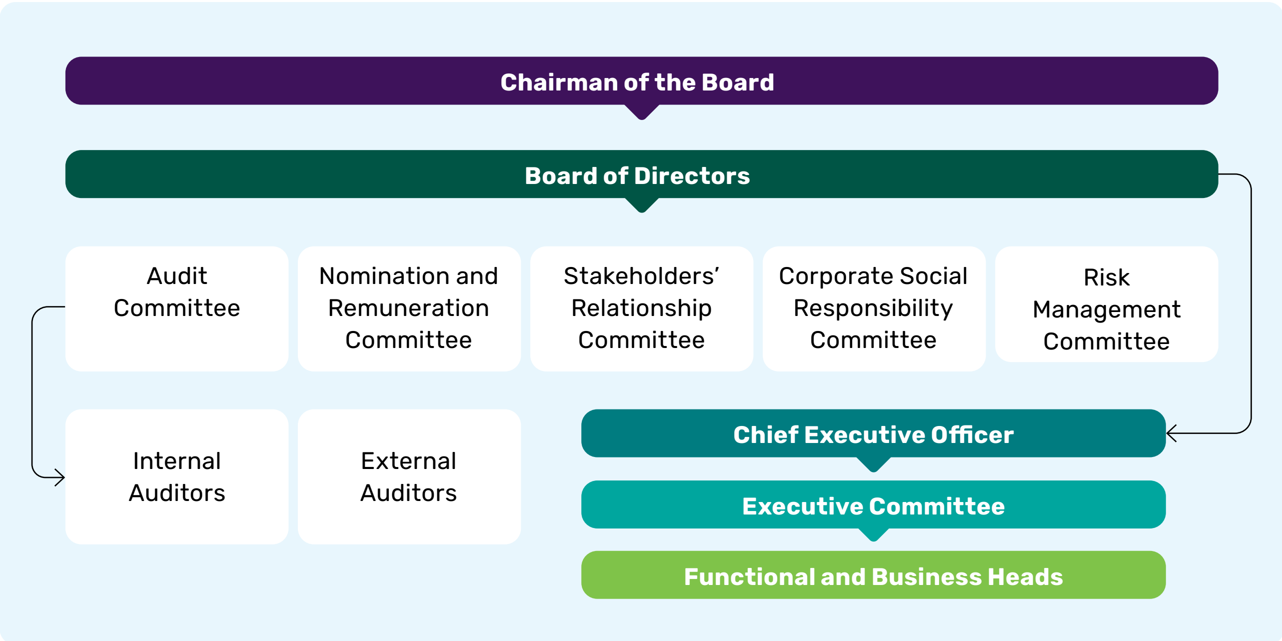
Our commitment to transparency and integrity involves reporting of incidents across various domains such as corruption, bribery, harassment, breaches of confidentiality, conflicts of interest, money laundering, and insider trading. Our approach ensures all stakeholders are informed of any issues and the steps taken to address them.

About the Board

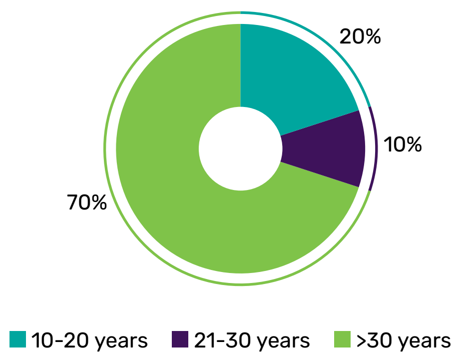
At the core of the Company lies a robust governance approach – the linchpin of our transparent, accountable, and ethical operations. This approach ensures adherence to regulatory mandates while safeguarding the interests of all stakeholders and minimising risks to navigate the path of sustainable growth.

Board composition and leadership

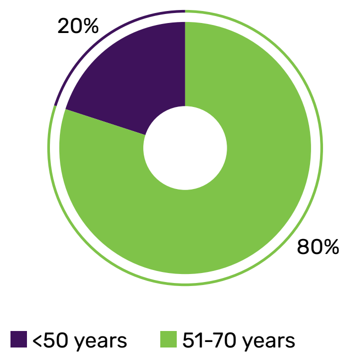
Our Board of Directors combine Executive, Non-Executive, and Independent Directors who contribute their deep expertise and insight. The Chairman, serving as both a Non-Executive and Independent Director, leads with forward-thinking vision and fairness. The Board members, who have served notable tenures, are key to guiding Laurus Labs towards achieving our objectives, promoting a culture of honesty and long-term growth.



Board experience



Board age profile



09	Zero	95%	50%	20%
Board meetings held in FY25	Incidents of data breaches	Attendance in Board meetings	Board independence	Women Directors

Ensuring robust oversight

Upholding higher than mandated standards, we boast a ratio of Independent Directors that exceeds the statutory requirement, with Independent Directors constituting 50% of the Board. This composition enriches the Board with fresh perspectives and independent oversight while amplifying accountability by ensuring a balanced evaluation of the strategic direction and operational tactics.

Skills and experience

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

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

A governance approach rooted in stakeholder engagement

Our governance approach is engineered to cultivate a milieu where all stakeholders thrive. We endeavour to maintain the pinnacle of corporate governance, strengthening Laurus Labs' repute as we scale new heights in the pharmaceutical landscape.

This governance architecture is about setting new benchmarks in corporate stewardship and creating a responsible, responsive, and resilient organisation that stands ready to embrace future challenges and opportunities in the healthcare domain.

Governance principles

Ethics and integrity

The Board upholds the highest standards of ethics and integrity. By taking an oath, Directors commit to adhering to the 'Code of Conduct', regulations, and policies while striving to embody behaviours consistent with the Company's values.

Responsible conduct

The Board recognises the Company's role in contributing to the growth and development of the communities where it operates. We are committed to being accountable for our environmental and societal impacts and to evolving our practices as new priorities emerge. Compliance with laws and regulations is fundamental to our corporate responsibility, and we strive to exceed the minimum requirements wherever possible.

Accountability and transparency

The Board is dedicated to carrying out credible and comprehensive financial and non-financial reporting, supported by a robust feedback mechanism. We prioritise stakeholders' interests and adhere to best practices in disclosures, ensuring our processes are subject to rigorous internal and/or external assurance and governance procedures.

Board of Directors

	 **Dr. Satyanarayana Chava** Executive Director and Chief Executive Officer	 **Mr. V.V. Ravi Kumar** Executive Director and Chief Financial Officer
Appointment	Dr. Satyanarayana Chava has been serving as an Executive, whole-time Director, and the Chief Executive Officer of the Company since January 21, 2006.	Mr. V V Ravi Kumar has been serving as an Executive, whole-time Director, and Chief Financial Officer of the Company since November 30, 2006.
Skill and expertise	Dr. Satyanarayana Chava brings a wealth of knowledge and leadership to his role as CEO, driving growth for the Company. His deep scientific background and extensive experience in research have been pivotal in driving innovative solutions and enhancing the Company's market position. His vision and leadership ensure the continued success and advancement of the Company in a competitive landscape.	With extensive expertise in finance and human resources, Mr. Ravi Kumar plays a critical role in steering the Company's financial strategies and HR policies. His adept leadership in handling the supply chain management department has contributed to optimising our operational efficiencies and supply chain processes.
Qualifications	Dr. Chava holds both bachelor's and Master's degrees in Science from Andhra University. He furthered his studies as a research scholar at the College of Science and Technology, Andhra University, from 1985 to 1992, culminating in earning his Ph.D. in 1992. He has also completed an Executive MBA (PGPMAX) at the Indian School of Business (ISB), Hyderabad, in 2012.	Mr. Ravi Kumar holds a Master of Commerce (M. Com) degree and is a certified Cost & Management Accountant (ICMA).
Current external appointments	• Laurus Bio Private Limited • ImmunoAdaptive Cell Therapy Private Limited • KRKA Pharma Private Limited • Chemiasoft Private Limited	• Laurus Bio Private Limited • KRKA Pharma Private Limited

Dr. C.V. Lakshmana Rao
Executive Director – Quality

Dr. C.V. Lakshmana Rao joined the Company in February 2007 and has been a guiding force ever since.

Dr. Rao brings a vast reservoir of knowledge with over 23 years of experience in quality control, quality assurance, and regulatory affairs. As the head of the Quality function, he oversees the stringent standards that define our products and services. His leadership has led to the formulation and execution of the core strategy of the Company.

Dr. Rao holds a Master's degree in Science and a Ph.D. from Andhra University. His academic background lays a solid foundation for his expertise and authority in the field of quality management and regulatory compliance.

Sriam Labs Private Limited

Mr. Krishna Chaitanya Chava
Executive Director – Synthesis

Mr. Krishna Chaitanya has been associated with the Company since 2017 and was appointed as Executive Director on April 25, 2024.

Mr. Krishna Chaitanya Chava serves as the Head of the Synthesis division at the Company. With a rich background in strategy, skill enhancement workshops, and marketing, he brings invaluable expertise to the Indian pharmaceutical landscape. His leadership is characterised by a keen insight into market dynamics and innovation.

Mr. Chava is an accomplished academic, holding a prestigious PGP MFAB from the Indian School of Business, Hyderabad. He earned his Master's degree in mechanical engineering from North Carolina State University, USA, and completed his undergraduate studies in Mechanical Engineering at BITS Pilani, Dubai. His educational background equips him with a unique blend of technical proficiency and strategic acumen.

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

Ms. Soumya Chava
Executive Director – Generics

Ms. Soumya Chava has been serving as Director since 2021 at Laurus Synthesis Private Limited, a wholly owned subsidiary of Laurus Labs. She was appointed as Head - Commercial in Laurus Labs in July 2023 and then as Executive Director of Laurus Labs on April 25, 2024.

Ms. Soumya Chava brings over twelve years of experience in the pharmaceutical industry. She began her career in clinical trial management at Quintiles Transnational and Laurus Infosystems, before channeling her entrepreneurial spirit into founding Theia Jewellery, a boutique children's jewelry brand. This venture sharpened her skills in marketing and business operations. She currently leads CSR initiatives at Laurus Charitable Trust as Head of CSR.

Ms. Chava holds a Bachelor of Pharmacy degree from Osmania University (2007), a master's in clinical research and business administration from Campbell University, NC, USA (2007-2010), and a Postgraduate Diploma in Patents Law from Nalsar University of Law, Hyderabad (2011). This ensures deep expertise across both scientific and managerial domains.

- Theia Jewellery Private Limited
- Laurus Synthesis Private Limited (LSPL)
- Laurus Specialty Chemicals Pvt Ltd.

Board of Directors

	Mrs. Aruna Bhinge Non-Executive Independent Director	**Dr. Rajesh Koshy Chandy** Non-Executive Independent Director
Appointment	Mrs. Aruna Bhinge has been serving as an Independent Director since 2016.	Dr. Rajesh Chandy has been serving as an Independent Director since 2016.
Skill and expertise	Mrs. Aruna Bhinge brings over 19 years of specialised experience in food security and strategic planning to her role as a Non-Executive, Independent Director of the Company. Her knowledge and leadership in these areas have contributed to shaping policies and practices in the APAC region. Her expertise is particularly noted in her work at Syngenta India Limited, where she led the Food Security Agenda, orchestrating initiatives that aimed at enhancing agricultural output and sustainability across Asia-Pacific.	Dr. Rajesh Koshy Chandy is distinguished for his expertise in marketing and entrepreneurship. As a Non-Executive, Independent Director of the Company, Dr. Chandy brings his vast academic and practical knowledge to these fields, enhancing our business operations. His contributions are informed by his extensive research and teaching experience in consumer behaviour and market dynamics - making him an asset to our Board.
Qualifications	Mrs. Bhinge holds a Bachelor's degree in science from the University of Poona and a Master's degree in science from the University of Bombay. Further enriching her scientific background, she attained a Master's degree in management studies from the University of Mumbai, which equipped her with management skills and an understanding of complex organisational dynamics.	Dr. Chandy holds a Bachelor's degree in engineering, specialising in Electronics and Communications, from Madurai Kamraj University. He furthered his studies with a Master's degree in business administration from the University of Oklahoma, and a Ph.D. in Business Administration from the University of Southern California.
Current external appointments	• Mahindra Agri Solutions Limited • Punjab Chemicals and Crop Protection Limited • Mahindra EPC Irrigation Limited • Laurus Bio Private Limited	Dr. Chandy is a professor of marketing at the London Business School, where he also holds the prestigious Tony and Maureen Wheeler Chair in Entrepreneurship.

Dr. Ravindranath Kancherla
Non-Executive Independent Director and Chairman

Dr. Ravindranath has been serving as an Independent Director since 2017.

Dr. Ravindranath Kancherla is a globally renowned Surgical Gastroenterologist and pioneer in Laparoscopic Surgery. He founded Global Hospitals Group, establishing India's first specialty hospital for Gastroenterology and a centre for complex organ transplants. His expertise spans liver, pancreatic and bile duct surgeries, as well as advanced coloproctology. A leader in minimally invasive surgery, he has trained over 700 surgeons in laparoscopic techniques.

Mr. Kancherla holds an MBBS and a Master's degree in surgery from Madras University, as well as Fellowships from the UK Royal College of Surgeons (FRCS) in both Glasgow and Edinburgh.

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

Mr. Karnam Sekar
Non-Executive Independent Director

Mr. Karnam Sekar was appointed as an Independent Director on April 25, 2024.

Mr. Karnam Sekar, who reached to the position of Dy. Managing Director in SBI and then functioned as Managing Director of Dena Bank and Indian Overseas Bank, brings over four decades of expertise in Corporate Finance, Treasury Management and Stressed Asset Management. As Chief Credit Officer and Chief Sustainability Officer at State Bank of India, he headed key functions and played a pivotal role in strategic decision-making. At Dena Bank, he managed a complex three-way merger, and at Indian Overseas Bank, he led a successful turnaround, steering the bank back to profitability after prolonged losses.

Mr. Sekar holds a B.Sc (Ag), a CAIIB, and a Diploma in Management from AIMA. He has also earned diplomas in Financial Services and participated in leadership development programmes from prestigious institutions including IIM Calcutta, ISB Hyderabad, and Kellogg's Management School, Chicago

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

Mr. Ramesh Subrahmanian
Non-Executive Independent Director

Mr. Ramesh Subrahmanian has been serving as an Non-executive Independent Director since 2024.

He has about 32 years of experience in pharmaceuticals, medical devices and specialty chemicals including immense years of experience with Sanofi and its predecessor companies (Aventis, HMR and Hoechst AG). He is also the founder and director of Alchemy Advisors, an advisory firm based in Singapore.

He holds a Bachelor's degree in Commerce from the University of Mumbai and is a Chartered Accountant certified by the Institute of Chartered Accountants in England & Wales.

Management team

Dr. V Uma Maheswer Rao
President - Chemical R&D

With over 31 years of experience in process R&D and API manufacturing, Dr. Rao currently holds directorships at Laurus Bio Private Limited and Sriam Labs Private Limited.

Key qualifications

Ph.D. in Chemistry from Osmania University

Mr. Srinivasa Rao S
President – Manufacturing and Operations

With 30 years of experience in production planning and the execution of manufacturing processes, Mr. Rao is a director at Sriam Labs Private Limited.

Key qualifications

Master's degree in chemistry from Nagarjuna University

Mr. Martyn Oliver James Peck
Executive Vice President – Business Development

Mr. Peck has 26 years of experience in sourcing, purchasing, sales, and market intelligence.

Key qualifications

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

Mr. Thomas Versosky
President – FDF, North America

Mr. Versosky has 20 years of experience in the US generics market, covering commercial operations, portfolio management, business development, licensing, and acquisitions. He is a director at Laurus Generics Inc.

Key qualifications

B.Sc. in Business from the University of Phoenix

Mr. Rajaram Iyer
Executive Vice President – Portfolio Management

With 27 years of expertise in strategic planning, portfolio management, and new business initiatives, Mr. Iyer holds directorship at Laurus Bio Private Limited.

Key qualifications

Master's degree in analytical chemistry; EGMP from IIM-Bangalore and MBA (Operations Research)

Mr. Ch. Sita Ramaiah
Executive Vice President – Finance

Mr. Ramaiah has 24 years of experience in treasury, financial reporting, MIS, and taxation. He holds directorships at Laurus Synthesis Private Limited, Laurus Specialty Chemicals Private Limited, and Laurus Generics GMBH.

Key qualifications

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

Mr. S. Srinivas Rao
Executive Vice President – Manufacturing

Mr. Rao has 29 years of experience in production and manufacturing.

Key qualifications

Master's degree in chemistry from Shridhar University, Rajasthan

Mr. Narasimha Rao DVL
Executive Vice President – Synthesis

With 31 years of experience in the pharmaceutical field, Mr. Narasimha Rao holds directorship at Laurus Synthesis Private Limited (LSPL).

Key qualifications

Master's degree in science from Nagarjuna University

Mr. Narasimha Rao Chava
Executive Vice President – Human Resources

Mr. Chava brings 29 years of experience in administration and human resources functions. He holds directorship at Laurus Synthesis Private Limited (LSPL).

Key qualifications

Master's degree in arts from Andhra University

Mr. Ch. Venkata Ramana Rao
Senior Vice President – Intellectual Property Management

Mr. Rao holds 29 years of experience in process development, IP management, and litigation.

Key qualifications

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

Mr. N. Babchand
Senior Vice President – Generics

Mr. N. Babchand holds over 23 years of experience in business development.

Key qualifications

Bachelors in Business Management from Acharya Nagarjuna University

Mr. Sumeet Sobti
Senior Vice President – Supply Chain Management

Mr. Sobti brings 29 years of experience in supply chain management.

Key qualifications

B. Pharmacy from Jamia Hamdard University, Delhi

Management team

Dr. Thilek Kumar Muniyappan
Senior Vice President,
Formulations-R&D

Over 24 years of pharmaceutical research experience, with expertise in generics and NCE formulations.

Key qualifications

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

Dr. Parkash Som
Senior Vice President,
Regulatory Affairs

Over 28 years in the pharmaceutical industry with expertise in regulatory affairs, CMC filings and pharmacopeial standards.

Key qualifications

Ph.D. in Chemistry from Delhi University

Dr. Suresh Poda
President - Cell and Gene Therapy &
Antibody Drug Conjugates

Over 25 years in pharma and biotech, leading R&D in small molecules, antibodies, and gene therapies across global companies.

Key qualifications

Ph.D. in Biochemistry from CFTRI, Mysore

Mr. Girish K
Senior Vice President,
Operations

Over 28 years in the pharmaceutical industry with deep expertise in plant design, equipment life-cycle management, and end-to-end project execution.

Key qualifications

Chemical Engineer from BITS Pilani

Mr. Giridhar M
Senior Vice President,
Quality Assurance

Over 34 years of experience in analytical development, quality control, and quality assurance, overseeing quality systems across API manufacturing facilities.

Key qualifications

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

Dr. Ravindra Babu B
Senior Vice President,
Chemical R&D

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

Key qualifications

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

Risk management

We operate within a highly regulated pharmaceutical industry, making risk governance essential to maintaining the safety, efficacy, quality, and compliance of our products. The Board of Directors is ultimately responsible for overseeing our risk management strategies and defining the organisation's risk appetite.

The Risk Management Committee, which includes executive, non-executive, and independent directors oversees, guides, and provides assurance on risk-related issues. This committee develops, monitors, and refines the organisation's risk management policies and regularly reports back to the Board on its findings and activities.

The Audit Committee assists the Risk Management Committee by ensuring that risk management controls and systems are effective and functioning properly. This is complemented by thorough reviews conducted by our internal audit team and external audit partners who perform structured and periodic assessments of our risk management processes.

Enterprise risk management framework

Our enterprise risk management framework is structured to identify, assess, manage, and mitigate risks at all organisational levels. It includes a systematic process for risk identification, assessment, and prioritisation, which empowers us to make informed decisions, allocate resources efficiently, and strengthen our overall resilience. This approach is integral to our ability to navigate uncertainties and align with our long-term strategic goals.

Risk management framework

Identify risks

We have a systematic process to identify risks across the organisation, involving stakeholders at all levels and incorporating both internal and external expertise to ensure comprehensive risk coverage.

Define risk appetite

Our clearly defined risk appetite guidelines specify the acceptable level of risk, guiding the management and employees in their risk-taking and decision-making processes.

Assess and quantify

We use various techniques like scenario analysis, risk registers, and key risk indicators to assess and prioritise risks. This structured approach helps us understand the potential impacts of risks on our objectives.

Respond, manage and mitigate

Our response to identified risks includes stringent quality control, robust pharmacovigilance programmes, strict regulatory compliance, and business continuity plans to mitigate risks.

Monitor and review

Continuous monitoring and review of risks help us detect changes in their likelihood or impact. We maintain robust risk-reporting mechanisms to keep the Board and management informed, facilitating proactive risk management and effective mitigation strategies.

Risk management

Brief overview of risks

Operational

Capacity planning and optimisation risk

Inadequate capacity may compromise our ability to adapt to changing customer demands, potentially impacting our profit margins.

Impact

F M H

Mitigation measure

To safeguard against currency fluctuations, we have implemented a robust currency hedging strategy. We continuously assess and utilise derivatives to manage and mitigate the risks associated with currency exchange rate volatility.

Environment, Health and Safety (EHS)

Our business operations are subject to a variety of stringent health, safety, and environmental regulations enforced by governmental and non-governmental organisations worldwide.

Impact

H N S

Mitigation measure

We have intensified our commitment to energy sustainability and the rigorous enforcement of our safety culture programmes, which include specific behavioural requirements. For high-risk sites, we conduct detailed process-safety audits to ensure the safety of our manufacturing processes.

Operating risk

Failure to effectively manage vendor-cum-customer relationships could negatively impact our revenue streams.

Impact

F M H S

Mitigation measure

We actively implement an action plan to mitigate vendor risks from both geographical and single-source perspectives. Despite challenges in the business environment, we have successfully sustained robust relationships with our vendors and customers. This approach fosters organisational stability and predictability. Additionally, our enduring partnerships with major global and domestic pharmaceutical companies help ensure consistent revenue visibility.

Financial

Foreign exchange rate

Our expenditure and investments are primarily made in Indian currency, while our revenues are diversified across various international currencies. This exposes our net expenses, future investments, and other income to potential vulnerabilities due to fluctuations in exchange rates.

Impact

F

Mitigation measure

To safeguard against currency fluctuations, we have implemented a robust currency hedging strategy. We continuously assess and utilise derivatives to manage and mitigate the risks associated with currency exchange rate volatility.

F Financial capital
M Manufactured capital
M Natural capital
H Human capital
I Intellectual capital
I Social and relationship capital

Employees
Communities
Suppliers
Environment
Customers
Investors

Strategic

Industry risk

A downturn in the industry could adversely affect the Company's performance.

Impact

F I

Mitigation measure

The Company maintains a strong presence in major global pharmaceutical markets and conducts regular risk assessments. Additionally, we are developing a business continuity strategy aimed at minimising risks associated with our procurement, production, and distribution processes.

Innovation risk

The absence of niche products and innovative processes could hinder our growth rate.

Impact

I H

Mitigation measure

We leverage our robust R&D capabilities and a proven track record in the development, approval, and commercialisation of niche products and processes. Our expertise in advanced chemistry, process optimisation, and a specialised product portfolio underpins our strong global presence and market leadership.

Competition risk

Intense competition in both domestic and international markets could diminish our market presence.

Impact

F I

Mitigation measure

To counteract this risk, we are expanding economies of scale across manufacturing, distribution, and procurement to maintain a cost advantage. We are also deepening long-term relationships with key customers by delivering superior quality and service. Further measures include implementing cost-reduction strategies and improving the efficiency of our manufacturing operations. Additionally, we are investing in R&D to decrease raw material usage and enhance productivity.

Compliance

Regulatory risk

The pharmaceutical industry is stringently regulated and subject to ongoing oversight by various regulatory authorities. Failure to obtain the necessary manufacturing approvals could disrupt business operations.

Impact

F S I

Mitigation measure

We ensure rigorous compliance with regulatory standards and maintain open communication with regulatory bodies. Our regulatory affairs team works to secure all necessary approvals, safeguarding our manufacturing processes and ensuring uninterrupted business operations.

Management Discussion and Analysis

Global economy

The global economy exhibited resilience in 2024, maintaining a growth rate of 3.32%, consistent with the previous year. This stability was underpinned by robust domestic demand in several advanced economies and a gradual recovery in emerging markets. However, the year was not without challenges. Policy uncertainty intensified due to persistent trade tensions, geopolitical conflicts, elevated inflation in some regions and volatile commodity prices.

In response to moderating inflation and slowing growth, central banks in major economies initiated cautious monetary easing. The U.S. Federal Reserve began rate cuts in September 2024, while the European Central Bank implemented a series of reductions, aiming to support economic activity without reigniting inflationary pressures. Global inflation showed signs of moderation, declining from 6.8% in 2023 to an estimated 5.9% in 2024, with projections indicating a further decrease to 4.5% in 2025.

These global trends played out differently across regions. The United States experienced flat growth in 2024 compared to the previous year, with projections indicating a slowdown from 2.8% in 2024 to 1.8% in 2025. The euro area remained subdued, with growth expected to increase slightly to 1.0% in 2025. China's economy faced headwinds from both domestic structural adjustments and external trade pressures, leading to a projected growth rate of 4.7% in 2025. In contrast, India maintained its position as one of the fastest-growing major economies, supported by strong domestic demand and structural reforms.

Global and regional GDP growth projections (% Change)

Region/Economy	Estimate	Projection	
	2024	2025	2026
World	3.3%	2.8%	3.0%
Advanced Economies	1.5%	1.7%	1.8%
United States	2.8%	1.8%	1.7%
Euro Area	0.7%	1.0%	1.2%
Japan	0.9%	0.6%	0.7%
United Kingdom	0.5%	1.0%	1.2%
Canada	1.2%	1.5%	1.7%
Emerging Market and Developing Economies	4.2%	4.0%	4.1%
China	4.8%	4.1%	4.0%
India	6.2%	6.5%	6.5%

Outlook

Looking ahead, the IMF projects global growth to moderate to 2.8% in 2025 and slightly recover to 3.0% in 2026. The outlook is shaped by several factors, including ongoing trade tensions, geopolitical risks, and the pace of monetary policy adjustments. The IMF emphasises the importance of global cooperation on trade and debt restructuring, cautioning that further escalation could trigger broader financial instability.
A significant development contributing to these concerns was the resurgence of protectionist trade policies in 2024, notably the imposition of substantial tariffs by the United States on Chinese goods. These measures, reaching historically high levels, prompted retaliatory actions from China, leading to heightened global trade tensions.
The resulting uncertainty disrupted supply chains and contributed to a slowdown in global trade volumes, with the IMF noting that such tensions could moderate global GDP by around 0.5 percentage points.

Indian economy

India maintained its position as the fastest-growing major economy in FY25, with GDP expanding by 6.5%, as per the NSO's Second Advanced Estimates. Despite global headwinds, including trade disruptions, geopolitical tensions and financial market uncertainties, the Indian economy stood out for its resilience, underpinned by strong macroeconomic fundamentals, policy consistency and a stable financial system. Public sector investments and infrastructure development emerged as key drivers of growth, offsetting the effects of muted private consumption. The government's continued emphasis on capital expenditure, particularly in transportation, energy, and digital infrastructure, sustained momentum even as household consumption faced pressure from elevated inflation levels during parts of the year.

The services sector remained a cornerstone of growth, with finance, real estate, and IT services contributing significantly to overall performance. Meanwhile, manufacturing witnessed moderate growth at 3.9% in FY25, compared to 5.5% in FY24, reflecting the impact of global demand softening and domestic supply adjustments. Agriculture, however, demonstrated resilience, recording 4.6% growth, supported by favourable monsoon conditions, robust crop yields, and sustained policy support.

Inflation moderated steadily through FY25, with Consumer Price Index inflation declining to 3.34% in March 2025, led by sharp corrections in food prices. This easing of inflationary pressures allowed the Reserve Bank of India (RBI) to initiate its first rate cut since 2020, reducing the repo rate by 25 basis points from 6.5% to 6.25% in February, and then by another 25 basis points to 6.00% in April 2025. The central bank's approach remained cautious, balancing the need to support growth without compromising on financial stability.

The government's policy approach remained firmly anchored in creating a transparent, rule-based ecosystem supportive of investment and innovation. Structural reforms aimed at strengthening manufacturing, enhancing domestic supply chains, accelerating digital transformation, and promoting sustainability were key focus areas. The broader ambition of transitioning towards a "Viksit Bharat" (Developed India) by 2047 has reinforced the medium- and long-term direction of economic policymaking.

Outlook

Looking ahead, the RBI projects GDP growth at 6.5% in FY26, with inflation anticipated to remain within the RBI's comfort range of 4%, aided by stable commodity prices and steady demand conditions. While the macroeconomic and financial foundations remain robust, the outlook is not without risks. Geopolitical uncertainties, including recent border tensions, along with evolving global conditions, may pose challenges to sentiment and external trade. Nonetheless, continued progress in domestic reforms, coupled with sound fundamentals, positions India favourably in the global economic landscape, offering opportunities for sustained growth and development.

Industry overview

Global pharmaceutical market

The global pharmaceutical market was valued at approximately US$ 1.7 trillion in 2024, reflecting the world's rising demand for healthcare solutions. Growth is being driven by the increasing burden of chronic diseases, aging populations, and rising investments in biologics, biosimilars, and personalised medicine. Research and development (R&D) activity has intensified as the industry addresses unmet medical needs, supported by faster regulatory approvals and increased healthcare spending worldwide. While North America leads in global revenues with a strong R&D pipeline and steady demand for innovative therapies, emerging markets in Asia and Latin America are gaining ground, supported by improved healthcare access, growing supply chains, and expanding middle-class populations.

Technological shifts such as AI-assisted drug discovery, digital therapeutics, and telemedicine are gradually reshaping how treatments are developed, delivered, and monitored, though the industry's core focus remains on advancing complex therapies and strengthening global supply capabilities. Alongside, the rising emphasis on affordability, cost-effectiveness, and patient access is shaping investment and development priorities. Together, these forces position the pharmaceutical market for sustained growth, even as it navigates regulatory pressures, pricing challenges, and the evolving needs of healthcare systems worldwide.

Regional developments

- North America maintained its leadership in 2024, accounting for 38.6% of global pharmaceutical revenues, underpinned by strong R&D investments, a robust regulatory framework, and sustained innovation in biologics and specialty drugs.
- Asia-Pacific is the fastest-growing region, fuelled by expanding healthcare infrastructure, rising chronic disease burdens, and local companies' increasing participation in global supply chains. Notably, China's share of major pharmaceutical transactions soared from <5% in 2020 to ~30% in 2024, reflecting its biotech boom.
- India continues to reinforce its reputation as the pharmacy of the world, with pharmaceutical exports to the U.S. reaching US$ 8.7 billion in FY24, accounting for about 31% of total Indian pharma exports.
- Latin America and Africa are witnessing accelerating growth, driven by private investments, improved healthcare delivery, and widening access to essential medicines.

Key trends shaping the pharmaceutical industry

- **Expansion of specialty medicines:** Specialty medicines, including biologics and cell and gene therapies, are expected to account for over 45% of global spending by 2028. Areas such as oncology, immunology, and rare diseases are driving much of this growth.
- **Rise of generics and biosimilars:** While specialty drugs dominate spending, generics and biosimilars continue to play a critical role in expanding patient access, particularly in emerging markets. According to IQVIA report, that biosimilars alone will generate US$ 186 billion in cumulative savings for healthcare systems by 2028.
- **Precision medicine and personalised treatments:** Companies are investing heavily in genomic data, biomarkers, and targeted therapies, particularly in oncology, rare diseases, and immunology, to deliver highly personalised patient care.
- **Digital health integration:** Telemedicine, wearable devices, and AI-powered health apps are transforming patient monitoring, improving adherence, and enabling pharmaceutical companies to collect real-world evidence.
- **AI in Drug Discovery:** Artificial intelligence is revolutionising drug development by reducing timelines, improving accuracy in candidate selection, and enabling faster delivery of breakthrough treatments.
- **Emerging market growth:** Countries such as China, India and Brazil are witnessing increased pharmaceutical demand due to rising healthcare infrastructure investments and an aging population.
- **Rising R&D Investments:** Global R&D spending, which reached US$ 200 billion in 2023, is projected to grow by 5–7% annually, with a strong focus on clinical trials, gene editing, and new drug delivery technologies.

Market size and forecast (2025–2034)
(US$ Billion)

CAGR 5.74%
(2025–2034)

Outlook

Looking ahead, the pharmaceutical market is projected to reach approximately US$ 2,970 billion by 2034, expanding at a CAGR of 5.74% from 2025 to 2034. This forecast reflects the sustained demand for innovative therapies, expanding biopharma collaborations, and deeper penetration of pharmaceuticals into developing regions. The global pharmaceutical industry is evolving with a sharp focus on enhancing core capabilities in research, development, and manufacturing to meet the growing demand for complex therapies and biologics. There is a strong shift toward biopharmaceuticals, including monoclonal antibodies, biosimilars, and advanced treatments such as gene and cell therapies. The sector is also expanding in emerging markets, reinforcing supply chain resilience, and adapting to stricter quality standards to ensure scalable, compliant production.

Further, the industry is navigating a landscape marked by increased regulatory scrutiny, pricing pressures, and rising expectations around affordability and access. The integration of digital tools to support real-time data collection, patient engagement, and streamlined processes is subtly reshaping operations. To thrive, the industry must balance innovation in drug pipelines, manufacturing excellence, and global delivery, all while addressing challenges such as cost constraints, evolving healthcare policies, and the complexity of new treatment options.

Source: Cervicon Consulting

Global CDMO industry overview

The global pharmaceutical Contract Development and Manufacturing Organisation (CDMO) market is projected to reach approximately US$ 169.87 billion in 2024, continuing its upward trajectory as a critical player in the pharmaceutical value chain. This growth is supported by a range of key factors, including the increasing complexity of drug development, the rise of biologics and personalised medicines, and the ongoing trend towards outsourcing.

The need for specialised expertise in biologics, gene therapies, and other complex drugs is expanding the role of CDMOs in pharmaceutical manufacturing. As biopharmaceuticals become increasingly prevalent, CDMOs are positioned as essential partners for the development and commercialisation of these drugs. Moreover, outsourcing trends have accelerated, with pharmaceutical companies recognising the cost-saving potential of leveraging the capabilities of external manufacturing partners. By outsourcing, companies can reduce capital expenditure on manufacturing facilities and focus their investments on core areas such as research and development.

In addition, CDMOs benefit from increased demand for services tied to both traditional and novel drug manufacturing, such as sterile injectables, viral vectors, and the production of cell and gene therapies. This is transforming the industry, with many CDMOs pivoting towards cutting-edge manufacturing capabilities to meet the needs of biologics developers. These driving factors are expected to propel the industry forward in the coming years, making CDMOs indispensable to the global pharmaceutical ecosystem.

Regional developments in the CDMO market

The CDMO market's growth varies across regions, each with distinct advantages and opportunities. Notable regional developments include:

- **Asia-Pacific:** The region continues to dominate as the largest contributor to the global market, driven by low labour costs, the expanding pharmaceutical infrastructure in countries like India and China, and strong government support for the pharmaceutical sector.
- **North America:** The region is known for its stringent regulatory standards and focus on high-quality production. The United States is home to a significant portion of global pharmaceutical companies that are increasingly relying on CDMOs to meet growing production demands, particularly for biologics and advanced therapies.
- **Europe:** The European CDMO market is strong, particularly in countries like Germany and Switzerland. The region's emphasis on regulatory compliance and technological innovation supports its position as a key player in contract manufacturing, especially for sterile products and biologics.
- **Latin America:** The market is growing, with rising demand for generic drugs and increased outsourcing by North American and European pharmaceutical companies seeking cost-effective solutions in manufacturing.
- **Middle East and Africa:** These regions are seeing steady growth in demand for contract manufacturing services, particularly in countries like Saudi Arabia and South Africa, driven by local pharma expansion and increasing healthcare investments.

Management Discussion and Analysis

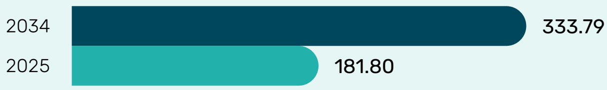
Key trends shaping the cdmo industry

Several significant trends are reshaping the global CDMO landscape:

- **Rising demand for biologics and gene therapies:** The increasing prevalence of biologics and complex therapies, such as gene and cell-based treatments, is pushing CDMOs to enhance their manufacturing capabilities, especially in the fields of sterile injectables and viral vector production.
- **Outsourcing expansion:** Pharmaceutical companies are increasingly outsourcing their manufacturing to CDMOs in order to reduce capital expenditures and focus on core areas such as R&D. This trend is expected to drive the need for more flexible and responsive manufacturing solutions.
- **Technological integration:** CDMOs are investing in automation, AI and data analytics to optimise manufacturing processes, reduce errors, and improve production efficiency. These technologies are becoming essential to remain competitive in a rapidly evolving market.
- **Environmental sustainability:** Growing regulatory pressures and market expectations are pushing CDMOs to adopt sustainable manufacturing practices. This includes reducing waste, optimising energy use, and incorporating green technologies to align with global environmental standards.
- **Regulatory compliance and quality assurance:** As global drug production becomes more complex, CDMOs are increasingly required to meet higher regulatory standards, driving investment in quality assurance systems and advanced compliance technologies.

Market size and forecast (2025-2034)
(US$ Billion)

CAGR 7.10%
(2025-2034)



Outlook

Looking ahead, the global CDMO industry is expected to continue its growth trajectory, with a positive outlook for the next decade. As pharmaceutical companies shift their focus to biologics and complex therapies, the demand for contract manufacturing services will only increase. The outsourcing trend will also accelerate as companies strive to improve operational efficiencies and reduce costs while meeting the growing global demand for innovative medicines.

However, there are several challenges on the horizon. Stringent regulatory requirements will require CDMOs to continuously adapt and invest in compliance-related technologies and practices. Additionally, the rapid pace of technological advancements means that CDMOs will need to stay ahead of the curve to remain competitive.

Source: Cervicon Consulting

Indian pharmaceutical market

The Indian pharmaceutical industry has experienced significant growth in recent years and is poised for sustained expansion in the coming years. In FY25, the industry is estimated to reach a market size of ₹2.38 lakhs crores (US$ 28.5 billion), reflecting an 8.2% growth from the previous year. The Indian pharmaceutical market is expected to maintain this robust growth trajectory, with a CAGR of 8-9% over the next 5-7 years. This growth is underpinned by a combination of factors, including increasing demand from both domestic and international markets, a strong export performance, and regulatory support from the Indian government. [Source: PharmaRack]

Indian CDMO market overview

With a market size of US$ 22.51 billion in 2024, the Indian CDMO sector is poised for significant expansion over the coming years. India is recognised as a top destination for pharmaceutical outsourcing, benefiting from a combination of a skilled workforce, highly competitive costs, and regulatory-compliant facilities.

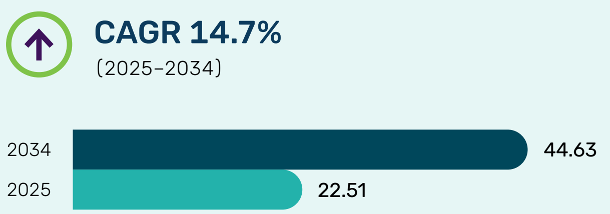
India continues to be a dominant player in the generic medicines and vaccine markets, commanding a substantial share of global exports, including over 40% of the US OTC drug market and producing approximately 60% of the world's vaccines. These strong global positions provide a solid foundation for the sector's growth in both small molecule and biologics manufacturing.

Key trends and growth drivers

India's CDMO sector is evolving rapidly, driven by several key trends and growth drivers that are shaping the future of pharmaceutical outsourcing:

- **Cost competitiveness:** India remains highly competitive in terms of costs for R&D and manufacturing. This cost advantage continues to be a primary factor for pharmaceutical companies seeking to optimise their supply chains, particularly those looking to shift production away from China and other high-cost regions.
- **Skilled workforce:** India is home to a large pool of highly skilled professionals, including scientists and regulatory experts, providing a substantial talent base for CDMOs. The country's workforce, with its robust technical knowledge and expertise, is a key asset for Indian companies seeking to meet the increasingly complex demands of global pharmaceutical markets.
- **Regulatory compliance and infrastructure:** India's US FDA-approved manufacturing facilities continue to bolster its reputation for high-quality manufacturing and regulatory compliance. This status enables Indian CDMOs to offer services that meet the strictest global quality standards, positioning India as a reliable partner for both established and emerging pharmaceutical companies worldwide.
- **Technological advancements:** The growing use of artificial intelligence (AI), machine learning (ML), and automation in the pharmaceutical manufacturing process is enhancing operational efficiency. These technologies are playing a pivotal role in reducing time-to-market, improving product quality, and boosting the overall competitiveness of India's CDMOs.
- **Geopolitical shifts:** With rising concerns over supply chain risks, Indian CDMOs are benefitting from the global shift towards diversified supply chains. The country's favourable position as a competitive and reliable outsourcing destination has made it a key player in the global pharmaceutical supply chain.

Indian CDMO market forecast (2024-2029)
(US$ Billion)



Outlook

India's CDMO market is expected to double by 2029, growing from US$ 22.51 billion in 2024 to US$ 44.63 billion at a CAGR of 14.67%. This growth will be driven by India's expanding role in small molecule manufacturing and the increasing demand for biologics. This is prompting Indian CDMOs to ramp up capacities in biologics manufacturing and capture a larger share of this lucrative market. Additionally, the rise of cell and gene therapies is opening new avenues, encouraging Indian players to upgrade their capabilities to serve this complex and fast-evolving field. Moreover, continued investments in research and development are enabling Indian CDMOs to diversify their service portfolios, particularly in cutting-edge areas such as peptides, oligonucleotides and other specialised drug modalities.

Source: Mordor Intelligence

Company overview

Laurus Labs Limited, an integrated pharmaceutical manufacturing company based in India, is committed to driving sustainable growth and innovation within the pharmaceutical industry. With a mission to provide high-quality medicines consistently and globally, the company has established a reputation for excellence in drug development and manufacturing. Through continuous investment in research and development, Laurus Labs has evolved into a diversified leader, tapping into new growth opportunities across various sectors.

Originally founded as a company specialising in Active Pharmaceutical Ingredients (APIs) for Antiretroviral (ARV) therapies, Laurus Labs has expanded its expertise into Formulations and ventured into Contract Development and Manufacturing Organisation (CDMO) services for human health, animal health, specialty chemicals, and crop science ingredients. In line with its vision of becoming a fully integrated pharmaceutical company, Laurus Labs is now focusing on cutting-edge technologies, including Precision Fermentation and Cell and Gene Therapy manufacturing, with plans to establish a Centre of Excellence in this emerging field.

This strategic transformation reflects Laurus Labs' commitment to future growth, realised through constant innovation, adaptability and a relentless focus on operational excellence.

Opportunities

- **Innovations in cell and gene therapies:** Significant potential for breakthroughs in advanced therapies, with a growing emphasis on strategic investments in the development of cell and gene therapies.
- **Expertise in chemistry and process engineering:** Leveraging deep expertise in these fields to drive improvements in product development and manufacturing efficiencies, strengthening competitive advantages across multiple segments.
- **Strong pipeline and rapid scale-up:** Continued progress in both CDMO and CMO projects, facilitating the scaling up of manufacturing capabilities and enhancing commercial execution.
- **Cost optimisation and resource management:** Effective use of manpower, materials, and reactors to optimise production costs and increase margins, enhancing overall efficiency.
- **Greener, cleaner, and safer processes:** Transitioning to environmentally friendly production methods through the adoption of Continuous Flow Chemistry and Bio catalysis.
- **In-house manufacturing for supply chain security:** Manufacturing key intermediates internally, ensuring greater supply chain stability and reducing external dependencies, while driving down production costs.
- **Diversified project portfolio:** Expanding into new markets and product segments, improving profit margins through a more diversified and strategically aligned portfolio.
- **Stabilising ARV sales:** Efforts to stabilise and meet the increasing global demand for Drug Substance (DS) and Drug Product (DP), securing a strong position in the ARV market.

Threats

- **Price erosion and regulatory scrutiny:** Slower growth in key export markets such as the USA due to price erosion and increasing regulatory challenges that can affect market dynamics.
- **Regulatory delays:** Potential delays in obtaining regulatory approval for new products, impacting the timely launch of new therapies and treatments.
- **ARV drug pricing pressures:** The global oversupply of Antiretroviral (ARV) drugs, which is leading to excess channel inventory and price pressures, affecting profitability in this sector.
- **Clinical programme delays:** Potential delays in clinical development programs of strategic partners, which could impact the timeline for the introduction of new therapies.

Division-wise performance

CDMO

Our performance in the CDMO segment during FY25 was marked by strong growth, particularly in the small molecule space, where we achieved 49% growth. The growth was driven by successful execution across multiple mid- to late-stage New Chemical Entity (NCE) programmes and ramp-up of new manufacturing assets commissioned during the second half of the year. We recorded annual revenues of ₹1,374 crores, reflecting the increasing demand for our integrated commercial offerings, particularly from Big Pharma customers. Our active project pipeline remained robust, with over 110 ongoing programmes, including more than 90 in human health and over 20 across animal health and crop sciences. Notably, over 15 commercial programmes spanned APIs and intermediates. We also increased our reactor capacity for small molecule APIs by 15%, positioning ourselves well to meet growing customer requirements. To support future growth, we are expanding our multi-site capabilities across various modalities, further strengthening our CDMO leadership.

Generics (FDF & API)

Our performance in the generics segment during FY25 was muted growing 2% and recorded revenues of ₹4,020 crores. Soft growth was mainly on account of lower API division performance which declined by 4% due to capacity reallocation. In the Finished Dosage Formulations (FDF) division, we delivered 12% growth, driven by the execution of multiple integrated CMO contracts and improved utilisation across our manufacturing network. We expect this positive momentum to continue as we operationalise additional contracts in the coming quarters. Notably, our ARV revenue share has declined from 67% to 45% over the past five years, reflecting our success in reducing dependence on legacy products and building a more balanced generics portfolio. As we move into FY26, we will focus on rebalancing R&D and manufacturing resources to further strengthen our generics pipeline and ensure the timely delivery of customer commitments.

Biotechnology

Our bio-division delivered revenues of ₹160 crores. The underlying revenue growth was healthy, excluding impact of advanced shipments last year and discontinued low margin non-core nutrition business. We have increased customer pipeline activity within AOF and diversified CDMO customer base. Looking ahead, we are preparing to break ground on a new commercial-scale fermentation facility at Vizag by June 2025, with a planned investment of ₹250 crores. This expansion will more than double our fermentation capacity by 2026, enabling us to better serve the large molecule CDMO market with our enzyme engineering capabilities.

FY25 consolidated financials

(₹ in crores)

Particulars	FY25	FY24	Y-o-Y Change (%)/bps
Revenue	5,554	5,041	10%
Gross Margin	55.4%	51.7%	370 bps
EBITDA	1,115	798	40 %
% to Revenue	20.1	15.8%	430 bps
PBT	484	236	105 %
Net Profit	358	161	122 %
% to Revenue	6.4%	3.2%	320 bps
EPS (₹)	6.6	2.9	128 %

Revenue from operations (Net)

In FY25, Laurus Labs' revenue from operations stood at ₹5,554 crores, reflecting a 10% change compared to ₹5,041 crores in FY24. Primarily driven by strong CDMO execution while generic FDF growth offset by lower API business.

Material costs

Material costs as a percentage of revenue were 44.6% in FY25, compared to, 48.3% in FY24, reflecting a change of 370 basis points on better divisional mix

Employee expenses

Employee expenses increased to ₹720 crores in FY25 from ₹640 crores in FY24, largely driven by a further rise in headcount beyond the 300+ added in FY25 and continued investments in talent across R&D and manufacturing functions.

Other expenses

Other expenses, including marketing, R&D and administration, reached ₹1,301 crores in FY25, up from ₹1,191 crores in FY24. As a percentage of revenue, these expenses stood at 23% versus 24% in FY24. Key drivers included continued spending on new initiatives like Cell and Gene Therapy (CGT), Animal Health, and the ramp-up of advanced manufacturing capabilities.

FY25 balance sheet

(₹ in crores)

Particulars	FY25	FY24	Change (₹)
Net Fixed Assets (incl. CWIP)	4,316	4,048	+268
Goodwill and Intangibles	266	265	+1
Inventories (A)	1,937	1,845	
Receivables (B)	2,007	1,663	
Payables (C)	959	1,051	
Net Working Capital (A+B–C)	2,985	2,457	+528
Other Assets & Liabilities	-501	–291	-210
Cash & Cash Equivalents	100	139	-39
Equity	4,473	4,111	+362
Debt (current + non-current)	2,693	2,507	+186
Total Net Assets	**7,166**	**6,618**	**+548**

Highlights

Net Fixed Assets: Increased by ₹268 crores to ₹4,316 crores in FY25, driven by ongoing investments in new R&D centre for CDMO activities in Hyderabad site, Building Intermediate/API manufacturing blocks at LSPL Unit 2 & Unit 4, Drug Product line expansion and certain API block modification at Vizag site.

Goodwill and Intangibles: Goodwill and intangibles saw a marginal increase of ₹1 crores, bringing the total to ₹266 crores.

Net Working Capital: Stood at ₹2,985 crores, Increase mainly due to a increase in inventories and accounts receivables.

Cash & Cash Equivalents: Cash & Cash Equivalents ₹100 crores, reflecting healthy liquidity position.

Equity: Rose to ₹4,173 crores, reflecting the company's strong financial health and retained earnings.

Debt: Increased to ₹2,693 crores, mainly in the working capital loans to support several CDMO project deliveries involving longer lead time. Long-term debt remained stable.

FY25 Key ratios (Consolidated)

Ratio	FY25	FY24
Debtors Turnover	2.8	3.0
Inventory Turnover	2.9	2.7
Interest Coverage Ratio	5.3	4.6
Current Ratio	1.22	1.23
Debt-Equity Ratio	0.60	0.61
EBITDA Margin (%)	20.1%	15.8%
Net Profit Margin (%)	6.4%	3.2%
Return on Net Worth (%)	8.0%	3.9%
Net Debt-EBITDA	2.3x	2.9x

Outlook for FY26

Looking ahead, the Company is well-positioned to become a more diversified CDMO-CMO company, supported by:

- A promising late-stage pipeline
- Enabling technology platforms
- Strengthened collaborations with major global clients
- Improved operating margins from better asset utilisation and product mix

We remain committed to delivering high-quality, integrated solutions to global customers while creating long-term stakeholder value.

People - Our strength

With a strong and diverse global workforce, Laurus Group directly employs over 7,000+ people and engages another 6,000+ individuals indirectly across our business operations. We recognise that our people are the driving force behind our success and are deeply committed to nurturing their growth and well-being.

Throughout the year, we continued to invest in strengthening the capabilities of our employees by providing targeted training and development opportunities. From on-the-job learning and professional upskilling to specialised programmes focused on adapting to technological advancements, we ensure our teams are equipped with the skills needed to navigate an evolving industry landscape.

Our commitment extends beyond professional development. We actively promote employee welfare and work-life balance through various initiatives, including annual family day celebrations, children's development programmes, and comprehensive safety training. We also prioritise open communication and engagement, regularly connecting with our workforce through town hall meetings, employee surveys, and face-to-face interactions to understand their needs and feedback.

Our efforts to foster a supportive and inclusive workplace continue to earn recognition. Laurus has been certified as a Great Place to Work by the GPW Institute for the fourth consecutive year, underscoring the positive culture we have built together. In addition, we have received multiple safety awards from governmental and non-governmental bodies, reaffirming our focus on employee safety and well-being. Industrial relations remained harmonious throughout the year, and Laurus Group remains steadfast in its commitment to care for all Laureates as we collectively drive the organisation forward.

Risk management

At Laurus Labs, risk management is an integral part of our strategic and operational decision-making process. We proactively identify, assess, and mitigate potential risks across our business segments to ensure long-term resilience and value creation. Our structured risk governance framework enables timely responses to emerging challenges in a dynamic business environment. For a detailed overview of our risk management approach and key risks, please refer to **page 89** of the Integrated Annual Report.

Internal control

Laurus Labs has established a robust internal control framework designed to ensure the integrity of financial reporting, safeguard assets and enhance operational efficiency. This framework includes a comprehensive set of policies and procedures that guide all aspects of the Company's operations.

The internal control system at Laurus Labs is aligned with globally recognised standards and practices, ensuring compliance with regulatory requirements and internal policies. It includes rigorous processes for financial reporting, risk management and compliance monitoring. Regular internal audits are conducted to assess the effectiveness of controls and identify areas for improvement. These audits are complemented by third-party reviews to ensure objectivity and enhance the credibility of the findings.

A key component of the internal control framework is the segregation of duties, which minimises the risk of errors and fraud. Additionally, automated systems and controls are implemented to streamline operations and reduce manual intervention, thereby increasing accuracy and efficiency. The framework also emphasises continuous training and awareness programmes for employees to ensure that they are well-versed in compliance and control practices. Laurus Labs' internal control framework is overseen by the Audit Committee, which reviews and monitors the effectiveness of the controls on a regular basis. The committee ensures that any identified issues are promptly addressed and that corrective actions are implemented.

Cautionary Statement

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

Board's Report

To
The Members of
Laurus Labs Limited

Your Directors have pleasure in presenting the 20th Annual Report of the Company together with the Audited Financial Statements for the Financial Year ended 31st March 2025.

Standalone and Consolidated Financial Highlights:

(₹ in crores)

Particulars	Consolidated		Standalone	
	2024-25	2023-24	2024-25	2023-24
Gross Income	5,554	5,041	5,217	4,813
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	1,115	798	1,010	777
Finance Charges	216	183	182	151
Depreciation/Amortisation	430	385	359	345
Net Profit Before Tax	484	236	504	301
Provision for Tax	130	68	124	78
Net Profit After Tax carried to Balance Sheet	358	161	380	224
Interim Dividend paid	--	--	43	86

Company's Affairs:

(i) Operations:

During the year under review, your Company has achieved a turnover of ₹5,554 crores and registered growth of 10% and achieved a net profit of ₹358 crores with a growth of over 122%.

During the year under review –

- Your Company was able to strengthen technology platforms and process development efforts with focus on delivering high quality CDMO/CMO development and manufacturing services to Global customers
  - Solidifying position on Flow/Bio-catalysis platform. Executed top-level projects utilising proprietary designed flow reactors at high temperature/pressure.
  - Commercial scale Peptide Synthesisers of various scales installed and qualified
  - Installed commercial scale continuous Hydrogenation facility
- New R & D facility operational leveraging advances PD capabilities for Peptides/ADCs/Oligonucleotides.
- Your Company has invested ₹659 crores during the year on ongoing expansion program so that the Company will be able to achieve its future goals;
- More than 160 quality audits have been completed by various customers and regulatory agencies;
- Your Company is advancing ESG agenda and enhacing competitive advantage
  - ISO 50001 completed for multiple facilities
  - S & P Global Sustainability Year book 2025 featured Laurus Labs
  - Improved S&P ESG scores from 59 to 73
  - Consecutive "BBB" ratings in FY22-25 from MSCI ESG ratings.
  - Acquired 26% equity in Kurnool Renewables to access 26 MW of renewable energy (Solar + wind) on captive mode in April, 2025 and is expected to begin by Dec 2026. This will enable to source around 50% of energy through renewable energy.
- Your Company was certified as Great Place to Work in fourth consecutive year.
- Your Company's associate company ImmunoACT, Mumbai treated around 300 patients suffering with Lymphoma and Lukemia with NexCAR-19. ImmunoACT is first company to launch commercial CAR_T therapy and expanding its facilities to create capacity for over 2000 treatments annually. ImmunoACT also got approval to carry phase 1 clinical trial for pediatric usage of NexCAR-19 and also carry phase 1 clinical trial for an additional program multiple myeloma (BCMA).

(ii) Outlook:

Business prospects may remain positive based on increased contract development and manufacturing (CDMO) opportunities for Global customers, CMO opportunities generic companies, expanded business opportunities for Generics. Your Company also expects to sustain overall ARV business despite few challenges.

Management Discussion & Analysis:

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

Dividend:

Your directors are pleased to inform you that the Board had declared the interim dividend @ 20% (i.e., ₹0.40/- per share of the face value of ₹2/- each) and paid to the Shareholders in November, 2024 and the 2nd Interim dividend @ 40% (i.e. ₹0.80 per share of the face value of ₹2/- each) and being paid to the shareholders in May, 2025 aggregating to 60% dividend i.e. ₹1.20/- per share of the face value of ₹2/- each relating to the FY24-25. The dividend payout ratio is 17% for the year which is within the stipulated maximum of 20% under dividend policy.

Transfer to Reserves:

Your Company did not transfer any portion of profits to Reserves.

Share Capital:

During the year under review -

- Company has allotted 2,86,633 (Two lakh eighty-six thousand six hundred and thirty-three only) equity shares of ₹2/- to various eligible employees of the Company under ESOP Scheme 2018 and under ESOP Scheme 2016 upon exercise of their vesting rights in May, 2024 and December, 2024.
- As a result, the paid up share capital as on March 31, 2025 stood at ₹107,85,04,982/- divided into 53,92,52,491 equity shares of ₹2/- each.

Change in the nature of the business, if any:

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

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

There are no material changes and commitments affecting the financial position of the Company that have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Report i.e. between March 31, 2025 to May 15, 2025.

Fixed deposits:

The Company did not accept any fixed deposits.

Subsidiaries, Associates and Joint Ventures:

At the end of the year, the status of the subsidiaries/associates is as follows:

Name of the Holding Company	Name of the Subsidiary	% shareholding	Status
Laurus Labs Limited	Laurus Synthesis Pvt Ltd.	100%	WOS *
	Sriam Labs Pvt Ltd	100%	WOS
	Laurus Specialty Chemicals Pvt. Ltd.	100%	WOS
	Laurus Holdings Limited, United Kingdom	100%	WOS
	Laurus Generics (SA) Pty Ltd.	100%	WOS
	Laurus Bio Pvt Ltd.	76.32%	Subsidiary
	Immunoadoptive Cell Therapy Private Limited	34.89%	Associate
	Ethan Energy India Private Limited	26%	Associate
	KRKA Pharma Pvt Ltd.	49%	Joint Venture
Laurus Holdings Ltd., UK	Laurus Generics GmbH, Germany @	100%	WOS
	Laurus Generics Inc., USA @	50.76% #	Subsidiary

* WOS means Wholly Owned Subsidiary

@ Laurus Generics GmbH, Germany and Laurus Generics Inc., USA are step-down subsidiaries of Laurus Labs Limited

Balance 49.24% is held by your Company.

During the year under review, KRKA Pharma Pvt Ltd. became a joint venture company of your Company. There are no companies which became subsidiaries or associate companies of the Company during the year nor ceased to be subsidiaries or associate companies of the Company.

Consolidated financial Statements:

As per Section 129(3) of the Companies Act, 2013, the consolidated financial statement of the Company and all its Subsidiaries and Associates prepared in accordance with the applicable accounting standards forms part of this Annual Report. Further, a statement containing salient features of the financial statements of our subsidiaries and associates in the prescribed form in AOC-1 is attached as **Annexure-1** to the Directors' Report.

As per the provisions of Section 136 of the Companies Act, 2013, the Company has placed separately the audited financial statements of its subsidiaries on its website www.lauruslabs.com and copies of audited financial statements of the subsidiaries will be provided to the Members at their request.

Particulars of Loans, Guarantees and Investments:

The Company has also issued a Corporate Guarantee to the Bankers for the loans sanctioned to Laurus Generics Inc., Laurus Synthesis Private Limited and for Laurus Bio Private Limited and the guarantees provided are well within the limits prescribed under Sec.186 of the Companies Act, 2013.

Board of Directors and Key Management Personnel:

During the year, the term of Dr. MVG Rao, Non-Executive and Independent Director and Chairman of the Company had been completed. Dr. K. Ravindranath, another senior independent director was appointed as a Non-Executive Chairman with effect from May 18, 2024. Further, the Company has appointed Mr. Krishna Chaitanya Chava and Mrs. Soumya Chava as Executive Directors of the Company and Mr. Sekar Karnam and Mr. Ramesh Subrahmanian as non-executive and Independent Directors on the Board of the Company.

The five year term of Dr. Satyanarayana Chava as Executive Director & CEO and Mr. V.V. Ravi Kumar as Executive Director and CFO had been completed on 31st March 2025. The Board of Directors have, subject to approval of the Shareholders, re-appointed Dr. Satyanarayana Chava for a further period of five years w.e.f. 01st April 2025 and Mr. V.V. Ravi Kumar for a period of two years w.e.f. 01st April, 2025 in their respective positions.

As per the provisions of the Companies Act, 2013, Dr. Satyanarayana Chava and Dr. C.V. Lakshmana Rao will retire at the ensuing annual general meeting and, being eligible, seek re-appointment. The Board of Directors recommends their re-appointment.

Board Meetings:

The Board and Committee meetings are pre-scheduled and a tentative calendar of the meetings shall be finalised in consultation with the Directors to facilitate them to plan their schedule. However, in case of urgent business needs, approval is taken by passing resolutions through circulation. During the year under review, 9 (nine) board meetings were held. The details of the meetings including the composition of various committees are provided in the Corporate Governance Report.

Performance Evaluation:

The formal annual evaluation of the performance of the Board as well as Non-independent directors was undertaken by the Nomination and Remuneration Committee. The performance of Board Committees and of individual independent directors was undertaken by the Board members.

The manner of the evaluation of the Board and other Committees has been determined by the Nomination and Remuneration Committee as per SEBI circular dated January 05, 2017.

Declaration from Independent Directors:

The independent directors have submitted the declaration of independence stating that they meet the criteria of independence as prescribed in sub-section (6) of Section 149 of the Companies Act, 2013 as well as under Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Opinion of the Board:

The Board is of the opinion that all the independent directors appointed during the year meet the criteria of independence and the Board is satisfied about their integrity, expertise and experience (including proficiency).

Policy on Directors' Appointment and Remuneration:

The policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters are adopted as per the provisions of the Companies Act, 2013. The remuneration paid to the Directors is as per the terms laid out in the nomination and remuneration policy of the Company.

The nomination and remuneration policy is adopted by the Board and the salient features of the policy are as follows:

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

- The Company's total compensation for Directors and Key Managerial Personnel as defined under the Act / other employees will consist of:
  - fixed compensation
  - variable compensation in the form of annual incentive
  - benefits
  - work related facilities and perquisites

Changes made to the policy: Nil

The Nomination and Remuneration Policy is placed on the Company's website and the following is web address of the said policy.

https://www.lauruslabs.com/Investors/PDF/Policies/Remuneration_Policy.pdf

Dividend Distribution Policy:

The web link of the Dividend Distribution Policy has been provided below for the perusal of the shareholders.

https://www.lauruslabs.com/Investors/PDF/Policies/Dividend_Policy.pdf

Risk Management:

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

Adequacy of Internal Financial Controls:

The internal financial controls with reference to the Financial Statements, apart from statutory audit, internal audit and cost audit compliance, are adequate to the size and operations of the Company.

Directors' Responsibility Statement:

In terms of Section 134(3)(c) of the Companies Act, 2013, the Board of Directors of the Company states that:

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

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

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

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

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

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

Related Party Transactions:

In accordance with Section 134(h) of the Companies Act, 2013 and Rule 8(2) of Companies (Accounts) Rules, 2014, the particulars of contracts or arrangements entered into by the Company with the Related Parties referred to in Sec.188(1) of the Act, have been provided in Form AOC-2 and attached the same as **Annexure-2**.

The details of related party disclosures as stated in the notes to the financial statements forms part of this annual report.

Vigil Mechanism:

The Company established a whistleblower policy in order to assure that the business is conducted with integrity and that the Company's financial information is accurate.

Auditors:

(i) Statutory Auditors:

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

(ii) Cost records and Auditors:

The Company is required under Section 148(1) of the Companies Act, 2013 read with Companies (Audit & Auditors') Rules, 2014 and the Companies (Cost Records and Audit) Amendments Rules, 2014, the Company is required to maintain the cost records in respect of its business and accordingly such accounts and records are made and maintained.

Your Board has re-appointed M/s. Sagar & Associates, Cost Accountants, as the Cost Auditors of the Company for the Financial Year 2025-26. As required by the Act, the remuneration of the Cost Auditors has to be ratified by the Members and accordingly the resolution relating to remuneration of the Cost Auditors is being placed before the Members for their ratification.

(iii) **Secretarial Auditors & Secretarial Audit Report:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of SEBI LODR Regulations, as amended, the Board, subject to the approval of the shareholders, has appointed Y. Ravi Prasada Reddy, Practising Company Secretary (CP No. 5360) proprietor of RPR & Associates, to undertake the Secretarial Audit of the Company for a period of five years i.e. from FY 2025-26 to FY 2029-30. The Secretarial Audit Report issued by RPR & Associates for the period under review in Form MR-3 is in **Annexure-3** to this Report. There are no qualifications, reservations or adverse remarks in the Secretarial Audit Report.

Auditors' Qualifications/reservations/adverse remarks/ Frauds reported:

There are no Auditors' Qualifications or reservations or adverse remarks on the financial statements of the Company. The Auditors have not reported any frauds to the Audit Committee as prescribed under Section 143(12) of the Companies Act, 2013.

Significant and material orders passed by the Courts/ Regulators:

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

Rating:

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

Insurance:

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

Corporate Social Responsibility initiatives:

Pursuant to the provisions of Section 135 and Schedule VII of the Companies Act, 2013, CSR Committee of the Board of Directors had framed the policy on Corporate Social Responsibility and the relevant details have been provided in **Annexure-4** and forms part of this Report.

Annual Return:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014 (as amended), a copy of the Annual Return of the Company shall be placed on the Website of the Company at www.lauruslabs.com.

Statement of Particulars of Appointment and Remuneration of Managerial Personnel/ employees:

In accordance with the provisions of Section 134 and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the statement of particulars of appointment and remuneration of managerial personnel and employees is attached in **Annexure-5** to this Report.

Human resources:

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

Employee Stock Options:

During the year, the Company has allotted 2,86,633 (Two lakh eighty six thousand six hundred and thirty-three only) equity shares of ₹2/- to various eligible employees of the Company under ESOP Schemes 2016 and 2018 upon exercise of their vesting rights in May and December, 2024.

The details of stock options are as mentioned in **Annexure-6** and forms part of this Report. Further, the details of the stock options stated in the notes to accounts of the financial statements also forms part of this Annual Report.

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

The information required under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of Companies (Accounts) Rules, 2014, is appended hereto as **Annexure-7** and forms part of this Report.

Policy on Prevention of Sexual Harassment:

The Company has formulated and implemented a policy for Prevention of Sexual Harassment of Women at workplace. During the year under review, the Company has not received any complaints under the policy.

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

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Details of application made or any proceeding pending under Insolvency and Bankruptcy Code – 2016 - Nil

Details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking load from the Banks and Financial Institutions with reasons thereof – Not Applicable

Statement of deviation(s) or variation(s) in the use of proceeds:

Pursuant to Regulation 32(1)(b) of SEBI (LODR) Regulations, this is to state that this Regulation is not applicable to the Company since the Company has not made public issue, rights issue or preferential issue during the year under review and accordingly there are no deviations or variations in the use of proceeds from the objects stated in the offer document or explanatory statement to the notice for the general meeting, as applicable.

Corporate Governance:

A separate section on Corporate Governance practices followed by your Company, as stipulated under Schedule V(C) of the SEBI (LODR) Regulations, 2015 is enclosed and forming part of this report.

The certificate of the Practising Company Secretary Mr.Y.Ravi Prasada Reddy with regard to compliance of conditions of corporate governance as stipulated under Schedule V(E) of the SEBI (LODR) Regulations, 2015 is annexed to the Report on Corporate Governance.

Business Responsibility and Sustainability Report (BRSR)

The Listing Regulations mandate the inclusion of the BRSR as part of the Annual Report for top 1,000 listed entities based on market capitalisation. In accordance with the Listing Regulations, we have integrated BRSR disclosures into our Annual Report.

Awards:

- The Company has been honoured with the 2024 DET Hurun Award for outstanding contribution to India's manufacturing economy at the prestigious India Manufacturing Excellence Awards;
- The Company has been recognised as one of the top 75 innovative companies in India for 2024 by the Confederation of Indian Industry (CII);
- The Company has been awarded with the prestigious Export Performance Award at the IPHEX Event;
- The following Laurus Labs Units won the Confederation of Indian Industry (CII), Andhra Pradesh – Industrial Safety Excellence Awards for the Performance Year 2024: -
  - Laurus Labs Limited, Unit-1: Outstanding Safety Performer Award
  - Laurus Labs Limited, Unit-3: Best Safety performer Award
- Unit-1 has been awarded with the Winner of the Safe Manufacturing Excellence Award at the GMEA 2024;
- Unit-2 received a Silver Award in the National Awards for Manufacturing Excellence 2024

Acknowledgements:

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

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

For and on behalf of the Board

Dr. Satyanarayana Chava	**V.V. Ravi Kumar**
Executive Director &	Executive Director &
Chief Executive Officer	Chief Financial Officer
DIN: 00211921	DIN: 01424180

Hyderabad
May 15, 2025

Annexure – 1

FORM AOC - 1

PART - A: SUBSIDIARIES INFORMATION

S. No.	Particulars	Details					
1	Name of Subsidiary	Sriam Labs Private Limited	Laurus Synthesis Private Linmited	Laurus Holdings Ltd. UK	Laurus Generics SA (Pty) Ltd.	Laurus Bio Private Limited	Laurus Speciality Chemicals Private limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 01, 2024 to March 31, 2025					
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Indian Rupees (in crores)	Indian Rupees (in crores)	GB Pound (in crores)	ZAR (in crores)	Indian Rupees (in crores)	Indian Rupees (in crores)
4	Share capital	14.20	0.11	0.11	0.00	0.73	0.10
5	Reserves & Surplus	45.19	119.50	(0.47)	0.41	180.35	(0.01)
6	Total Assets	67.69	1,182.45	2.22	2.29	330.89	0.09
7	Total Liabilities	8.30	1062.85	2.58	1.88	149.82	0.00
8	Investments						
9	Turnover	62.50	236.95	2.26	-	171.27	-
10	Profit before taxation	5.05	12.85	(0.35)	(2.02)	4.57	(0.01)
11	Provision for taxation	1.34	3.54	0.00	-	1.36	-
12	Profit after taxation	3.71	9.31	(0.35)	(2.02)	3.20	(0.01)
13	Proposed Dividend	-	-	-	-	-	-
14	% of shareholding	100%	100%	100%	100%	76.32%	100%

Laurus Holdings Ltd. is a UK based foreign subsidiary and its local currency is GBP

Exchange rate 107.8677 INR/GBP for profit and loss account and 110.5550 INR/GBP for Balance sheet items

Laurus Generics SA (Pty) Ltd. is a South Africa based foreign subsidiary and its local currency is ZAR

Exchange rate 4.6399 ZAR/INR for profit and loss account transactions and 4.6573 ZAR/INR for Balance sheet items.

PART - B: ASSOCIATES AND JOINT VENTURES

S. No.	Name of Associates/Joint Ventures	Immuno	Ethan	KRKA
1	Latest Audited Balance Sheet Date	31-03-2025	31-03-2025	31-03-2025
2	Shares of Associate/Joint Ventures held by the Company on the year end	34.89 %	26 %	49 %
		996 Equity shares of ₹ 10/- each, fully paid up 6,011 CCPS of ₹ 10/- each (₹10 /- each fully paid up)	7,40,000 Equity shares of ₹ 10/- each, fully paid up	10,53,50,000 Equity shares of ₹ 10/- each, fully paid up
3	Amount of Investment in Associates/Joint Venture / ₹ in crores	126.02	3.90	105.35
4	Extent of Holding %	34.89 %	26.00 %	49.00 %
5	Description of how there is significant influence	Shareholding	Shareholding	Shareholding
6	Reason why the associate/joint venture is not consolidated	NIL	NIL	NIL
7	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ crores)	120.88	7.43	213.55
8	Profit/Loss for the year	NIL	NIL	NIL
	i. Considered in Consolidation (₹ crores)	(3.57)	(0.65)	(0.71)
	ii. Not Considered in Consolidation (₹ crores)	(6.65)	(1.84)	(0.74)

Annexure – 2

AOC-2

Particulars of contracts/arrangements entered into by the Company with related parties

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

(Referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto)

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil

   All contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 are at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis: The details are set out in the standalone financial statements forming part of this Annual Report. The same may be referred for this purpose.

Nature of the related party	Nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Amount

Appropriate approvals have been taken for related party transactions. No amount was paid as advance.

Annexure – 3

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on **31st March, 2025**, (i.e. from 1st April, 2024 to 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:

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company to the applicable extent for the financial year ended on 31st March, 2025 according to the provisions of:

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

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

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

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

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

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

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

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

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

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

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

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

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

F. The Memorandum and Articles of Association.

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

   (a) Drugs (Control) Act, 1950

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

   (c) Narcotic Drugs and Psychotropic Substances Act, 1985

   (d) The Food Safety and Standards Act, 2006

   (e) The Indian Boilers Act, 1923

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

Annexure – 3

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

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except Regulation 17 (1) (a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for a period from 18th May, 2024 to 24th July, 2024.

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors (except under Regulation 17 (1) (a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for a period from 18th May, 2024 to 24th July, 2024). The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act/Listing Agreement.

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

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

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

1. The Company has issued and allotted 52,536 equity shares of ₹2/- each and 2,34,097 equity shares of ₹2/- each to the eligible employees under ESOP 2016 and ESOP 2018 schemes respectively during the year under review.

2. The Company has invested ₹22,05,00,000/- and ₹83,30,00,000/- in October, 2024 and March, 2025 respectively in KRKA Pharma Private Limited, a newly incorporated joint venture company, thereby 49% is held by the Company and 51% is held by KRKA d.d., Novo Mesto, Slovania.

For RPR & ASSOCIATES
Company Secretaries

Y Ravi Prasada Reddy
Proprietor
FCS No. 5783, C P No. 5360
Peer Review Certificate No. 1425/2021
UDIN: F005783G000350921

Place: Hyderabad
Date: 15th May, 2025

This Report is to be read with our letter of even date which is annexed as Annexure and forms part of this report.

ANNEXURE

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

Our report of even date is to be read along with this letter.

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

For RPR & ASSOCIATES
Company Secretaries

Y Ravi Prasada Reddy
Proprietor
FCS No. 5783, C P No. 5360
Peer Review Certificate No. 1425/2021

Place: Hyderabad
Date: 15th May, 2025

Annexure – 4

Annual Report on CSR Activities for FY 2024-25

1 Brief outline on CSR Policy of the Company: **The scope of the CSR Policy would including all/any activities specified in Schedule VII of the Companies Act, 2013**

2 Composition of the CSR Committee:

Sr. No.	Name of the Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. VV Ravi Kumar	Chairman of the Committee. Executive Director and Chief Financial Officer	2	2
2	Mrs. Aruna Bhinge	Member and Independent Director	2	2
3	Dr. CV Lakshmana Rao	Member and Executive Director	2	2
4	Mrs. Soumya Chava	Member and Executive Director	1	1

3 Provide the web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company : **www.lauruslabs.com**

4 Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8, if applicable: **www.lauruslabs.com**

5 (a) Average Net Profit of the Company as per sub-section (5) of Section 135 : **₹776.10 crores**

(b) Two percent of average net profit of the Company as per sub section (5) of Section 135 : **₹15.52 crores**

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : **Nil**

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

(e) Total CSR obligation for the financial year [(b)+(c)-(d)] : **₹15.52 crores**

6 (a) Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects) : **₹15.75 crores**

(b) Amount spent in Administrative Overheads : **Nil**

(c) Amount spent on Impact Assessment, if applicable : **₹4.00 lakhs**

(d) Total amount spent for the Financial year [(a)+(b)+(c)] : **₹15.79 crores**

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

Total amount spent for the FY (in ₹)	Amount unspent (in ₹)		
	Total amount transferred to Unspent CSR Account as per Section 135(6)	Amount transferred to fund specified under Schedule VII as per second proviso to Section 135 (5)	
	Amount Date of Transfer	Name of the Fund Amount	Date of Transfer
15.79 crores	**Not Applicable**	**Not Applicable**	

(f) Excess Amount for set off, if any:

Sr. No.	Particulars	Amount (₹ in crores)
1	2	3
i	Two percent of average net profit of the company as per sub-section (5) of section 135	₹ 15.52 crores
ii	Total amount spent for the Financial Year	₹ 15.79 crores
iii	Excess amount spent for the Financial Year [(ii)-(i)]	₹ 0.27 crores
iv	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
v	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

7 Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: **Not Applicable**

1	2	3	4	5	6		7	8
Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under Section 135(6) (In ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount spent in the Financial Year (In ₹)	Amount transferred to a fund specified under Schedule VII as per second proviso to Section 135(6), if any		Amount remaining to be spent in succeeding financial years (In ₹)	Deficit, if any
					Amount (In ₹)	Date of Transfer		
1	FY-1							
2	FY-2							
3	FY-3							

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

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

Sr. No.	Particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of Creation	Amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration No. if applicable	Name	Registered Address
1	Laurus Skill Development Centre Survey No. 49-2, Dopperla Village, Atchutapuram Mandal, Anakapalli District, Andhra Pradesh	531021	29-06-2024	₹7.52 crores	CSR00002450	LAURUS CHARITABLE TRUST	C/o. Laurus Labs Limited, 2nd Floor, Serene Chambers, Banjara Hills, Hyderabad 500034

9 Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5) : **Not Applicable**

Sd/-
Dr. Satyanarayana Chava
Whole time Director & CEO

Sd/-
Mr. V.V. Ravi Kumar
Whole time Director & CFO

Annexure – 5.1

Employee Worked for full Financial year & Received Aggregate Remuneration of not Less Than One Hundred And Two Lakh Rupees/ Top Ten Employees (Including Employer Contribution to PF)

Sr. No.	Name of the Employee	Designation	Remuneration received (CTC in ₹) FY 2024-25	Nature Contract/ Permanent	Qualification & Experience in years	Date of commencement of employment	Age of employee	Last Employment held before joining the Company	No. of Equity shares held	Whether relative of Director
1	Dr. Satyanarayana Chava*	Executive Director & Chief Executive Officer	13,14,68,604	Permanent	M.sc., Ph.D: 39	21-Jan-06	64	Matrix Laboratories Ltd.	125696740	Yes
2	Mr. Venkata Ravi Kumar Vantaram #	Executive Director & Chief Financial Officer	4,52,61,004	Permanent	M.Com, FCMA: 36	30-Nov-06	60	Matrix Laboratories Ltd.	7705000	No
3	Dr. Chunduru Venkata Lakshmana Rao	Executive Director	2,95,26,134	Permanent	M.sc., Ph.D: 37	07-Feb-07	63	Mayne Pharma, Australia	14310765	No
4	Mr. Krishna Chaitanya Chava	Executive Director	1,84,25,111	Permanent	M.S; M.B.A: 11	17-Apr-17	35	Dr. Reddy's Laboratories Ltd.	20699	Yes
5	Mrs. Soumya Chava	Executive Director	1,11,91,871	Permanent	B. Pharmacy & Masters in Clinics	03-Aug-23	38	Head - Commercial, Laurus Labs Limited	22940	Yes
6	Mr. Srinivasa Rao Suryadevara	President	2,40,55,076	Permanent	M.Sc: 31	02-Apr-08	57	Matrix Laboratories Ltd.	855108	No
7	Mr. Chagarlamudi Sita Ramaiah	Executive Vice President	1,52,03,753	Permanent	FCA: 25	20-Aug-07	52	Matrix Laboratories Ltd.	592500	No
8	Mr. Suryadevara Srinivasa Rao	Executive Vice President	1,41,80,998	Permanent	M.Sc: 32	27-Jul-06	58	Auctus Pharma	160730	No
9	Mr. Narasimha Rao Chava	Executive Vice President	1,32,31,245	Permanent	M.A: 32	14-Mar-07	57	Dolphin Chemicals Pvt. Ltd.	119675	Yes
10	Mr. Rajaram	Executive Vice President	1,32,37,759	Permanent	MICA, MBA: 27	04-Mar-20	51	Mankind Pharma	11348	No
11	Mr. Sumeet Sobti	Senior Vice President	1,27,44,339	Permanent	B.Pharmacy: 30	14-Sep-15	53	Ranbaxy Laboratories Ltd.	78220	No
12	Mr. Girish Kottapalli	Senior Vice President	1,33,17,174	Permanent	B.Tech: 26	10-Dec-10	50	Ecologic Technologies Pvt. Ltd.	151820	No
13	Mr. Babchand Nurubasha	Senior Vice President	1,14,38,031	Permanent	M.P.I.B: 24	01-Nov-07	49	Matrix Laboratories Ltd.	332145	No
14	Mr. Giridhar Mukkamala	Senior Vice President	1,10,18,059	Permanent	B.SC, PGDCA, PGDCAQM: 28	19-Nov-07	57	Matrix Laboratories Ltd.	125455	No
15	Mr. Radhakrishna Sunkara	Vice President	1,26,45,653	Permanent	M.SC., PH.D: 29	05-Nov-11	55	Johnson & Johnson	189250	No

Note: 1. Dr. Satyanarayana Chava is holding 124126740 shares on behalf of M/s. NSN Holdings as an Authorised Representative and 1570000 shares in his individual capacity

2. Mr. V.V. Ravi Kumar is holding 6705000 shares on behalf of M/s. Leven Holdings as an Authorised Representative and 1000000 shares in his individual capacity

Employee Worked Part of the Financial year & Received Aggregate Remuneration of not Less Than Eight Lakh Fifty Thousand Rupees Per Month (Including Employer Contribution to PF)

Sr. No.	Name of the Employee	Designation	Remuneration received (CTC in ₹) FY 2024-25	Nature Contract/ Permanent	Qualification & Experience in years	Date of commencement of employment	Date of exit of employment	Age of employee	Last Employment held before joining the Company	No. of Equity shares held
1	Mr. Seshagiri Rao YV	Vice President	1,24,63,784	Permanent	M.Sc ;35	12-Oct-07	28-02-2025	58	Dr. Reddy's Laboratories Ltd	119025

Annexure – 5.2

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Name & Designation	Ratio
1	Dr. Satyanarayana, Whole-time Director & CEO	287
2	Mr. VV Ravi Kumar, Whole-time Director & CFO	99
3	Mr. Venkata Lakshmana Rao C, Whole-time Director	64
4	Mr. Krishna Chaitanya Chava, Executive Director	40
5	Mrs. Soumya Chava, Executive Director	24
6	Dr. M. Venu Gopala Rao, Independent Director	1
7	Mrs. Aruna Rajendra Bhinge, Independent Director	7
8	Mr. Rajesh Chandy, Independent Director	10
9	Dr. Ravindranath K, Independent Director	6
10	Mr. Ramesh Subrahmanian, Independent Director	4
11	Mr. Sekar Karnam, Independent Director	5

Sl No.	Name & Designation	Increase in percentage
1	Dr. Satyanarayana, Whole-time Director & CEO	-2%
2	Mr. VV Ravi Kumar, Whole-time Director & CFO	3%
3	Mr. Venkata Lakshmana Rao C, Whole-time Director	3%
4	Mr. Krishna Chaitanya Chava, Executive Director	14%
5	Mrs. Soumya Chava, Executive Director	89%
6	Mrs. Aruna Bhinge, Independent Director	5%
7	Dr. Rajesh Koshy Chandy, Independent Director	7%
8	Dr. Ravindranath K, Independent Director	4%
9	Dr. M. Venu Gopala Rao, Independent Director	-84%
10	Mr. Ramesh Subrahmanian, Independent Director	100%
11	Mr. Sekar Karnam, Independent Director	100%
10	Mr. G. Venkateswar Reddy, Vice President and Company Secretary	7%

The percentage increase in the median remuneration of employees in the financial year was : **5%**

The number of permanent employees on the rolls of the Company as on March 31, 2025 was : **6,167**

Average increment of other than the managerial personnel : **12%**

It is hereby affirmed that the above Remuneration is as per the Remuneration Policy of the Company

Annexure – 6

Details of Employees Stock Option Schemes

Pursuant to Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014

1. The details of Stock Options as on March 31, 2025 under the Employees Stock Option Scheme-2016 of the Company are as under:

Sr. No.	Particulars	Grant-1	Grant-2	Grant-3	Grant-4	Total
a	Options granted					
	Options granted initially	1,78,438	5,37,150	2,70,750	3,50,500	13,36,838
	Additional options granted pursuant to Bonus Issue	5,15,814	-	-		5,15,814
	Total Options granted	6,94,252	5,37,150	2,70,750	3,50,500	18,52,652
	Total Options in force - After Split	6,94,252	25,14,750	2,70,750	3,50,500	38,30,252
b	Options vested	6,06,500	23,55,100	52,536	--	30,14.136
c	Options exercised	6,06,500	23,55,100	52,536	--	30,14,136
d	The total no. of shares arising as a result of exercise of options	6,06,500	23,55,100	52,536	--	30,14,136
e	Options lapsed - After Split	87,752	1,59,650	38,879	21,250	3,07,531
f	The Exercise Price (₹)	137.50	292.00	350.00	301.50	--
g	The Exercise Price (₹) - After Split		58.40	--	--	--
h	Variations of terms of Options	Nil	Nil	Nil	Nil	Nil
i	Money realised by exercise of options	8,33,93,750	13,75,37,840	1,83,87,600	--	23,93,19,190
j	Total number of options in force	0	0	1,79,335	3,29,250	5,08,585

Employee-wise details of options granted during the year 2024-25 to –

(i) Key Managerial Personnel : **Nil**

(ii) Any other employee who receives a grant of options in any one year of options amounting to five percent or more of options granted during that year : **Nil**

(iii) Identified employees who were granted options, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant : **Nil**

2. The details of Stock Options as on March 31, 2025 under the Employees Stock Option Scheme-2018 of the Company are as under:

Sr. No.	Particulars	Grant-1	Grant-2	Grant-3	Grant-4	Total
a	Options granted					
	Options granted initially	1,49,750	7,07,000	5,000	2,07,250	10,69,000
	Additional options granted pursuant to Split	5,99,000	--	--	--	5,99,000
	Total Options in force - After Split	7,48,750	7,07,000	5,000	2,07,250	16,68,000
b	Options vested	5,84,620	2,63,990	1,250	--	8,49,860
c	Options exercised	5,84,620	2,63,990	1,250	--	8,49,860
d	The total no. of shares arising as a result of exercise of options	5,84,620	2,63,990	1,250	--	8,49,860
e	Options lapsed	1,64,130	1,53,061	--	2,000	3,19,191
f	The Exercise Price (₹)	255.50	356.00	350.00	463.50	--
	The Exercise Price (₹) - After Split	51.10	356.00	350.00	463.50	--
g	Variations of terms of Options	Nil	Nil	Nil	Nil	Nil
h	Money realised by exercise of options	2,98,74,082	9,39,80,440	4,37,500	--	12,42,92,022
i	Total number of options in force	--	2,89,949	3,750	2,05,250	4,98,949

Employee-wise details of options granted during the year 2024-25 to –

(iv) Key Managerial Personnel : **Nil**

(v) Any other employee who receives a grant of options in any one year of options amounting to five percent or more of options granted during that year : **Nil**

(vi) Identified employees who were granted options, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant : **Nil**

3. The details of Stock Options as on March 31, 2025 under the Employees Stock Option Scheme-2021 of the Company are as under:

Sr. No.	Particulars	Grant-1	Grant-2	Total
a	Options granted	7,87,500	58,250	845750
b	Options vested	--	--	--
c	Options exercised	--	--	--
d	The total no. of shares arising as a result of exercise of options	--	--	--
e	Options lapsed	15,000	--	15000
f	The Exercise Price (₹)	301.50	463.50	--
g	Variations of terms of Options	Nil	Nil	Nil
h	Money realised by exercise of options	--	--	--
i	Total number of options in force	7,72,500	58,250	8,30,750

Employee-wise details of options granted during the year 2024-25 to –

(i) Key Managerial Personnel : **Nil**

(ii) Any other employee who receives a grant of options in any one year of options amounting to five percent or more of options granted during that year : **Nil**

(iii) Identified employees who were granted options, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant : **Nil**

Annexure – 7

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

A. Conservation of energy:

(i)	The steps taken or impact on conservation of energy	• Energy optimisation through HVAC system in Unit-2 • New Tata E.V vehicles purchased for Unit-1&3
(ii)	The steps taken by the Company for utilising alternate sources of energy	• During the year 36,751.8 tons of steam purchased from waste heat recovery boiler which saved natural resource and energy. • We have taken significant step towards sustainability by securing a 26% stake in Ethan Energy India. This strategic move empowers us to fully harness the clean energy generated by Ethan Energy India's 10 MW solar plant • We have taken the initiative to install solar power panels in Unit-2 & Unit-6
(iii)	The capital investment on energy conservation equipment	• ₹1.86 crores invested on HVAC systems and • ₹0.80 crores invested on EV Vehicles.

B. Technology Absorption:

(i)	The efforts made towards technology absorption		• Energy optimisation through HVAC system in Unit-2
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution		• During the year 36,751.8 tons of steam purchased from waste heat recovery boiler which saved around 101,532 GJ of energy. • Step towards increasing green energy, 84,231.6 GJ of solar power generated and consumed during the year 2024-25 • 7,328 GJ of Power saved by Installing Variable-frequency drive (VFD) at various equipment's across the organisation
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)		
	(a)	The details of technology imported	Nil
	(b)	The year of import	
	(c)	Whether the technology has been absorbed	
	(d)	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof;	
(iv)	The expenditure incurred on Research and Development		₹242 crores (Opex), ₹15 crores (Capex) and Total ₹257 crores

C. Foreign Exchange Earnings and Outgo:

Total Forex Inflow ₹3,489 crores

Total Forex Outflow ₹1,318 crores

ESOP Certificate

To
The Board of Directors
M/s. Laurus Labs Limited
Laurus Enclave, Plot Office 01, E. Bonangi Village,
Parawada Mandal, Anakapalli District, Andhra Pradesh – 531021.

Secretarial Auditors Certificate on implementation of "Employee Stock Option Scheme 2016", "Employee Stock Option Scheme 2018" and "Employee Stock Option Scheme 2021" of "Laurus Labs Limited"

1. This certificate is issued in accordance with the terms of our engagement letter dated 21st April, 2025.
2. We, RPR & Associates, Company Secretaries, the Secretarial Auditors of M/s. Laurus Labs Limited (the Company) having its registered office at Laurus Enclave, Plot Office 01, E. Bonangi Village, Parawada Mandal, Anakapalli District, Andhra Pradesh – 531021, have examined the implementation of Employee Stock Option Scheme 2016, Employee Stock Option Scheme 2018 and Employee Stock Option Scheme 2021 of the Company for the year ended March 31, 2025 as stipulated under Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (''SEBI Regulations"), as amended from time to time.

Management's Responsibility

3. The implementation of the said Schemes, in accordance with the SEBI Regulations, as amended from time to time, and also in accordance with the resolutions passed by the Members of the Company is the responsibility of the Management of the Company. The Management of the Company is also responsible for design, implementation and maintenance of internal control relevant to the preparation and presentation of the said Schemes, maintenance of proper books of account, other relevant records and documents as prescribed under the aforesaid Regulations.

Auditor's Responsibility

4. Our responsibility, for the purpose of this certificate, is limited to the review of the procedures and implementation thereof, adopted by the Company for the year ended March 31, 2025 in respect of the compliance with the aforesaid SEBI Regulations.

Opinion

5. Based on our examination as above, and according to the information and explanations provided to us by the Management of the Company, we certify that the Employee Stock Option Scheme 2016, Employee Stock Option Scheme 2018 and Employee Stock Option Scheme 2021 the of the Company, have been implemented for the year ended March 31, 2025 in accordance with the provisions of SEBI Regulations, as amended from time to time, and in accordance with the resolutions passed by the Members of the Company.

Restriction on Use

6. This Certificate is addressed to and provided to the Board of Directors of the Company for the purpose of placing the same before the Members of the Company at the ensuing Annual General Meeting of the Company and should not be used for any other purpose without our prior written consent.

For RPR & ASSOCIATES
Company Secretaries

Y Ravi Prasada Reddy
Proprietor
FCS No.5783, C P No. 5360
Peer Review Certificate No. 1425/2021
UDIN: F005783G000351227

Place: Hyderabad
Date: 15th May, 2025

Report on Corporate Governance

1. COMPANY'S PHILOSOPHY:

Laurus Labs works towards improving health outcomes for patients around the world through the manufacture of high-quality medicines with one quality products for all markets. Our Corporate Governance policies and procedures set the standard for how we engage with our stakeholders. We prioritise the long-term over the short-term to drive sustainable growth and create lasting value. With empowerment and accountability as its two pillars, our Corporate Governance code guides all our actions. Being a responsible corporate citizen, we aim for total transparency and meet our societal commitments.

2. BOARD AND ITS COMPOSITION:

Your Board comprises optimal combination of Independent Directors, Non-Executive Directors and Executive Directors having in-depth knowledge in the business of the pharmaceutical industry. The Chairman, who is a Non-Executive and Independent Director, vis-à-vis the Chief Executive Officer (CEO) of the Company have their own roles for better Corporate Governance Standards. The size and composition of the Board confirms to the requirements of the Corporate Governance code under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the brief profiles of the Directors are placed in the Company's website https://www.lauruslabs.com/our-people.html.

The composition of directors, their attendance and other details are as follows:

Sl No.	Name of the Director & DIN	Category of Directorship	Attendance at Board Meetings		No of Directorship in listed entities including this listed entity (Refer Regulation 17A of Listing Regulations)	Number of memberships / chairmanship in Audit / Stakeholders Committee(s) including this listed entity (Refer Regulation 26(1) of Listing Regulations)		Whether present at the previous AGM held on July 11, 2024
			Held	Attended		Chairman	Member	
1.	Dr. Malempati Venugopala Rao* DIN: 00012704	Non-Executive Chairman and Independent Director	2	2	0	0	0	No
2.	Dr. Ravindranath Kancherla* DIN: 00117940	Non-Executive Chairman and Independent Director	9	9	1	1	0	Yes
3.	Dr. Satyanarayana Chava DIN: 00211921	Promoter, Executive Director and Chief Executive Officer	9	9	1	0	0	Yes
4.	Mr. Venkata Ravi Kumar Vantaram DIN: 01424180	Promoter, Executive Director and Chief Financial Officer	9	9	1	0	1	Yes
5.	Dr. Chunduru Venkata Lakshmana Rao DIN: 06885453	Promoter and Executive Director	9	8	1	0	1	Yes
6.	Mr. Krishna Chaitanya Chava** DIN: 06831883	Promoter and Executive Director	7	6	1	0	0	Yes
7.	Mrs. Soumya Chava** DIN: 06831892	Promoter and Executive Director	7	7	1	0	0	Yes
8.	Mrs. Aruna Rajendra Bhinge DIN: 07474950	Non-Executive and Independent Director	9	9	3	0	1	Yes
9.	Dr. Rajesh Koshy Chandy DIN: 07575240	Non-Executive and Independent Director	9	9	1	0	1	No
10.	Mr. Sekar Karnam** DIN: 07400094	Non-Executive and Independent Director	7	6	2	1	0	Yes
11.	Mr. Ramesh Subrahmanian# DIN: 02933019	Non-Executive and Independent Director	5	4	1	0	1	No

The Board met nine (9) times during the financial year 2024-25. The following are the dates in which the Board Meetings were held:

April 15, 2024; April 25, 2024; June 06, 2024; July 25, 2024; October 24, 2024; December 06, 2024; January 24, 2025; March 06, 2025 and March 28, 2025

* Dr. Malempati Venugopala Rao has retired as a Non-Executive and Independent Director & Chairman of the Board w.e.f May 18, 2024 & Dr. Ravindranath Kancherla has been appointed as Non-Executive Chairman in the place of Dr. Malempati Venugopala Rao.

** Mr. Krishna Chaitanya Chava and Mrs. Soumya Chava were appointed as Executive Directors on the Board w.e.f April 25, 2024. Mr. Sekar Karnam was appointed as Non-Executive and Independent Director on the Board w.e.f. April 25, 2024.

Mr. Ramesh Subrahmanian was appointed as Non-Executive and Independent Director on the Board w.e.f. July 25, 2024.

The names of the listed entities where the person is a director and the category of directorship:

Other than on the Board of the Company, which is a listed entity, the following Directors are holding directorships in other listed entities as shown below:

Mrs. Aruna Bhinge –

a. Punjab Chemicals and Crop Protection Limited as Independent Director;

b. Mahindra EPC Irrigation Limited as Independent Director

Mr. Sekar Karnam –

a. Ugro Capital Limited as Independent Director

Other than the above, no other directors are directors on any other listed entity.

Disclosure of relationships between directors inter-se:

Mr. Krishna Chaitanya Chava is the Son of Dr. Satyanarayana Chava and Mrs. Soumya Chava is the Daughter of Dr. Satyanarayana Chava. Other than these three directors, none of the directors are related to any other director.

Number of shares held by non-executive directors:

Dr. Ravindranath Kancherla and Mrs. Aruna Bhinge are holding 8,75,000 and 17,500 equity shares respectively as on March 31, 2025.

Dr. Rajesh Chandy, Mr. Sekar Karnam and Mr. Ramesh Subrahmanian are not holding any shares or convertible instruments in the Company.

Details about familiarisation programme:

During the year, Mr. Sekar Karnam and Mr. Ramesh Subrahmanian have been appointed as Non-Executive Independent Directors on the Board of the Company. A separate familiarisation programme has been conducted to each of them. These directors have individually travelled to the various facilities of the Company situated in Visakhapatnam, Hyderabad and Shameerpet and met with all senior management team. The Executive Director & CFO had accompanied them to all these locations. All corporate policies of the Company and financials for the previous three years have been provided to them.

The senior management personnel of the Company regularly make presentations to all the Board members on the operations of the Company, its plans, strategy, risks involved, new initiatives etc. and seek their views and suggestions on the same. The Board members have been provided with various policies of the Company including Code of Conduct for Directors and Senior Management Personnel, etc.

The details of these familiarisation programs have been placed on the Company's website at

www.lauruslabs.com/corporate-governance-familiarization.html

List of core skills / expertise / competencies identified by the board as required in the context of its business(es) and sector(s) for an efficient functioning and those actually available with the Board:

a. Hands on Pharma industry experience in sourcing, manufacturing, marketing and business development

b. Accounting, Financial, Budget, Costing expertise

c. Legal and HR expertise

d. Experience in Quality

e. Expertise in Corporate Governance

f. Formulation of effective strategy

g. Experience in Supply Chain Management, Generics

The Board members possess the following core skills / expertise / competencies:

Dr. Ravindranath Kancherla – a, e and f of above

Dr. Satyanarayana Chava – a, d, e and f of above

Mr. V. V. Ravi Kumar – b, c, e and f of above

Dr. C. V. Lakshmana Rao – d, e and f of above

Mr. Krishna Chaitanya Chava – a and g of above

Mrs. Soumya Chava –a, f and g of above

Dr. Rajesh Chandy – a,b,e and f of above

Mrs. Aruna Bhinge – a, b, e and f of above

Mr. Sekar Karnam – b,e and f of above

Mr. Ramesh Subrahmanian – a, b, e and f of above

Confirmation about Independent Directors:

This is to confirm that in the opinion of the board, the independent directors fulfil the conditions specified in SEBI (LODR) Regulations, 2015 and are independent of the management.

As required by SEBI (LODR) Regulations, 2015, a certificate from Company Secretary in Practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board / Ministry of Corporate Affairs or any such statutory authority, is attached to this Report as **Annexure-A**.

Further, Annual Secretarial Compliance Report issued by the Company Secretary in Practice pursuant to Circular dated February 8, 2019 issued by SEBI is also attached to this Report as **Annexure-B**.

Details of Directors proposed for re-appointment and regularisation at the Annual General Meeting:

Dr. Satyanarayana Chava, Executive Director & CEO and Mr. V.V. Ravi Kumar, Executive Director & CFO have been re-appointed by the Board of Directors, subject to the approval of the members, for a period of five years and two years respectively with effective from April 01, 2025.

Dr. Satyanarayana Chava and Dr. C.V. Lakshmana Rao shall retire by rotation and being eligible, seek re-appointment. The details of these directors are as follows:

Dr. SATYANARAYANA CHAVA:

Dr. Satyanarayana Chava is a Founder, Whole Time Director and Chief Executive Officer of our Company. He has been a Director of our Company since January 21, 2006. He holds a bachelor's and Master's degree in Science from Andhra University and completed his Ph.D in 1992. He received an honorary degree of Doctor of Science from the Gandhi Institute of Technology and Management. He also holds a post-graduate diploma in quality management from the Worldwide Quality Certification and has completed the post-graduate programme in management for senior executives from the Indian School of Business.

With over 30 years of experience in the pharmaceutical industry and around 20 years of experience in the Company, Dr. Chava has played a crucial role in positioning Laurus Labs as a leader in both domestic and international markets.

Directorship Details:

Sl. No	Name of the Companies/Bodies Corporate / Firms / Association of Individuals	Nature of Interest or Concern / change in Interest or Concern	Date on which interest or Concern arose / changed
1.	Laurus Labs Limited CIN: L24239AP2005PLC047518	Whole-time Director	21/01/2006
2.	Chemiasoft Private Limited CIN: U72300TG2014PTC092281	Director	10/01/2014
3.	Laurus Bio Private Limited CIN: U02423KA2005PTC036770	Director	20/01/2021
4.	Immunoadoptive Cell Therapy Private Limited CIN: U74999MH2018PTC315497	Nominee Director	09/12/2021
5.	KRKA Pharma Private Limited CIN: U21000TS2024FTC184449	Director	12/04/2024
6.	NSN Investments (Partnership Firm)	Managing Partner	17/08/2017
7.	NSN Holdings (Partnership Firm)	Managing Partner	05/11/2021
8.	Laurus Holdings Ltd (UK Company)	Director	10/07/2017
9.	Laurus Generics Inc (USA Company)	Director	07/08/2017
10.	Laurus Generics SA (Pty) Ltd (South Africa Company)	Managing Director	15/06/2020

Committee Membership Details:

Sl. No.	Name of the Company	Name of the Committee	Whether Chairman/ Member
1.	Laurus Labs Limited CIN: L24239AP2005PLC047518	Risk Management Committee	Chairman

Dr. C. V. LAKSHMANA RAO:

Dr. Lakshmana Rao is an Executive Director and one of the promoters of the Company. He has been associated with the Company for over a decade and heads the quality function. He holds a Master's degree in Science and a Ph.D. from Andhra University. Dr. Lakshman has over 27 years of experience in quality control, quality assurance and regulatory affairs. He has been involved in formulating and executing the core strategies of the Company. Prior to joining Laurus Labs in February 2007, he was associated with Mayne Health Pty Ltd., Australia.

Directorship Details:

Sl. No.	Name of the Companies/bodies corporate/firms/association of individuals	Nature of interest or concern/ Change in interest or concern	Date on which interest or concern arose/changed
1.	Laurus Labs Limited CIN:L24239AP2005PLC047518	Whole Time Director	08/03/2018
2	Sriam Labs Private Limited CIN: U24239TG2002PTC038490	Director	25/07/2014
3.	Sree Lalitha Estates	Partner	05/10/2022
4.	Laurus Generics GmbH (Germany Company)	Director	23/04/2020

Committee Membership Details:

Sl. No.	Name of the Company	Name of the Committee	Whether Chairman/ Member
1	Laurus Labs Limited CIN: L24239AP2005PLC047518	Risk Management Committee	Member
2	Laurus Labs Limited CIN: L24239AP2005PLC047518	CSR Committee	Member
3	Laurus Labs Limited CIN: L24239AP2005PLC047518	SRC Committee	Member
4	Sriam Labs Private Limited CIN: U24239TG2002PTC038490	CSR Committee	Chairman

3. COMMITTEES OF THE BOARD:

(I). AUDIT COMMITTEE

The Audit Committee of the Board is headed by Mr. Sekar Karnam, Independent Non-Executive Director. The other members of the Committee are Mrs. Aruna Bhinge, Dr. Rajesh Chandy and Mr. Ramesh Subrahmanian. The Composition of the Audit Committee meets the requirement of Section 177 of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee reviews reports of the Internal Auditors, meets Statutory Auditors as and when required and discusses their findings, suggestions, observations and other related matters. It also reviews major accounting policies followed by the Company. The terms of reference of this Committee are as per SEBI (LODR) Regulations, 2015, as amended.

Pursuant to the end of term of Dr. Malempati Venugopala Rao as an Independent Director from the Board, the committee has been reconstituted and Mr. Sekar Karnam has been appointed as Chairman of the Committee w.e.f May 18, 2024 in place of Dr. MVG Rao. Further, Mr. Ramesh Subrahmanian had also been appointed as the member of the Audit Committee with effect from July 25, 2024.

During the year, the Audit Committee met 7 (Seven) times on April 25, 2024; July 25, 2024; October 24, 2024, December 06, 2024, January 24, 2025, March 06, 2025 & March 28, 2025 and the attendance of members is as follows:

Sl No.	Name of the Audit Committee Member	No. of Meetings held	No. of Meetings attended
1.	Dr. Malempati Venugopala Rao*, Chairman & Independent Director DIN: 00012704	1	1
2.	Mr. Sekar Karnam, Independent Director DIN: 07400094	6	6
3.	Mrs. Aruna Bhinge, Independent Director DIN: 07474950	7	7
4.	Dr. Rajesh Koshy Chandy, Independent Director DIN: 07575240	7	7
5.	Mr. Ramesh Subrahmanian, Independent Director DIN:02933019	5	4

*Dr. Malempati Venugopala Rao term was completed as an Independent Director w.e.f May 18, 2024.

(II). NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Board is headed by Mrs. Aruna Bhinge. The other members of the Committee are Dr. Ravindranath Kancherla, Dr. Rajesh Koshy Chandy and Mr. Ramesh Subrahmanian.

Pursuant to the appointment of Mr. Ramesh Subrahmanian as an Independent Director on the Board, the committee has been re-constituted and he has been appointed as member of the Committee w.e.f July 25, 2024.

The Nominations & Remuneration Committee has reviewed and evaluated the performance evaluation criteria for Board and its Committees and Directors including Independent Directors as per SEBI Circular dated January 5, 2017.

During the year, the Nomination and Remuneration Committee met 2 (Two) times on April 24, 2024 and March 28, 2025 and the attendance of members is as follows:

Sl No.	Name of the Committee Member	No. of Meetings held	No. of Meetings attended
1.	Mrs. Aruna Bhinge, Independent Director DIN: 07474950	2	2
2.	Dr. Ravindranath Kancherla, Independent Director DIN: 00117940	2	2
3.	Dr. Rajesh Koshy Chandy, Independent Director DIN: 07575240	2	2
4.	Mr. Ramesh Subrahmanian, Independent Director DIN: 02933019	1	1

(III). STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee is headed by Dr. Ravindranath Kancherla and the other members of the committee were Mr. V.V. Ravi Kumar and Dr. C.V. Lakshmana Rao.

Mr. G. Venkateswar Reddy, Company Secretary is the Compliance Officer of the Company.

The Company has received 2 complaints during the year 2024-25; resolved 2 complaints and no complaints were pending as on March 31, 2025.

During the year, the Stakeholders' Relationship Committee met once on April 24, 2024 and all the Committee members were present at the meeting.

(IV).CSR COMMITTEE:

The CSR Committee is headed by Mr. V.V. Ravi Kumar, the other members being Dr. C.V. Lakshmana Rao, Mrs. Aruna Rajendra Bhinge and Mrs. Soumya Chava.

Pursuant to the appointment of Mrs. Soumya Chava as an Executive Director on the Board, the committee had been reconstituted to include her as a member of CSR Committee w.e.f May 18, 2024.

During the year, the CSR Committee has met 2 (Two) times on April 24, 2024 and October 23, 2024 and attendance of members is as follows:

Sl No.	Name of the Committee Member	No. of Meetings held	No. of Meetings attended
1.	Mr. V V Ravi Kumar, Executive Director & CFO DIN: 01424180	2	2
2.	Mrs. Aruna Bhinge, Independent Director DIN: 07474950	2	2
3.	Dr. C V Lakshmana Rao, Executive Director DIN: 06885453	2	2
4.	Mrs. Soumya Chava, Executive Director DIN:06831892	1	1

(V). RISK MANAGEMENT COMMITTEE:

The Risk Management Committee is headed by Dr. Satyanarayana Chava, CEO of the Company and the following are the other members of the committee:

a) Mr. V.V. Ravi Kumar

b) Dr. C.V. Lakshmana Rao

c) Mr. Krishna Chaitanya Chava

d) Mrs. Soumya Chava

e) Dr. Rajesh Koshy Chandy

f) Mr. Ramesh Subrahmanian

During the year Mr. Krishna Chaitanya, Mrs. Soumya and Mr. Ramesh Subrahmanian have been appointed on the Risk Management Committee. The Risk Management Committee shall review the Risk Management Plan of the Company at periodic intervals and takes steps to identify and mitigate the risks involved.

During the year, the Risk Management Committee met twice on August 22, 2024 and January 24, 2025 and the attendance of the members is as follows;

Sl No.	Name of the Committee Member	No. of Meetings held	No. of Meetings attended
1.	Dr. Satyanarayana Chava, Executive Director & CEO DIN: 00211921	2	2
2.	Mr. V V Ravi Kumar, Executive Director & CFO DIN: 01424180	2	2
3.	Dr. C V Lakshmana Rao, Executive Director DIN: 06885453	2	2

Sl No.	Name of the Committee Member	No. of Meetings held	No. of Meetings attended
4.	Mr. Krishna Chaitanya Chava, Executive Director DIN: 06831883	2	2
5.	Mrs. Soumya Chava, Executive Director DIN: 06831892	2	2
6.	Dr. Rajesh Koshy Chandy, Independent Director DIN: 07575240	2	2
7.	Mr. Ramesh Subrahmanian, Independent Director DIN:02933019	2	2

Remuneration to Directors:

Details of remuneration paid to Directors during the financial year 2024-25 are as follows:

a. **Executive Directors:**

In Rupees

Sr. No	Name of the Director	Salary	Bonus	Perks	Others	Total
1	Dr. Satyanarayana Chava	13,14,07,404	-	39,600	21,600	13,14,68,604
2	Mr. Venkata Ravi Kumar Vantaram	4,35,61,404	-	16,78,000	21,600	4,52,61,004
3	Dr. Chunduru Venkata Lakshmana Rao	2,89,20,396	-	39,600	5,66,138	2,95,26,134
4	Mr. Krishna Chaitanya Chava	1,56,38,400	27,32,711	32,400	21,600	1,84,25,111
5	Mrs. Soumya Chava	1,00,38,396	10,99,475	32,400	21,600	1,11,91,871

b. **Non-Executive Directors:**

Non-Executive Independent Directors were paid sitting fee of ₹50,000 for attending each meeting of the Board of Directors and each meeting of the Committee of Directors. Further, Independent Directors are paid Remuneration of ₹20,00,000 per annum, the details of which are provided below:

In Rupees

Sr. No.	Name of the Director	Remuneration/₹	Sitting Fee/₹
1.	Dr. Malempati Venugopala Rao*	2,58,242	1,50,000
2.	Dr. Ravindranath Kancherla	20,00,000	6,00,000
3.	Mrs. Aruna Rajendra Bhinge	20,00,000	10,00,000
4.	Dr. Rajesh Koshy Chandy	33,88,841	10,00,000
5.	Mr. Sekar Karnam@	18,68,132	6,00,000
6.	Mr. Ramesh Subrahmanian#	13,69,565	5,50,000

*the term of Dr. Malempati Venugopala Rao has completed as an Independent Director on the Board w.e.f May 18, 2024.

@ Effective from April 25, 2024

Effective from July 25, 2024

Service Contracts, Severance Fee: Nil

Notice Period for Executive Directors: 3 months

Stock Options details, if any: Nil

Nomination/Remuneration Policy:

The compensation of the Executive Directors comprises of fixed component, perquisites and performance based incentive and is determined based on the remuneration prevailing in the industry and the performance of the Company. The remuneration package of the Executive Directors is periodically reviewed and suitable revision is recommended to the Board by the Nomination and Remuneration Committee. The Board shall recommend the same for the approval of the Shareholders.

The nomination and remuneration policy as adopted by the Board is placed on the Company's website at: https://www.lauruslabs.com/Investors/PDF/Policies/Remuneration_Policy.pdf

Performance evaluation criteria for independent directors:

The performance evaluation is done on an annual basis by the Board of Directors of the Company.

On the basis of the report of performance evaluation, it is determined by the Board whether to extend or continue the term of appointment of Independent Director subject to all other applicable provisions.

Independent Directors Meeting:

Schedule IV of the Companies Act, 2013 and the Rule thereunder mandate that the independent directors of the Company hold at least one meeting in a year, without the attendance of non-independent directors and members of the Management. It is recommended that all the independent directors of the Company be present at such meetings.

Independent Directors meeting was held on March 05, 2025 and all the Independent Directors attended the meeting.

Disclosure of Board Evaluation:

The Performance Evaluation has been carried out for:

(i) The Board as a whole,

(ii) Individual Directors (including Independent Directors and Chairperson) and

(iii) Various Committees of the Board.

Previous year's observations and actions taken:

There are no observations and actions pending to be taken by the Company and the Board is satisfied with all the processes being followed by the management and is hopeful in continuing the same good governance practices in the Company.

SHAREHOLDERS

Annual General Meetings (AGM's):

Venue, date and time of the Last Three Annual General Meetings:

(i).	Financial Year	2021-22
	Date	30th June, 2022 – 04:00 PM
	Venue	Video Conference/Other Audio Visual Means (OAVM)
	Special Resolutions	1. Reappointment of Dr. Malempati Venugopala Rao as Independent Director for a further period of 2 years 2. Reappointment of Dr. Ravindranath Kancherla as Independent Director for a further period of 5 years
(ii).	Financial Year	2022-23
	Date	14th July, 2023 – 03:00 PM
	Venue	Video Conference/Other Audio Visual Means (OAVM)
	Special Resolutions	NIL
(iii).	Financial Year	2023-24
	Date	11th July 2024 – 03:00 PM
	Venue	Video Conference/Other Audio Visual Means (OAVM)
	Special Resolutions	1. Appointment of Mr. Krishna Chaitanya Chava (DIN: 06831883) as Executive Director of the Company. 2. Appointment of Mrs. Soumya Chava (DIN: 06831892) as Executive Director of the Company. 3. Appointment of Mr. Sekar Karnam as Independent Director for a period of 5 years.

Whether any special resolution passed last year through postal ballot – Yes, the appointment of Mr. Ramesh Subrahmanian as Non-Executive Independent Director of the Company with effect from July 25, 2024 was approved by the members by way of postal ballot.

Details of voting pattern:

A notice to all the shareholders, along with a draft resolution and requesting them to send their assent or dissent by through electronic means (e-voting) was sent on August 31, 2025.

Remote e- voting started on September 04, 2024 and ended on October, 03, 2024

Person who conducted Postal Ballot – Mr. Y. Ravi Prasada Reddy, Practising Company Secretary acted asthe Scrutiniser.

62.45% of votes (shareholding) were polled by the shareholders of the Company.

Whether any special resolution is proposed to be conducted through postal ballot – No

Procedure for Postal Ballot: As per Rule 22 of Companies (Management and Administration) Rules, 2014

Means of Communication:

The quarterly reports, along with additional information and official news releases, are posted on our website www.lauruslabs.com. Moreover, the quarterly / annual results and official news releases are generally published in Business Standard (English) and Prajasakthi (Telugu) newspapers.

Earnings calls with analysts and investors and their transcripts and audio recordings are also posted on the website. The investor presentations made to institutional investors or to the analysts are also available in our website www.lauruslabs.com. Further, all material information which has any impact on the operations of the Company is sent to the Stock Exchanges and also the same shall be placed on the Company's website.

The Management Discussion and Analysis Report forms part of this Report and is provided separately in this Annual Report.

General Shareholder Information:

The 20th Annual General Meeting of the Company will be held through Video Conference (VC) at 03.00 p.m. on Thursday the 26th day of June, 2025.

The Financial Year of the Company is from 01st April to 31st March next every year.

The Board had declared one interim dividend @ 20% as 1st interim dividend (i.e. ₹0.40 per share of the face value of ₹2/- each) in October, 2024 for FY 2024-25 and also approved a second interim dividend @ ₹0.80/- per share in April, 2025. Cut-off date for e-voting is June 19, 2025.

The Shares of the Company are listed on the following Stock Exchanges:

(i). BSE Limited, Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street, Mumbai-400001; and

(ii). National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051.

The listing fees for the financial year has been paid to the respective stock exchanges.

Scrip code: BSE Limited: 540222, NSE: LAURUSLABS. International Securities Identification Number (ISIN) for the Company's Equity Shares is INE947Q01028

Depositories for Equity Shares:

(i). National Securities Depository Limited (NSDL) and

(ii). Central Depository Services Limited (CDSL).

There was no suspension of trading of securities of the Company during the year under review.

The Company's shares are transferable through the depository system. The Company has appointed KFin Technologies Limited (Formerly KFin Technologies Private Limited) as its Registrars and Share Transfer Agents and also Depository Transfer Agent. The Company has signed a tripartite agreement with NSDL/CDSL and KFin Technologies Limited to facilitate dematerialisation of shares. As on 31st March 2025, the total shares of the Company are in demat form only. The Members may contact for the redressal of their grievances to either KFin Technologies or the Company Secretary of the Company.

KFin Technologies Limited
Selenium Building, Tower B, Plot No. 31-32,
Financial District, Nanakramguda,
Serilingampally, Hyderabad,
Telangana, 500032.
Tel: +91 40 6716 2222; Toll Free No.: 1-800-3454-001
Fax: +91 040-23001153
Email: einward.ris@kfintech.com
Website: https://www.kfintech.com

Distribution of Shareholding as on 31st March, 2025:

Category (No. of Shares)	No. of Share Holders	%	No. of Shares	%
1 - 500	2,76,994	92.24	2,00,36,670	3.72
501 - 1000	10,674	3.56	80,73,726	1.50
1001 - 2000	5,782	1.93	84,16,382	1.56
2001 - 3000	2,054	0.68	51,32,000	0.95
3001 - 4000	1,001	0.33	35,31,519	0.65
4001 - 5000	700	0.23	32,41,721	0.60
5001 - 10000	1,377	0.46	99,71,132	1.85
10001 and above	1,711	0.57	48,08,49,341	89.17
Total	**3,00,293**	**100**	**53,92,52,491**	**100**

Details of Shareholding in physical mode and electronic mode as on 31st March 2025:

Sr. No.	Description	% of Shareholders	No. of Shares	% of Equity
1.	Physical	0	0	0
2.	NSDL	33.85	478972277	88.82
3.	CDSL	66.15	60280214	11.18
	Total	**100.00**	**53,92,52,491**	**100.00**

Dematerialisation of shares and liquidity:

53,92,52,491 shares representing 100% shares have been in dematerialisation form.

The Company has not issued any GDR/ADR and there are no outstanding warrants or any convertible instruments.

The Company has undertaken hedging activities for foreign exchange risk, whereas the Company has not undertaken any hedging for commodity price risk.

Location of Plants:

Unit 1

Plot No 21, Jawaharlal Nehru Pharma City, Parawada Visakhapatnam 531021, Andhra Pradesh, India.

Unit 2

APSEZ, Unit-2, Plot No 19, 20 and 21, APSEZ Gurajapalem, Atchutapuram, Visakhapatnam 531011, Andhra Pradesh, India.

Unit 3

Plot No 18, Jawaharlal Nehru Pharma City, Parawada Visakhapatnam 531021, Andhra Pradesh, India.

Unit 4

Plot No 25, Lalamkoduru, Atchutapuram, Visakhapatnam 531011, Andhra Pradesh, India.

Unit 5

Plot No 102 and 103, SEZ, Lemarthi, Parawada, Visakhapatnam 531021, Andhra Pradesh, India.

Unit 6

Plot No 22 D and 22 E, APSEZ Denotified Area, Atchutapuram, Visakhapatnam 531011, Andhra Pradesh, India.

Unit 8

Plot No. 18B, APSEZ De-Notified Area, Moturupalem, Pudi and Gurajapalem Villages, Rambilli Mandal, Anakapalli – 531 011, Andhra Pradesh, India.

Unit 10

Plot No. 18B, APSEZ De-Notified Area, Gurajapalem and Pudi Villages, Rambilli Mandal, Anakapalli – 531 011 Andhra Pradesh, India.

Research & Development Centre

Plot No. DS 1&2, IKP Knowledge Park, Turkapally, Shameerpet, Hyderabad - 500078, Telangana, India.

Address for correspondence:

Registered Office: Laurus Enclave, Plot Office 01, E. Bonangi Village, Parawada Mandal, Anakapalli District, 531021, Andhra Pradesh, India.

Corporate Office: 2nd Floor, Serene Chambers, Road No. 07, Banjara Hills, Hyderabad - 500034, Telangana, India.

Disclosures pertaining to credit rating:

Following are the Credit ratings obtained during the financial year, which are also available in the website of the Company i.e., https://www.lauruslabs.com/investors.html

Rating Agency	Facilities Rated	Amount Rated (₹ In crores)	Rating Assigned	Date of Rating
CARE Ratings Limited	Long Term Bank Facilities	804.43 (Reduced from 919.56 crore)	CARE AA; Negative	June 17, 2024
CARE Ratings Limited	Long Term /Short Term Bank Facilities	1,545.00 (Enhanced from 1,370 crore)	CARE AA; Negative / CARE A1+	June 17, 2024
CARE Ratings Limited	Short Term Bank Facilities	1,085.00	CARE A1+	June 17, 2024

OTHER DISCLOSURES:

Related Party transactions:

No transaction of material nature has been entered into by the Company with its Directors/Management and their relatives etc. that may have a potential conflict with the interest of the Company. The Register of Contracts containing transactions, in which Directors are interested, is placed before the Board regularly.

Transactions with Related Parties are disclosed in the Notes to Accounts in the Annual Report.

In terms of SEBI (LODR) Regulations 2015, the Audit Committee and Board of Directors of the Company have adopted a policy to determine the related party transactions. The policy is placed on the Company's website at: https://www.lauruslabs.com/investors.html

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Details of Non-compliances and penalties:

BSE Limited and National Stock Exchange of India Ltd. had imposed a fine of ₹5,000/- per day on the Company for non-compliance of Regulation 17(1) of SEBI (LODR) Regulations, 2015, pertaining to composition of Board of Directors of the Company which stipulates that 'not less than fifty percent of the board of directors shall comprise of non-executive directors', whereas our Company for a short period of time i.e., from 19.05.2024 till 24.07.2024 had five executive directors and four non-executive directors and on July 25, 2024, the Company had appointed another independent director on the Board and thereby complied with said Regulation.

Vigil mechanism/Whistle Blower Policy:

The Board of Directors of the Company had adopted the Whistle Blower policy. The Company has established a mechanism for employees and Directors to report to the management, concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of conduct etc. The employees have been appropriately communicated within the organisation about the mechanism and have been provided direct access to the Chairman of the Audit Committee. The mechanism also lays emphasis on making enquiry into whistle blower complaint received by the Company. The Audit Committee reviews periodically the functioning of the whistle blower mechanism. No employee has been denied access to the Audit Committee. A copy of the Whistle Blower Policy is hosted on the Company's website at:

https://www.lauruslabs.com/Investors/PDF/Policies/Whistle_Blower_Policy_29-07-2021.pdf

Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with all the mandatory requirements of Corporate Governance as per SEBI (LODR) Regulations, 2015 and is in the process of implementing the non-mandatory requirements.

Policy on material subsidiaries:

In terms of the SEBI (LODR) Regulations, 2015, the Board of Directors of the Company has adopted a policy with regard to determination of material subsidiaries. The policy is placed on the Company's website at:

https://www.lauruslabs.com/Investors/PDF/Policies/PolicyOnMaterialityOfSubsidiaries.pdf

Disclosures pertaining to Commodity risk:

The Company has framed a policy on Forex Risk Management Policy for managing the risks faced and hedging activities.

The risk management activities during the year, including their commodity hedging positions and the risks faced and managed: The Company has not undertaken any commodity hedging positions and therefore no risk exists.

Details of utilisation of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32(7A): The Company has not raised any funds through preferential allotment or qualified institutional placement during the current financial year and hence not applicable.

The Board had accepted recommendations of various committees of the board which were mandatorily required in the relevant financial year.

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, for the FY 2024-25 is as follows:

₹ in crores

Particulars	2024-25	2023-24
Statutory Auditors:	0.98	0.98
Limited Review	0.56	0.50
Others	0.13	0.12
Total	**1.67**	**1.60**

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a. number of complaints filed during the financial year - Nil

b. number of complaints disposed of during the financial year - Nil

c. number of complaints pending as on end of the financial year - Nil

Disclosures in relation to Loans and advances in the nature of loans to firms/companies in which directors are interested:

Sl. No.	Name of Firm/company to which Loans or Advances have been provided	Amount (in crores)	Name of the interested Director	Nature of Interest	Name and status of the Disclosing Entity
1	Laurus Synthesis Private Limited	29	Mr. Krishna Chaitanya Chava	Common Director	Sriam Labs Private Limited (Wholly owned subsidiary of Laurus Labs Limited)
2	Laurus Bio Private Limited	32	Dr. Satyanarayana Chava & Mr. V V Ravi Kumar	Common Directors	Laurus Labs Limited (Holding Company of Laurus Bio Private Limited)
3	Laurus Synthesis Private Limited	44.05	Mr. Krishna Chaitanya Chava & Mrs. Soumya Chava	Common Directors	Laurus Labs Limited (Holding Company of Laurus Synthesis Private Limited)

Report on Corporate Governance

Details of material subsidiaries of the listed entity including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries: Nil

Non-compliance of any requirements of corporate governance report of sub-paras (2) to (10) of Schedule V

The Company has complied with the requirement of corporate governance report of sub-paras (2) to (10) of Schedule V of the SEBI (LODR) Regulations, 2015.

Adoption of discretionary requirements as specified in Part E of Schedule II of SEBI (LODR) Regulations, 2015

With regard to discretionary requirements, the Company has adopted clauses relating to the following:

Separate persons were appointed for the post of the Chairman and the CEO. The financial statements of the Company so far have an unmodified audit opinion. Internal auditors report directly to the Audit Committee.

The disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 are as follows:

Regulation	Particulars of Regulations	Compliance Status Yes/No
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46 (2)(b) to (i)	Functional Website	Yes

Code of Conduct:

In compliance with Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and the Companies Act, 2013, the Company has framed and adopted a Code of Conduct policy. The Code is applicable to the members of the Board, the executive officers and all employees of the Company and its subsidiaries. The Code is available on our website at:

https://www.lauruslabs.com/Investors/PDF/Policies/Code_of_Conduct_Policy.pdf

All members of the Board, the executive officers and senior financial officers have affirmed compliance to the Code as on March 31, 2025.

Prevention of Insider Trading:

The Company has adopted an Insider Trading policy to regulate, monitor and report trading by insiders under the SEBI (Prohibition of Insider Trading) Regulations, 2015. This policy includes practices and procedures for fair disclosure of unpublished price-sensitive information, initial and continual disclosure. The Board reviews the policy on a need basis. The policy is available on our website at:

https://www.lauruslabs.com/Investors/PDF/Policies/Code_of_Prohibition_of_Insider_Trading.pdf

CEO and CFO Certification:

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the CEO & CFO certification is annexed in this Annual Report as **Annexure-C**.

Auditors' Certificate on Corporate Governance:

As required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Certificate on Corporate Governance issued by Practising Company Secretary is annexed to the Annual Report as **Annexure-D**.

Disclosure of certain types of agreements binding listed entities : NIL

Declaration

I, Dr. Satyanarayana Chava, Chief Executive Officer, hereby declare that as provided under SEBI (LODR) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended March 31, 2025.

For Laurus Labs Limited

Dr. Satyanarayana Chava
Chief Executive Officer

Place: Hyderabad
Date: 15th May, 2025

Annexure – A

CERTIFICATE

(Pursuant to Regulation 34(3) read with Schedule V of Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

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

We have examined and verified the books, papers, minute books, forms and returns filed and other records maintained by **M/s. Laurus Labs Limited** (hereinafter referred to as the **"Company"**) having its registered office at Laurus Enclave, Plot Office 01, E. Bonangi Village, Parawada Mandal, Anakapalli District, Andhra Pradesh – 531021 and the information provided by the Company and its directors and also based on the information available at the websites of Ministry of Corporate Affairs (i.e www.mca.gov.in) and Securities and Exchange Board of India (i.e. www.sebi.gov.in), we hereby certify that as on the date of this certificate, none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of Company by Securities and Exchange Board of India /Ministry of Corporate Affairs or any such statutory authority.

For RPR & ASSOCIATES
Company Secretaries

Y Ravi Prasada Reddy
Proprietor
FCS No: 5783, C P No: 5360
Peer Review Certificate No. 1425/2021
UDIN: F005783G000351205

Place: Hyderabad
Date: 15th May, 2025

Annexure – B

Annual Secretarial Compliance Report of
Laurus Labs Limited for the year ended 31.03.2025

(Pursuant to circular dated 8th February, 2019 issued by SEBI and amendments thereof)

We, M/s. RPR and Associates, Company Secretaries, Hyderabad, have examined:

(a) all the documents and records made available to us and explanation provided by M/s. Laurus Labs Limited (CIN: L24239AP2005PLC047518) having its registered office at Laurus Enclave, Plot Office 01, E. Bonangi Village, Parawada Mandal, Anakapalli District, Andhra Pradesh – 531021, ("the listed entity");

(b) the filings/ submissions made by the listed entity to the stock exchanges;

(c) website of the listed entity; and

(d) any other document/ filing, as may be relevant, which has been relied upon to make this certification/report, for the year ended 31st March, 2025 ("Review Period") in respect of compliance with the provisions of:

(e) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

(f) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:

(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

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

(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - No Buyback of securities during the review period.

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

(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not Applicable during the review period.

(g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Securities) Regulations, 2021; - Not Applicable during the review period.

(h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; - Not Applicable during the review period.

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

(j) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) (Amendment) Regulations, 2018 regarding the Companies Act and dealing with client; and circulars/ guidelines issued thereunder and the additional affirmations as per the circulars issued by the stock exchanges on 16th March 2023 and subsequent amendments thereon; and based on the above examination, we hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

Sl. No.	Compliance Requirement (Regulations /circulars/ guidelines including specific clause)	Regulation /Circular No.	Deviations	Action Taken By	Type of Action Advisory/ Clarification/ Fine/Show Cause Notice/ Warning, etc.	Details of Violation	Fine Amount (₹)	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
1	Composition of Board of Directors under SEBI (LODR)	17(1)(a)	The strength of Non-executive Directors in the Board was not at least 50% between 18th May 2024 to 24th July 2024	BSE and NSE	Fine	The strength of Non-executive Directors was not at least 50%	₹3,35,000/- to each Stock Exchange	The Company has paid the penalty amount and also complied with 17(1)(a) w.e.f 25/07/2024	Informed the Board and complied	Nil

(b) The listed entity has taken the following actions to comply with the observations made in previous reports;

Sl. No.	Compliance Requirement (Regulations /circulars/ guidelines including specific clause)	Regulation /Circular No.	Deviations	Action Taken By	Type of Action Advisory/Clarification/ Fine/Show Cause Notice/Warning, etc.	Details of Violation	Fine Amount (₹)	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
No observations in the previous report.										

We hereby report that, during the review period the compliance status of the listed entity with the following requirements:

Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations/ Remarks by PCS
1.	**Secretarial Standards:** The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.	Yes	-
2.	**Adoption and timely updation of the Policies:** • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities • All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/circulars/ guidelines issued by SEBI	Yes	-
3.	**Maintenance and disclosures on Website:** • The Listed entity is maintaining a functional website • Timely dissemination of the documents/ information under a separate section on the website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website	Yes	-
4.	**Disqualification of Director:** None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013	Yes	-
5.	**Details related to Subsidiaries of listed entities have been examined w.r.t.:** (a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as other subsidiaries	Yes	-
6.	**Preservation of Documents:** The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	-
7.	**Performance Evaluation:** The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations	Yes	-
8.	**Related Party Transactions:** (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ ratified/ rejected by the Audit Committee, in case no prior approval has been obtained.	Yes	-
9.	**Disclosure of events or information:** The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	-
10.	**Prohibition of Insider Trading:** The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	Yes	-
11.	**Actions taken by SEBI or Stock Exchange(s), if any:** Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.	As mentioned in the above table for non-compliance of Regulation 17(1)(a) of SEBI(LODR) for a period from 18/05/2024 to 24/07/2024.	
12.	**Resignation of statutory auditors from the listed entity or its material subsidiaries:** In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of Section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.	N.A.	-
13.	**Additional Non-compliances, if any:** No additional non-compliance observed for all SEBI regulation/circular/guidance note etc.	Yes	-

For RPR & ASSOCIATES
Company Secretaries

Y Ravi Prasada Reddy
Proprietor
FCS No. 5783, C P No. 5360
Peer Review Certificate No. 1425/2021
UDIN: F005783G000350996

Place: Hyderabad
Date: 15th May, 2025

Annexure – C

Date: April 17, 2025

To
The Audit Committee &
The Board of Directors
Laurus Labs Limited

Sub: Certificate under Regulation 33(2)(a) of SEBI (LODR) Regulations 2015:

We, Dr. C. Satyanarayana, CEO and Mr. V.V. Ravi Kumar, CFO hereby certify as under:

A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2025 and that to the best of our knowledge and belief:

   (1). These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (2). These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.

B. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2025 are fraudulent, illegal or violative of the Company's Code of Conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.

D. (1). There have not been any significant changes in internal control over financial reporting during the year;

   (2). There have not been any significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and

   (3). We are not aware of any instances during the year of significant fraud with involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Thanking you,

For Laurus Labs Limited

Dr. C. Satyanarayana
Chief Executive Officer

For Laurus Labs Limited

Mr. V.V. Ravi Kumar
Chief Financial Officer

Annexure – D

Certificate on Corporate Governance

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

We have examined the compliance conditions of Corporate Governance by **M/s. Laurus Labs Limited** for the financial year ended 31st March, 2025, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI (LODR) Regulations, 2015"] and the Uniform Listing Agreement entered between the Company & Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our knowledge and according to the explanations given to us, we certify that the Company has complied with the conditions of applicable Corporate Governance as stipulated in the above mentioned SEBI (LODR) Regulations, 2015 and the Uniform Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For RPR & ASSOCIATES
Company Secretaries

Y. Ravi Prasada Reddy
Proprietor
FCS No.5783, CP No.5360
Peer Review Certificate No. 1425/2021
UDIN: F005783G000351084

Place: Hyderabad
Date: 15th May, 2025

Business Responsibility & Sustainability Reporting

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity boundary

1	Corporate Identity Number (CIN) of the Listed Entity	:	L24239AP2005PLC047518
2	Name of the Listed Entity	:	Laurus Labs Limited
3	Year of incorporation	:	2005
4	Registered office address	:	Laurus Enclave, Plot Office 01, E. Bonangi Village, Parawada, Mandal, Anakapalli District– 531 021, Andhra Pradesh, India.
5	Corporate address	:	2nd Floor, Serene Chambers, Road No.7, Banjara Hills, Hyderabad – 500 034, Telangana, India
6	E-mail	:	secretarial@lauruslabs.com
7	Telephone	:	+91 40 6659 4333
8	Website	:	www.lauruslabs.com
9	Financial year for which reporting is being done	:	FY 2024-25
10	Name of the Stock Exchange(s) where shares are listed	:	BSE Limited, National Stock Exchange of India Limited
11	Paid-up Capital	:	INR 107,85,04,982
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	:	Mr. G. Venkateswar Reddy, Company Secretary and Compliance Officer, Telephone: +91 40 6659 4333, Email: secretarial@lauruslabs.com Address: 2nd Floor, Serene Chambers, Road No.7, Banjara Hills, Hyderabad – 500 034, Telangana, India
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	:	Standalone
14	Name of assurance provider	:	Deloitte Haskins & Sells LLP
15	Type of assurance obtained	:	Limited assurance on BRSR Core

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
01	Pharmaceuticals & Bio product	Development, manufacturing & services Chemical & Chemical products, Pharmaceuticals, Medicinal Chemical, Bio & Botanical Products	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
01	Development, manufacture and sale of API & Formulations	21009	100%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of Offices	Total
National			
Visakhapatnam, Andhra Pradesh, India	7	1	8
Hyderabad, Telangana, India	1	1	2
International	NIL	NIL	NIL

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	27
International (No. of Countries)	105

b. What is the contribution of exports as a percentage of the total turnover of the entity? 65.33%

c. A brief on types of customers

Our Company caters to a diverse range of customers includes major pharma companies, generics players and institutional customers across various countries.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	6,167	5,695	92%	472	8%
2.	Other than Permanent (E)	NIL	NIL	NIL	NIL	NIL
3.	**Total employees (D + E)**	**6,167**	**5,695**	**92%**	**472**	**8%**
WORKERS						
4.	Permanent (F)	NIL	NIL	NIL	NIL	NIL
5.	Other than Permanent (G)	6,300	6,220	99%	80	1%
6.	**Total workers (F + G)**	**6,300**	**6,220**	**99%**	**80**	**1%**

b. Differently abled Employees and workers:

Sr. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	1	NIL	NIL	1	100%
2.	Other than Permanent (E)	NIL	NIL	NIL	NIL	NIL
3.	**Total differently abled employees (D + E)**	**1**	**NIL**	**NIL**	**1**	**100%**
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	NIL	NIL	NIL	NIL	NIL
5.	Other than permanent (G)	NIL	NIL	NIL	NIL	NIL
6.	**Total differently abled workers (F + G)**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	2	20.0%
Key Management Personnel	1	NIL	--

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 25 (Turnover rate in current FY)			FY 24 (Turnover rate in previous FY)			FY 23 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	18%	16%	17%	18%	22%	18%	19%	26%	19%
Permanent Workers	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

Business Responsibility & Sustainability Reporting

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	CIN/FCRN	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Sriam Labs Private Limited	U24239TG2002PTC038490	Subsidiary	100 %	
2	Laurus Synthesis Private Limited	U24110TG2020PTC140333	Subsidiary	100 %	
3	Laurus Specialty Chemicals Private Limited	U24110TG2022PTC168791	Subsidiary	100 %	
4	Laurus Bio Private Limited	U02423KA2005PTC036770	Subsidiary	76.32 %	
5	Immunoadoptive Cell Therapy Private Limited	U74999MH2018PTC315497	Associate	34.89 %	The BRSR prepared above is for Laurus Labs Limited Standalone entity.
6	Ethan Energy India Private Limited	U40100TG2018FTC125395	Associate	26 %	
7	Laurus Generics SA (Pty) ltd		Subsidiary	100 %	
8	Laurus Holdings Limited		Subsidiary	100 %	
9	Laurus Generics GmbH		Step Down Subsidiary	100 %	
10	Laurus Generics Inc		Step Down Subsidiary	49.24 % Directly and 50.76 % through Laurus Holdings Limited	
11	KRKA Pharma Private Limited	U21000TS2024FTC184449	Joint Venture	49 %	

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in ₹) 5,217 crores

(iii) Net worth (in ₹) 4,564 crores

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 25 Current Financial Year			FY 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	NIL	NIL	NA	NIL	NIL	NA
Investors (other than shareholders)	Yes	NIL	NIL	NA	NIL	NIL	NA
Shareholders	Yes	NIL	NIL	NA	NIL	NIL	NA
Employees and workers	Yes	NIL	NIL	NA	NIL	NIL	NA
Customers	Yes	NIL	NIL	NA	NIL	NIL	NA
Value Chain Partners	Yes	NIL	NIL	NA	NIL	NIL	NA
Other (please specify)	NIL	NIL	NIL	NA	NIL	NIL	NA

Policies:

Community: https://www.lauruslabs.com/Investors/PDF/Policies/Corporate_Social_Responsibility_Policy.pdf

Investor & Shareholders: https://www.lauruslabs.com/investors_home.html

Employees & workers: https://www.lauruslabs.com/Investors/PDF/Policies/PGH.pdf

Customers : Customer feedback policy

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26. Overview of the entity's material responsible business conduct issues

Indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, the rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format

Our approach to materiality: At Laurus Labs, we acknowledge our responsibility to meet stakeholder expectations to position our business better and enhance the value we create. The materiality assessment has allowed us to comprehend stakeholder concerns and helps in developing a strategy that fits our business, prioritising the most relevant topics and impact. We performed a sustainability-related materiality assessment to identify the sustainability issues that are most critical to our business and our stakeholders. This process assists us in identifying sustainability focus areas and informs our strategy and the content of our reporting.

We align our identification of material sustainability topics with the GRI Universal Standards considering information relating to the pharmaceutical sector, our regulatory requirements and matters raised during engagements with our people and our external stakeholders. This year we've focused on five top priority areas i.e. product safety, ownership and control, waste management and circularity, leadership policy and oversight on sustainability, tax transparency and labelling, protection of human rights and occupational health and safety. More information on our sustainability materiality assessment process and outcomes can be found in our Integrated Report.

Sr. No	Material Issue Identified	Risk / Opportunity	Rational for identifying risk or opportunity	In case of risk approach to adapt or mitigate	Financial implication of risk or opportunity
01	Environment, Health and Safety (EHS)	Risk	Operations are subjected to varieties of regional and global governmental, and non-governmental EHS rules and regulations.	• Improving focus on sustainable energy • Strengthening and promoting a safety culture programme and awareness across the company • Conducting periodic audits in high-risk sites	Risk
02	Industry risk	Risk	Sectoral and market downturns could have potential and immediate impact on company performance	• Analysing industry and pharma-sectoral trends and periodic horizon scanning • Ongoing plans to implement a business continuity plan to minimise risks	Risk
03	Regulatory risk	Risk	The pharmaceutical sector is highly regulated and it is under continual surveillance and scrutiny by regulatory bodies and authorities. Inability to meet requirements may have potential negative impacts on the business	• Improving compliance/ regulatory requirements review mechanism • Utilising the information management system to detect changes in the regulatory environment and their impact periodically	Risk

Business Responsibility & Sustainability Reporting

Sr. No	Material Issue Identified	Risk / Opportunity	Rational for identifying risk or opportunity	In case of risk approach to adapt or mitigate	Financial implication of risk or opportunity
04	Competition risk	Risk	Market presence and penetration can be affected by domestic and international competitions	• Building economies of scale in manufacturing, distribution and procurement to maintain cost advantage • Strengthening long-term relationships with key customers by offering better quality and service know-how • Introducing cost improvement initiatives and enhancing manufacturing efficiency at plants • Undertaking R&D initiatives, focusing on optimising raw material consumption and increasing manufacturing capability	Risk
05	Innovation risk	Risk	Development of innovative products is critical in improving the product portfolio of the company, Lack of innovation may negatively affect business growth.	• Ensuring R&D capabilities and proven track record in filing, approval and commercialisation of niche products and processes. • Improving internal capabilities, know-how and enhancing process optimisation to strengthen market leadership	Risk
06	Financial risks	Risk	The foreign exchange rate fluctuations could impact our company's net expenses and other future investments.	• Implementing a strong currency hedging plan/ strategy and periodically evaluating derivatives to address risks	Risk
07	Capacity planning and Optimisation risk	Risk	Inability to meet dynamic customer needs can impact business growth	• Tracking trends and horizon scanning to keep up with the market and deliver and satisfy customer needs • Implementing plans to ensure plant capacities meet market expectations • Process optimisation and improving efficiency to reduce production related risks such as plant malfunctions	Risk
08	Operational risk	Risk	Efficiency and effectiveness of business operations can be significantly impacted if and when vendor customer relations are not managed effectively	• Stabilising vendor risks and challenges by the implementation of action plans • Forging long-term partnerships with regional and global pharmaceutical companies to ensure revenue visibility	Risk

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	No	Yes	No formal policy yet	No formal policy yet	Yes	No	Yes	No
b. Has the policy been approved by the Board? (Yes/No)	Approved by HOD	No	Yes	No	No	Yes	No	Yes	No
c. Web Link of the Policies, if available	Pls refer Policy A below the table	No	Pls refer Policy A below the table	No	No	Pls refer Policy B below the table	NA	Pls refer Policy c below the table	No
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	No	Yes	No	No	Yes	No	Yes	No
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	No	No	No	No	Yes	No	No	No
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, and Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Yes, We follow GRI guidelines	No	Yes. We follow ISO45001	No	No	Yes ISO14001	No	Yes	No
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) : Refer Chairman's statement in page number 14									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Dr. Satyanarayana Chava, Executive Director and Chief Executive Officer								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, details.	Yes. Dr. Satyanarayana Chava, Executive Director and Chief Executive Officer is responsible								

Policy A: https://www.lauruslabs.com/images/pdfs/Business_Code_of_Conduct_and_Ethics_Policy.pdf

Policy B: https://www.lauruslabs.com/images/pdfs/EHSS_Policy.pdf

Policy C: https://www.lauruslabs.com/Investors/PDF/Policies/Corporate_Social_Responsibility_Policy.pdf

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Business Steering Committee									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes									

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, Name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No	No	No	No	No	No	No	No	No

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	No	No	No	No	No	No	No	No	No
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	The Company has no direct policies. However, our ESG initiatives are mostly in alignment with the goals of these 9 policies								
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	No	No	No	No	No	No	No	No	No
It is planned to be done in the next financial year (Yes/No)	The Company has plans to implement these policies going forward								
Any other reason (please specify)	Nil								

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	Nil	NA	NA
Key Managerial Personnel	Nil	NA	NA
Employees & Workers other than BoD and KMPs		**Trainings by Board of Directors**	
	3 sessions were conducted, accommodating approximately 100 Senior employees.	1) Regulatory Inspection trends and readiness, current expectations of agencies on cGMP, Investigations, Cleaning, and Data Integrity.	25
	2 Sessions were conducted, accommodating 78 Senior employees.	2) Improvements in Lab investigations, finding the appropriate root cause, and preventive action	50
		Employees & Workers other than BoD and KMPs	
	3,61,074 training sessions were conducted for approximately 6546 employees.	1) The employees/operators' training is being controlled through the electronic system known as LMS (Learning Management System) This system manages employee training in a comprehensive approach that ensures employees receive the necessary training and certifications to perform their roles effectively and safely. The LMS generates and tracks various types of training, including • Induction Training • Standard Operating Procedures (SOPs) • current Good Manufacturing Practices (cGMP) • External Training • Miscellaneous Training • Practical demo sessions • Unscheduled Training • General Training (Prevention of Sexual Harassment (POSH) The LMS schedules these trainings according to employees' roles, job responsibilities, and regulatory requirements, ensuring that they receive timely and appropriate training throughout their tenure with the company. Additionally, the system tracks employees' progress, completion status, and certification, facilitating compliance and audit readiness. Overall, using an LMS streamlines the training process, enhances compliance, and contributes to a well-trained and knowledgeable workforce.	96

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 Obligations) Regulations, 2015 and as disclosed on the entity's website): **NIL**

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an Appeal been preferred? (Yes/No)
Penalty/ Fine	NA	NIL	NIL	NA	NA
Settlement	NA	NIL	NIL	NA	NA
Compounding fee	NA	NIL	NIL	NA	NA

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an Appeal been preferred? (Yes/No)
Imprisonment	NA	NIL	NA	NA
Punishment	NA	NIL	NA	NA

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed. **NIL**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NA	NA

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy. **Yes**

https://www.lauruslabs.com/images/pdfs/Business_Code_of_Conduct_and_Ethics_Policy.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption: **NIL**

	FY 25 (Current Financial Year)	FY 24 (Previous Financial Year)
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. Details of complaints with regard to conflict of interest: **NIL**

	FY 25 (Current Financial Year)		FY 24 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NA	NIL	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NA	NIL	NA

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest. **NIL**

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 25 (Current Financial Year)	FY 24 (Previous Financial Year)
Number of days of accounts payables	145	123

9. Open-ness of business

Parameter	Metrics		FY 25 (Current Financial Year)	FY 24 (Previous Financial Year)
Concentration of Purchases	a.	Purchases from trading houses as % of total purchases	41 %	41 %
	b.	Number of trading houses where purchases are made from	305	381
	c.	Purchases from top 10 trading houses as % of total purchases from trading houses	49 %	52 %
Concentration of Sales	a.	Sales to dealers / distributors as % of total sales	0.10 %	0.11 %
	b.	Number of dealers / distributors to whom sales are made	1	1
	c.	Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	100 %	100 %
Share of RPTs in	a.	Purchases (Purchases with related parties / Total Purchases)	4.06 %	3.16 %
	b.	Sales (Sales to related parties / Total Sales)	4.53 %	3.85 %
	c.	Loans & advances (Loans & advances given to related parties / Total loans & advances)	94.86 %	92.41 %
	d.	Investments (Investments in related parties / Total Investments made)	99.54 %	99.46 %

1. Purchases from trading houses – The Company has evaluated its vendors/ suppliers of raw material and packing material for the purposes of identification and reporting of Trading Houses.
2. Sales to Dealers/Distributors – The nature of Sales made by the Company are largely direct sales, sales to dealers and distributors is limited to only one customer, wherein, it is low both in terms of value and volume

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programs held	Topics / principles covered under meeting	%age of value chain partners covered by value of business done with such partners under the awareness programs
1) One Training Session was conducted with the elected Strategic supplier base which clearly explained the key areas of Laurus Code of conduct and the necessity to assess, monitor and improve on these aspects 2) We engage with the Strategic supplier base on individual basis to make them aware of Laurus expectations on Sustainable practices and get their feedback	Laurus Supplier Code of Conduct encompasses the following aspects of Sustainability 1) Business Ethics 2) Human rights 3) Employment Practices 4) Environment 5) Health & Safety 6) Supporting Communities Laurus had identified key strategic suppliers and have evaluated their Sustainability practices through Supplier assessment framework. The strategic suppliers were classified as critical and non-critical based on various criteria.	60 %

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. Declaration and recusing the respective board members in discussions and voting.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

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.

Category	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	5.36 %	7.29 %	Investments in Gene Therapy
Capex	NIL	NIL	

2. a. Does the entity have procedures in place for sustainable sourcing? **Yes**

   b. If yes, what percentage of inputs were sourced sustainably? **60% (as per Sustainability Report for FY24)**

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

   In keeping with our focus on sustainable company operations, Laurus Labs strives to reduce waste generated at the source whenever possible and recycle the residual waste. A considerable portion of the waste generated in the pharmaceutical industry is categorised as hazardous and must be handled with caution. We ensure that the waste generated by our operations is effectively monitored and disposed of in accordance with all relevant regulatory standards.

   We also regularly monitor our waste management systems and procedures to ensure that the waste generated throughout our sites undergoes proper and safe treatment. Solvent recovery systems deployed at our API locations allow predefined volumes of used solvent to be recovered. Our operational efficiency allows us to use resources conservatively and reduce waste. We comply with all the local and national regulations, in addition to adopting global standards in safe handling and disposal of emissions and effluents.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same. No

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format? NIL

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.
NA	NA	NA	NA	NA	NA

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. **NIL**

Name of Product / Service	Description of the risk / concern	Action Taken
NA	NA	NA

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 25 Current Financial Year	FY 24 Previous Financial Year
Total Recycled input material	143,867.7 MT	160,252.2 MT

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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: **NIL**

	FY 25 Current Financial Year			FY 24 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	NIL	NIL	NIL	NIL	NIL	NIL
E-waste	NIL	NIL	NIL	NIL	NIL	NIL
Hazardous waste	NIL	NIL	NIL	NIL	NIL	NIL
Other waste	NIL	NIL	NIL	NIL	NIL	NIL

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category. **NIL**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
NA	NA

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicator

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	5,695	5,695	100%	5,695	100%	NA	NA	5,695	100%	NA	NA
Female	472	472	100%	472	100%	472	100%	NA	NA	472	100%
Total	**6,167**	**6,167**	**100%**	**6,167**	**100%**	**472**	**100%**	**5,695**	**100%**	**472**	**100%**
Other than Permanent employees											
Male	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Female	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**

b. Details of measures of the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Female	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
Other than Permanent workers											
Male	NIL	NIL	NIL	6,220	100%	NIL	NIL	NIL	NIL	NIL	NIL
Female	NIL	NIL	NIL	80	100%	NIL	NIL	NIL	NIL	80	100%
Total	**NIL**	**NIL**	**NIL**	**6,300**	**100%**	**NIL**	**NIL**	**NIL**	**NIL**	**80**	**100%**

Note: Workers are not on payroll of Laurus, other benefits will be taken care by contractor

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format :

	FY 25 Current Financial Year	FY 24 Previous Financial Year
Cost incurred on well- being measures as a % of total revenue of the company	1.50%	1.67%

The well-being costs mentioned include expenses for bus transportation and canteen facilities provided to both employees and workers. Additionally, health insurance, general medical expenses, and maternity and paternity benefits are extended to employees.

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 25 Current Financial Year			FY 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.)
PF	100%	NA	YES	100%	NA	YES
Gratuity	40%	NA	NA	34%	NA	NA
ESI	17%	NA	YES	23%	NA	YES
Others – please specify	--	--	--	--	--	NA

Statutory benefits to workers as per applicable laws being reimbursed by Company to the agencies for contract workers.

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard. **YES**

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy. **YES**

https://www.lauruslabs.com/Investors/PDF/Policies/NDP.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	NA	NA
Female	67%	100%	NA	NA
Total	**97%**	**100%**	**NA**	**NA**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	NA
Other than Permanent Workers	YES
Permanent Employees	YES
Other than Permanent Employees	YES

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 25 (Current Financial Year)			FY 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)
Total Permanent Employees						
Male		NIL			NIL	
Female		NIL			NIL	
Total Permanent Workers						
Male		NIL			NIL	
Female		NIL			NIL	

8. Details of training given to employees and workers:

Category	FY 25 Current Financial Year					FY 24 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	5,695	5,695	100 %	5,695	100 %	5,567	5,567	100 %	5,567	100 %
Female	472	472	100 %	472	100 %	440	440	100 %	440	100 %
Total	**6,167**	**6,167**	**100%**	**6,167**	**100%**	**6,007**	**6,007**	**100%**	**6,007**	**100%**
Workers										
Male	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Female	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**

9. Details of performance and career development reviews of employees and worker:

Category	FY 25 Current Financial Year			FY 24 Previous Financial Year		
	Total (A)	No. (B) %	(B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	5,695	5,695	100 %	5,567	5,567	100 %
Female	472	472	100 %	440	440	100 %
Total	**6,167**	**6,167**	**100%**	**6,007**	**6,007**	**100%**
Workers						
Male	NIL	NIL	NIL	NIL	NIL	NIL
Female	NIL	NIL	NIL	NIL	NIL	NIL
Total	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**

10 Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? **(Yes/ No)**. If yes, the coverage such system?

Yes, all units are certified with ISO 45001:2018. We carry out internal audits to check the effectiveness of EHSMS periodically. Trained EHSMS coordinators and internal auditors are appointed to implement OHSMS.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Various standard operating procedures such as (EHS/004: EHS Risk Assessment and EHS/028: EHS Internal audits, inspection) implementing to identify work related hazards and their associated risks. Before execution of any process we carry out the activity based risk assessment (ABRA) for non-process activities, HAZOP study (Hazard Operability) for process activities and ERA (Exposure Risk Assessment). We implement all recommendations to ensure the process is safe before execution. We have implemented change control program where all changes (which may create potential risks) are assessed prior to implementation and after thorough review, all changes are accepted. We follow line management responsibility approach in implementing safety and hence we engage our employees as One Day safety officer from other functions to identify unsafe situations. EHS department takes round on the shop floor and highlights the unsafe situations as well.

We have engaged few employees as safety champion and they are available in each shift, observe and highlight all unsafe situations. These observations are reviewed by their respective Block in-charge followed by unit EHS lead.

Also we trained many of our employees on behavior based safety and scheduling them to go for Safety Conversation once in a week. They will interact with person on the shop floor and identify the root cause of the noncompliance.

We carry out different audits such as intra unit audit, audits from central EHS team and audits with the third party to improve our EHSMS.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. **(Yes/ No)**

Yes, SOP EHS 028: EHS Internal Audit, Inspections, NC, and CAPA is in place. We encourage our workers to report all unsafe observations immediately. We have engaged our employees as safety champion who are reporting in each shift, takes round on the shop floor, monitors critical activities and reports all unsafe situations. Also we have dedicated EHS department who takes frequent rounds in shop floor to identify unsafe situations.

SOP EHS 007: EHS Committee is in place. We have EHS committee members who highlight all unsafe situations to the EHS Department and in EHS committee as well.

We have implemented Safety Suggestion Scheme and installed safety suggestion box at the main gate and encourage workers to share suggestions. EHS department collects all suggestions and take action accordingly. We do encourage workers to share suggestions during different EHS promotional activities such as National Safety Day celebration, World Environment Day Celebration etc. and EHS department also awards the worker to promote EHS culture.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? **(Yes/ No)**

Yes, the employees/ workers of the entity have access to non-occupational medical and healthcare services. All employees are covered under health insurance, statutory health insurance (ESIC) as per eligibility, providing periodical health checkups and wellness programs.

11. Details of safety related incidents, in the following format

Safety Incident/Number	Category*	FY 2025 Current Financial Year	FY 2024 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

*Including in the contract workforce

The reporting boundary for the above indicator includes the Company's manufacturing units.

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12. Describe the measures taken by the entity to ensure a safe and healthy work place.

    a. **We have implemented various standard operating procedures (SOP) and Operational Control Procedures (OCP) to ensure safety at workplace.**

    b. **Periodical trainings are given to all workers on safe practices.**

    c. **Continuous inspections and periodical audits are carried out to identify all unsafe acts & conditions.**

    d. **We are carrying out several audits in the specific areas by the third party to identify the gaps and to make further improvement.**

    e. **Designed the workplace based on the latest statutory requirements and complying with all safety norms.**

    f. **Process safety studies are carried out for all processes before execution, risk assessment is done to make the process safe. All process safety requirements are implemented. Workplace monitoring is carried out to improve the industrial hygiene.**

    g. **EHS promotional activities are carried out to encourage safe practices and promote safety as a culture.**

    h. **Periodical review meeting with senior management to improve safety requirement.**

    i. **Emergency preparedness and response:**

    - **Fire protection which comprises of Detection, Alarm and Suppression system installed at all workplaces.**
    - **Four numbers of Multi-purpose Fire Tenders are in place.**
    - **All sites have Occupational Health Centers and Ambulances. Additionally, Two numbers of Advanced Life Support Ambulances are in place.**
    - **Emergency Response Teams on-site, who undergone a specific training from External Expert Agency.**

13. Number of Complaints on the following made by employees and workers:

	FY 25 (Current Financial Year)			FY 24 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NIL		NIL	NIL	
Health & Safety	NIL	NIL		NIL	NIL	

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

    We implement all recommendations related to different safety audits, statutory audits and incidents. Best practices from other industries are implemented as well.

    All recommendations related to risk assessments are implemented to make the process safe.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

   Yes, for both the employees and workers

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

   The Company collects the proofs of deposits of statutory dues like payment challans etc. from the service value chain partners before releasing their bills regularly and ensures that the statutory dues have been deducted and deposited by the value chain partners with the relevant statutory authorities.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	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 25 (Current Financial Year)	FY 24 (Previous Financial Year)	FY 25 (Current Financial Year)	FY 24 (Previous Financial Year)
Employees	NIL	NIL	NIL	NIL
Workers	NIL	NIL	NIL	NIL

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No) : **No**

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	We conduct yearly once sustainability assessment of our value chain partners, providing awareness program, conducting assessment. During the year 60% of our value chain partners have been assessed.
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners. : **No**

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

   Our stakeholders includes Individuals, Groups, Companies or institutions that are part of our value chain.

   We follow the process of identification of the stakeholders is defined by their interest, impact and participation in operations of the Company including engagement on various environmental, social and governance matters and we classify accordingly. Our operations are integrated with stakeholder needs, interests and expectations.

   Over the years we have developed firm-level processes to encourage open and constructive interaction with our stakeholders. It reinforces our understanding of relevant matters and helps us identify those attributes of stakeholders that make them important to our business and necessitate meaningful engagement. Engaging with stakeholders provides us an opportunity to serve them in the best sustainable way and redefine our strategies to deliver the maximum value. By Partnering with our stakeholders, we involve them in the decision making, product and process improvement and create an enabling environment to do better together.

   Our sustainability programme brings together stakeholders from across the pharmaceutical value chain to identify and address the industry's most pressing environmental issues. One-on-one meetings, annual general meetings, training, group discussions, surveys, and supplier and custodial relationships are all examples of systematic channels of interaction with our stakeholders integrated throughout our business operations.

   At a strategic level, stakeholder issues are examined and taken into account. The stakeholder engagement framework represents how we connect with our stakeholders and address their major problems. The table below details the various stakeholder groups that have had direct or indirect contact with Laurus Labs, as well as their ways of involvement and key concerns.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of Communication (Email, SMS, Newspapers, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/ Half Yearly/Quarterly/ Others – Please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	NO	• Customer audits • One-on-one meetings • Exhibitions	Regular interval	• Safety • Customer data protection and privacy • Product efficacy • Quality • Sustainable supplies
Investors and Shareholders	NO	• Financial results/ investor calls • Television and print media interviews • Annual bankers meet, Attending investor conferences • Calls with investors based on their request • Email announcements	Quarterly & need basis	• Business growth/ profitability • Newer opportunities • Risk management, • Governance
Government and regulators	NO	• Regulatory audits • Engagement on a need basis • Participation in forums	On need basis	• Compliance • Stipulated timely reporting • Sustainable practices • Inclusive growth
Employees	NO	• Formal induction at the time of joining • Technical and non-technical training programs • Town hall meetings • Operations review meetings • Quarterly newsletters • Intranet portal • International Safety Day celebrations • Laurus Labs Family Day–an annual cultural extravaganza • Annual sports meet • Programs and competitions for employees and their families • Grievance redressal mechanism • Continual feedback sessions • Mailers on Safety, Health especially • Feedback through Great Place to Work Survey • COVID-19 awareness	Frequently	• Workplace safety, employee welfare, IR issues • Professional growth • Employee benefits and other facilities • Diversity at the workplace • Leadership connect sessions • Equal opportunities • Wages and benefits • Work-life balance
Business partners / suppliers and service providers	NO	• Contract agreements • Global pharma meets • Symposiums • Seminars • One-to-One meetings	Regularly on need basis	• Payment processing cycles • Business ethics and transparency • Sustainability performance
Communities and NGOs	NO	• Direct meets with local representatives • Science exhibitions & health camps • Initiatives like community tree plantations, RO water facilities at public places, building community infrastructure, aid to government schools, hospitals and NGOs • Collaboration with government/NGOs	Frequent and need basis	• Community development (education, healthcare, sanitation, water) • Livelihood creation • Other social benefits • Local sourcing of labour • Managing conflict • Social licence to operate

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

   Our Board of Directors serves as a source of advice and counsel in ensuring highest levels of corporate governance through risk control and regulatory compliance. The Board of Directors oversees the organisational management to assure that all the stakeholder demands are met promptly. By responsibly addressing the concerns of the stakeholders in our value chain, the Board of Directors and the senior management team ensure that the long-term interests of multiple parties are recognised. The committees appointed by the board focus on specific areas where they can make informed decisions and provide recommendations to the board on the matters in their areas.

   The Board commits to providing accurate and thorough financial and non-financial reporting, as well as a rigorous feedback mechanism. To protect stakeholder interests, we will adopt best practices for disclosures and be subject to internal and/or external assurance and governance procedures.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No).

   Yes

   If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

   Over the years we have developed firm-level processes to encourage open and constructive interaction with our stakeholders. It reinforces our understanding of relevant matters and helps us identify those attributes of stakeholders that make them important to our business and necessitate meaningful engagement. Engaging with stakeholders provides us an opportunity to serve them in the best sustainable way and redefine our strategies to deliver the maximum value. By partnering with our stakeholders, we involve them in the decision making, product and process improvement and create an enabling environment to do better together.

   We have adopted a structured approach to materiality assessment aligned to the GRI standards and IR framework that includes identifying a broad umbrella of relevant issues and prioritising them based on changing business needs and stakeholder feedback.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.

   At a strategic level, stakeholder issues are examined and taken into account. The stakeholder engagement framework represents how we connect with our stakeholders and address their major problems. The table provided in the principle 4 details the various stakeholder groups that have had direct or indirect contact with Laurus Labs, as well as their ways of involvement and key concerns.

PRINCIPLE 5: Businesses should respect and promote human rights

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 25 Current Financial Year			FY 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	6,167	6,167	100 %	6,007	6007	100 %
Other than permanent	Nil	Nil	Nil	Nil	Nil	Nil
Total Employees	**6,167**	**6,167**	**100%**	**6,007**	**6007**	**100%**
Workers						
Permanent	Nil	Nil	Nil	Nil	Nil	Nil
Other than permanent	6,300	6,300	100 %	5,623	5623	100 %
Total Workers	**6,300**	**6,300**	**100%**	**5,623**	**5,623**	**100%**

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 25 Current Financial Year					FY 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	6,167	NIL	0%	6,167	100%	6,007	NIL	NIL	6,007	100%
Male	5,695	NIL	0%	5,695	100%	5,567	NIL	NIL	5,567	100%
Female	472	NIL	0%	472	100%	440	NIL	NIL	440	100%
Other than Permanent	NIL	NIL	0%	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Male	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Female	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Workers										
Permanent	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Male	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Female	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Other than Permanent	6,300	Nil	0%	6,300	100%	5,623	NIL	NIL	5,623	100%
Male	6,220	Nil	0%	6,220	100%	5,556	NIL	NIL	5,556	100%
Female	80	Nil	0%	80	100%	67	NIL	NIL	67	100%

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)	8	1,25,49,421	2	84,20,000
Key Managerial Personnel	1	90,19,396	NIL	NA
Employees other than BoD and KMP	5690	4,91,892	471	3,69,996
Workers	5220	19,736	80	19,736

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 25 Current Financial Year	FY 24 Previous Financial Year
Gross wages paid to females as % of total wages*	5%	6%

Note: For FY 2023–24: Gross wages were considered equivalent to the Cost-to-Company (CTC) for employees.

FY 2024–25: Gross wages for employees and workers are reported in line with the Industry Standards Note for BRSR Core referred to in the SEBI's Circular dated December 20.

* Managerial remuneration was not considered for the calculation

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? **(Yes/No)**

   YES

   Head of Human Resources i.e. Mr. Narasimha Rao Chava, Executive Vice President (HR) and Head of Legal Department i.e. Mr. G. Venkateswar Reddy, Vice President (Legal and Company Secretary) will be responsible.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

   The Company has enforced various policies which take care of human rights and any grievances shall be escalated to the HR team which is basically responsible to implement the policies and accordingly HR team shall take suitable measures to redress grievances relating to violation of human rights, if any.

6. Number of Complaints on the following made by employees and workers:

	FY 25 Current Financial Year			FY 24 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	NA	Nil	Nil	NA
Discrimination at workplace	Nil	Nil	NA	Nil	Nil	NA
Child Labour	Nil	Nil	NA	Nil	Nil	NA
Forced Labour/Involuntary Labour	Nil	Nil	NA	Nil	Nil	NA
Wages	Nil	Nil	NA	Nil	Nil	NA
Other human rights related issues	Nil	Nil	NA	Nil	Nil	NA

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 25 Current Financial Year	FY 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.

   The company has implemented Whistle Blower Mechanism where any discrimination and harassment cases can be directly brought to the notice of Board of Directors. Similarly, in sexual harassment cases, there is Internal Complaints Committees (ICCs) and relevant policies to ensure that complaint(s) shall not be met with adverse consequences.

9. Do human rights requirements form part of your business agreements and contracts? **(Yes/No)**

   Yes, particularly relating to non-engagement of child labour, forced labour, non-discrimination at work places etc.

10. Assessments for the year: **NIL**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	0%
Forced/involuntary labour	0%
Sexual harassment	0%
Discrimination at workplace	0%
Wages	0%
Others – please specify	0%

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above. **No**

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

   There were no such grievances/ complaints in the Company.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

   No such third party due diligence was 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.

4. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	**60%** (As part of sustainability SCM conducts assessment on yearly basis)
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above. **Not applicable**

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

The reporting boundary for environment indicators was the Company's manufacturing units for 2023-24, additional offices (i.e. Head office and registered office) were included from 2024-25 onwards.

The source for Purchasing Power Parity (PPP) is International Monetary Fund (IMF). The PPP rate considered is 20.66 for FY 24-25 and 22.40 for FY 23-24.

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 25 (Current Financial Year)	FY 24 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	84,232 GJ	74,426 GJ
Total fuel consumption (B)	30,292 GJ	---
Energy consumption sources (C) through other	---	---
Total energy consumed from renewable sources (A+B+C)	114,524 GJ	74,426 GJ
From non-renewable sources		
Total electricity consumption (D)	9,00,747 GJ	8,95,833 GJ
Total fuel consumption (E)	24,46,895 GJ	24,66,487 GJ
Energy consumption Other sources (F)	731 GJ	848 GJ
Total energy consumed from non-renewable sources (D+E+F)	33,48,373 GJ	33,63,168 GJ
Total energy consumed (A+B+C+D+E+F)	34,62,897 GJ	34,37,594 GJ
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.000066	0.000071
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.0014	0.0016
Energy intensity in terms of physical Output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

1. The Company has reassessed the classification and methodology of calculation of steam consumed. Accordingly, the figures for FY 2023–24 have been restated for consistent classification and measurement year on year.

   Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

   Yes, independent assurance was carried out by Deloitte Haskins & Sells LLP

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any. **No**

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 25 (Current Financial Year)	FY 24 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	--	--
(ii) Groundwater	--	--
(iii) Third party water	15,68,994	1,583,058
(iv) Seawater / desalinated water	--	--
(v) Others	--	--
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	15,68,994	1,583,058
Total volume of water consumption (in kilolitres)	9,99,103	9,64,759
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.000019 KL/rupee	0.000020 KL/rupee
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.00040	0.00045
Water intensity in terms of physical Output	-	-
Water intensity (optional) – the relevant metric may be selected by the Entity	-	-

Note:

1. water consumption is equal to water withdrawal less water discharged.

   Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

   Yes, independent assurance was carried out by Deloitte Haskins & Sells LLP

4. Provide the following details related to water discharged:

Parameter	FY 25 (Current Financial Year)	FY 24 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	--	--
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater	--	--
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater	--	--
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment*	5,69,891	6,18,299
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)	**5,69,891**	**6,18,299**

* Water discharged which is sent to third-party undergoes through primary level of treatment as required by the norms.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, independent assurance was carried out by Deloitte Haskins & Sells LLP

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

   Our operational units are not designed as ZLD. As per the EC terms of industrial cluster, we are disposing waste water to the common effluent treatment plants authorised by State Pollution Control Board (SPCB).

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 25 (Current Financial Year)	FY 24 (Previous Financial Year)
NOx	Tonnes	229	296
SOx	Tonnes	590	798
Particulate matter (PM)	Tonnes	132	170
Persistent organic pollutants (POP)		--	--
Volatile organic compounds (VOC)	ppm	382	383
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, independent assurance was carried out by Deloitte Haskins & Sells LLP

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 25 (Current Financial Year)	FY 24 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO_2 equivalent	3,15,457	3,21,270
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO_2 equivalent	181,901	176,679
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)		0.0000095	0.0000103
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		0.00020	0.00023
Total Scope 1 and Scope 2 emission intensity in terms of physical output		-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note:

1. The Company has reassessed the classification and methodology of calculation of steam consumed, the GHG emissions are consequently impacted. Accordingly, the figures for FY 2023–24 have been restated for consistency year on year.
2. Scope 1 emission factors are sourced from Department for Environment, Food and Rural Affairs (DEFRA) and grid emission factor for Scope 2 is sourced from the Central Electricity Authority India.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, independent assurance was carried out by Deloitte Haskins & Sells LLP

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Co-gen Boiler- We generates Power & Steam at a single platform:

Earlier, we used to generate steam from our in-house boilers of capacity 2*16TPH and the steam produced from the boilers are used for our manufacturing activities in the same unit.

Later, we installed the co-gen boiler of 35MT capacity in view of reducing the burden towards purchasing the electricity and to reduce our SCOPE-2 GHG emissions.

This Boiler generates steam as well as 4.5MW of power per day which indirectly reducing the fuel consumption to produce equalent power by an external provider. Installation of Cogen boiler system benefitting as mentioned below:

- Reduced Scope 2 GHG emissions
- Optimised the fuel consumption
- Utilising the waste heat appropriately

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 25 (Current Financial Year)	FY 24 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	495	540
E-waste (B)	11.29	0.97
Bio-medical waste (C)	12.01	13.35
Construction and demolition waste (D)		
Battery waste (E)	11.00	
Radioactive waste (F)		
Other Hazardous waste. Please specify, if any. (G)	42,312*	40,145
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	10,893	11,126
Total (A+B + C + D + E + F + G+ H)	**53,734**	**51,826**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.00000103	0.00000108
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.000021	0.000024
Waste intensity in terms of physical output		
Waste intensity (optional) – the relevant metric may be selected by the entity		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	30,906	29,867
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	4783	4,263
Total	**35,689**	**34,130**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	445	818
(ii) Landfilling	6788	5,752
(iii) Other disposal operations	10,812	11,127
Total	**18,045**	**17,697**

The Hazardous Waste consisting of mixed spent solvent has been restated in 2023-24 to be consistent with the reporting done 2024-25.

Other hazardous waste comprises of items such as spent solvents, evaporation salts, ETP sludge among others.

Other non-hazardous waste comprises of items such as fly ash, fiber drums, scrap pipes, others.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, independent assurance was carried out by Deloitte Haskins & Sells LLP

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.

In keeping with our focus on sustainable company operations, Laurus Labs strives to reduce waste generated at the source whenever possible and recycle the residual waste. A considerable portion of the waste generated in the pharmaceutical industry is categorised as hazardous and must be handled with caution. We ensure that the waste generated by our operations is effectively monitored and disposed of in accordance with all relevant regulatory standards.

We also regularly monitor our waste management systems and procedures to ensure that the waste generated throughout our sites undergoes proper and safe treatment. Solvent recovery systems deployed at our API locations allow predefined volumes of used solvent to be recovered. Our operational efficiency allows us to use resources conservatively and reduce waste. We comply with all the local and national regulations, in addition to adopting global standards in safe handling and disposal of emissions and effluents.

Some of the active measures and interventions to reduce processed waste from our operations are:

- All used batteries are returned to the supplier or recycler. E-waste is collected and delivered to authorised recyclers
- 100% of the hazardous waste produced was disposed safely across all units
- E-waste is being sent to authorised recyclers

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: **Nil**

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.
	NA	NA	NA

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year: **Nil**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA	NA	NA	NA	NA	NA

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: Nil

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
	NA	NA	NA	NA

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 25 (Current Financial Year)	FY 24 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	Nil	Nil
(ii) Groundwater	Nil	Nil
(iii) Third party water	15,68,994	1,583,058
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kilolitres)	**15,68,994**	**1,583,058**
Total volume of water consumption (in kilolitres)	**999,103**	**964,759**
Water intensity per rupee of turnover (Water consumed / turnover)	0.000019 KL/rupee	0.000020 KL/rupee
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	--	--
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater	--	--
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater	--	--
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment	--	--
- With treatment – please specify level of treatment	5,69,891	6,18,299
(v) Others	--	--
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)	**5,69,891**	**6,18,299**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **No**

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 25 (Current Financial Year)	FY 24 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO_2 equivalent	91,787	87,212
Total Scope 3 emissions per rupee of turnover		**0.0000017**	**0.0000018**
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **No**

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities. **Nil**

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	Outcome of the initiative
1	During the year 36,731 tons of steam purchased from waste heat recovery boiler which saved natural resource and energy	732 GJ
2	Step towards increasing green energy purchase, generated in-house, and consumed solar power during the year 2024-25	10,690 GJ
3	By installing Temperature controller for process Cooling Tower fans saved energy	7,328 GJ
4	Power Saving by Installing Variable-frequency drive (VFD) at various equipment's across the organisation	1,527 GJ
5	By installing movement sensors across the facilities saved energy	36 GJ
6	Fresh water saved by utilising MGF Back wash water to greenery development in and around the plant premises	156,526 KL
7	By using waste steam from the adjacent industry saved water around	36,732 KL
8	Installed an electrolytic water treatment system for cooling tower	107,292 KL
9	Installation of flow restrictors in water lines to washrooms	12,052 KL

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, a procedure EHS 041 Business Continuity Plan is in place. As per the procedure each function identifies the risks which will disrupt the business and their control measures. Functional Head leads this activity and engage the experienced person from the function to carry out this. Against each risks, response strategy and recovery plan are be prepared. Each function carry out the testing of business continuity plan once in a year and record the observations. All the recorded points are discussed in Management Review Committee. Each unit has prepared the disaster management plan in the form of On-site emergency management plan (OSEP).

OSEP is designed based on quantitative risk assessment and HARA (Hazard Analysis and Risk Assessment). It covers all the scenarios such as explosion, fire, toxic gas release etc. OSEP organogram is prepared to execute if required. Roles and responsibilities are assigned to personnel. Adequate resources are maintained in the unit. Periodical mock drills are conducted to assess the gaps.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

No significant adverse impact to the environment, arising from the value chain.

We ensure sustainability within the supply chain: The quality of our products is of utmost importance and suppliers are only on boarded after a series of stringent checks to warrant that they are aligned with the expectations of the company. We onboard our suppliers after taking into consideration the required quality, EHS, and sustainability criteria. Our critical tier 1 suppliers are further assessed based on vendor audits. During the year, around 86 vendors have been evaluated on sustainability criteria.

We are committed to engaging with our suppliers to help them improve the social and environmental impact of the materials and services they offer. The supplier code of conduct (CoC) and sustainable supply chain questionnaire helps us assess and align our suppliers with core values as they sign up to foster a culture of honesty, accountability, and integrity. The CoC also helps us in integrating sustainability parameters into our supply chain. The CoC covers aspects such as labor rights, anti-bribery and corruption, health and safety, environment, ethics, data privacy, confidentiality, and information protection.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts. **Nil**

8. How many Green Credits have been generated or procured:

a. By the listed entity

b. By the top ten (in terms of value of purchases and sales,respectively) value chain partners"

None in FY 2024-25

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations. **8**

   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.

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry	National
2	Pharmaceuticals Export Promotion Council of India	National
3	Bulk Drugs Manufacturers Association	State
4	JNPC Manufacturers Association	State
5	The Associated Chambers of Commerce & Industry of India	National
6	Indo American Chamber of Commerce, Hyderabad	State
7	Indian Drug Manufacturers Association	National
8	Federation of Indian Chambers of Commerce and Industry	National

4. 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. **NIL**

Name of authority	Brief of the case	Corrective action taken
NA	NA	NA
NA	NA	NA

Leadership Indicators

1. Details of public policy positions advocated by the entity: **NIL**

Sr. No.	Public Policy Advocated	Method resorted for such advocacy	Whether information available in public domain (Yes/No)	Frequency of review by Board (Annually/Half Yearly/Quarterly, others- please specify)	Web link if available
	NIL	NIL	NIL	NIL	NIL

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year. **NIL**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA	NA	NA	NA	NA	NA

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format: **NIL**

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 INR)
	NA	NA	NA	NA	NA	NA

3. Describe the mechanisms to receive and redress grievances of the community.

   Consent of the community is obtained in major or the activities taken up by company. In case of any grievances, company representatives from each plant are accessible to community. And also through Mail or written communication and once been addressed, communicate back on the same channel of communication.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 25 (Current Financial Year)	FY 24 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	11%	8%
Directly from within India	67%	70%

Note: The boundary for reporting of MSMEs/small producers is Indian suppliers and for the input materials sourced directly from within India is global suppliers. Accordingly, the figures for FY 2023–24 have been restated to be consistent year on year.

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 25 (Current Financial Year)	FY 24 (Previous Financial Year)
Rural	93%	93%
Semi-urban	NIL	NIL
Urban	NIL	NIL
Metropolitan	7%	7%

Note: Numbers mentioned above are specific to India locations geography.

Classification is based on the RBI Guidelines and Census 2011

The Company re-assessed its location classification of its manufacturing units and offices. Accordingly, the figures for FY 2023–24 have been restated for consistent classification year on year.

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): **NIL**

Details of negative social impact identified	Corrective action taken
NA	NA

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In ₹ Crore)
1.	Andhra Pradesh	Alluri Sitharama Raju	0.10

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No) **No**

   (b) From which marginalised /vulnerable groups do you procure?

   (c) What percentage of total procurement (by value) does it constitute?

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: **NIL**

Sr. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
	NA	NA	NA	NA

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved. NIL

Name of authority	Brief of the Case	Corrective action taken
NA	NA	NA

6. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
(i)	**Promoting health care, eradicating hunger & Water Plant**		
	Pure Little Hearts Foundation	86	100%
	Hrudaya Foundation	43	100%
	Bal Arogya Samvardhan	18	100%
	Financial assistance for CAR T-Cell Therapy	2	100%
	Critical Medical treatment	1	100%
	Water Plant	Group of people	
	Contribution for construction of community Kitchen	Group of people	
(ii)	**Promoting Education**		
	Financial Support for Meritorious poor students	120	100%
	School Building at Moguluru	300	100%
	Support for ZP High School Kothur	450	100%
	School Building at Munnaluru	300	100%
(iii)	**Promoting Heritage**		
	Financial support towards Traditional Music festivals	Group of people	
	Financial support for Tribal cultural festivals	Group of people	
(iv)	**Ensuring environmental sustainability**		
	Animal Welfare -Daily care and maintenance of cattle feed and fodder	Group of herd	
	Garden Adoption at Tirumala	Group of people	
	Smart Andhra Pradesh Foundation for Flood relief	Group of people	
(v)	**Promoting Sports**		
	Financial Support for National Weight lifting Athlets	25	
	Financial Support for Golf Player	1	
	Financial Support for Chess Player	1	
(vi)	**Rural Development projects**		
	Garbage Vehicle to Gorlivanipalem Gram Panchayat	Group of people	
	Construction of Roads & Toilet Blocks at Munnaluru & Moguluru	Group of people	
	Rural Development projects	Group of people	
	Laurus Skill Development Center	Group of people	

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

   Consumer complaints will be received by mail and reply to them after due investigations.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Particulars	As a percentage to total turnover
Environmental and social parameters relevant to the product	We comply with the applicable and relevant laws and regulations of the countries we operate in with respect to disclosure of information on environmental and social parameters relevant to the products.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following: **NIL**

	FY 25 (Current Financial Year)			FY 24 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	NIL	NIL	NA	NIL	NIL	NA
Advertising	NIL	NIL	NA	NIL	NIL	NA
Cyber-security	NIL	NIL	NA	NIL	NIL	NA
Delivery of essential services	NIL	NIL	NA	NIL	NIL	NA
Restrictive Trade Practices	NIL	NIL	NA	NIL	NIL	NA
Unfair Trade Practices	NIL	NIL	NA	NIL	NIL	NA
Other	NIL	NIL	NA	NIL	NIL	NA

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	NA
Forced recalls	Nil	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

   Yes

   https://www.lauruslabs.com/Investors/PDF/Policies/LaurusLabsLimitedPrivacy-policy.pdf

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

   N/A

7. Provide the following information relating to data breaches:

   a. Number of instances of data breaches - **Nil**

   b. Percentage of data breaches involving personally identifiable information of customers - **Nil**

   c. Impact, if any, of the data breaches - **NA**

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

   https://www.lauruslabs.com/

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

   Proper labelling based on the regulatory requirements. – **Yes**

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services. **NIL**

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No) **No**

Assurance Report

INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT ON IDENTIFIED SUSTAINABILITY INFORMATION OF LAURUS LABS LIMITED

To the Board of Directors
of LAURUS LABS LIMITED

1. We have undertaken to perform limited assurance engagement, for **LAURUS LABS LIMITED** (the "Company") vide our engagement letter dated March 21, 2025, in respect of the agreed Sustainability Information listed below (the "Identified Sustainability Information") for the year ended March 31, 2025 in accordance with the Criteria stated in paragraph 3 below. This Sustainability Information is included in the Company's Business Responsibility and Sustainability Report (the "BRSR", the "Report") included within the Integrated Annual Report (the "IAR") of the Company for the year ended March 31, 2025. This engagement was conducted by a multidisciplinary team including assurance practitioners, environmental engineers and specialists.

2. Identified Sustainability Information

Our scope of limited assurance consists of the Identified Sustainability Information listed in the Appendix I to our report. The reporting boundary of the Report is as disclosed in Question 13 of Section A: General Disclosure of the BRSR with exceptions disclosed by way of note under respective questions of the BRSR, where applicable.

3. Criteria

The Criteria used by the Company to prepare the Identified Sustainability Information is listed below:

- Regulation 34(2)(f) of the Securities and Exchange Board of India (the "SEBI") (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended;
- Business Responsibility and Sustainability Reporting Requirements for listed entities per Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 (the "SEBI Master Circular");
- SEBI Press Release PR No.36/2024 dated December 18, 2024;
- Industry Standards on Reporting of BRSR Core as per SEBI Circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177 dated December 20, 2024; and
- SEBI Circular SEBI/HO/CFD/CFD - PoD-1/P/CIR/2025/42 dated March 28, 2025.

4. Management's Responsibility

The Company's management is responsible for selecting or establishing suitable criteria for preparing the Sustainability Information including the reporting boundary of the Report, taking into account applicable laws and regulations, if any, related to reporting on the Sustainability Information, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal controls relevant to the preparation of the Report and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

5. Inherent limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between companies.

6. Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") and the SEBI Master Circular and its clarifications thereto and have the required competencies and experience to conduct this assurance engagement.

The firm applies Standard on Quality Control (the "SQC") 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements", and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

7. Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Identified Sustainability Information listed in Appendix I based on the procedures we have performed and evidence we have obtained.

We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, "Assurance Engagements on Sustainability Information", and Standard on Assurance Engagements (SAE) 3410 Assurance Engagements on Greenhouse Gas Statements (together the "Standards"), both issued by the Sustainability Reporting Standards Board (the "SRSB") of the ICAI.

These Standards require that we plan and perform our engagement to obtain limited assurance about whether the Identified Sustainability Information is free from material misstatement.

As part of limited assurance engagement in accordance with the Standards, we exercise professional judgment and maintain professional skepticism throughout the engagement.

8. Limited Assurance

A limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of the Identified Sustainability Information as listed in Appendix I, assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Information.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents and evaluating the appropriateness of reporting policies and agreeing with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Obtained an understanding of the Identified Sustainability Information and related disclosures;
- Obtained an understanding of the assessment criteria and their suitability for the evaluation and/or measurements of the Identified Sustainability Information;
- Made inquiries of Company's management, including Environment Health and Safety team, finance team, compliance team, human resources team amongst others and those with the responsibility for preparation of the Report;
- Obtained an understanding and performed an evaluation of the design of the key systems, processes and controls for recording, processing and reporting on the Identified Sustainability Information at the corporate office and at plants on a sample basis. This included evaluating the design of those controls relevant to the engagement and determining whether they have been implemented by performing procedures in addition to inquiry of the personnel responsible for the Identified Sustainability Information;
- Based on the above understanding and the risks that the Identified Sustainability Information may be materially misstated, determined the nature, timing and extent of further procedures;
- Reviewed the key assumptions, emission factors and methodologies used for calculation of Greenhouse Gas (the" GHG") emissions;
- Reviewed the Company's process for collating the sustainability information through agreeing or reconciling the Identified Sustainability Information with the underlying records on a sample basis; and
- Reviewed the consolidation for plants on a sample basis and corporate office under the reporting boundary for ensuring the completeness of data being reported.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

9. Exclusions

Our assurance scope excludes the following and therefore we do not express a conclusion on:

- Aspects of the Report and the data/information (qualitative or quantitative) other than the Identified Sustainability Information; and
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.

10. Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Identified Sustainability Information listed in Appendix I and presented for the year ended March 31, 2025 in the Report are not prepared, in all material respects, in accordance with the Criteria as stated in paragraph 3 above.

11. Restriction on use

Our Limited Assurance report has been prepared and addressed to the Board of Directors of the Company at the request of the Company solely, to assist the Company in reporting on Company's sustainability performance and activities. Accordingly, we accept no liability to anyone, other than the Company. Our Limited Assurance report should not be used for any other purpose or by any person other than the addressees of our report. We neither accept nor assume any duty of care or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W / W-100018)

Pratiq Shah
Partner
Membership No. 111850
UDIN: 25111850BNUHLO4940

Place: Mumbai
Date: May 15, 2025

Assurance Report

APPENDIX I

Identified Sustainability Information subject to Limited Assurance

BRSR Core Indicators subject to Limited assurance

Sr. No	Reporting Standard Reference	Description of Indicator
Section C: Principle [P] Wise Performance Disclosures - Essential Indicators [E]		
1	P-1 [E], Question 8	Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured)
2	P-1 [E], Question 9	Open-ness of business: Details of concentration of purchases and sales with trading houses with dealers, and related parties along-with loans and advances & investments, with related parties.
3	P-3 [E], Question 1(c)	Spending on measures towards well-being of employees and workers (including permanent and other than permanent)
4	P- 3 [E], Question 11	Details of safety related incidents: Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) (employees and workers) Total recordable work-related injuries (employees and workers) • No. of fatalities (employees and workers) • High consequence work-related injury or ill-health (excluding fatalities) (employees and workers)
5	P-5 [E], Question 3(b)	Gross wages paid to females as % of total wages paid by the entity
6	P-5 [E], Question 7	Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 • Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) • Complaints on POSH as a % of female employees/workers • Complaints on POSH upheld
7		Details of total energy consumption (in Joules or multiples) and energy intensity: • Total energy consumed from renewable sources • Total energy consumption from non-renewable sources
8	P-6 [E], Question 1	Total energy consumed
9		Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)
10	P-6 [E], Question 3	Water withdrawal by source (in kilolitres) • Surface water, Groundwater, Third-Party Water, Seawater/desalinated water, Others • Total volume of water withdrawal (in kilolitres) • Total volume water consumption (in kilolitres)
11		Water intensity per rupee of turnover (Total water consumption / Revenue from operations) Water intensity per rupee of turnover adjusted for PPP (Total water consumption / Revenue from operations adjusted for PPP)
12	P-6 [E], Question 4	Water Discharge by destination and level of treatment (in kilolitres)
13		Greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity Total Scope 1 emissions (Break-up of the GHG into CO_2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available
14	P-6 [E], Question 7	Total Scope 2 emissions (Break-up of the GHG into CO_2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)
15		• Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations) • Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)

Sr. No	Reporting Standard Reference	Description of Indicator
16	P-6 [E], Question 9	Details related to waste management by the entity: Total waste generated: Plastic waste, E-waste, Construction demolition waste, Biomedical waste, Battery waste, Radioactive waste, Other Hazardous waste and Non-hazardous waste.
17		• Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) • Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)
18	P-6 [E], Question 9	Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)
19	P-6 [E], Question 9	Each category of waste generated; total waste disposed by nature of disposal method (in metric tonnes)
20	P-8 [E], Question 4	Percentage of input material (inputs to total inputs by value) sourced from suppliers. • Directly sourced from MSMEs/ small producers • Directly from within India
21	P-8 [E], Question 5	Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the Rural, Semi-urban, Urban and Metropolitan locations, as a percentage of total wage cost.
22	P-9 [E], Question 7	Information relating to data breaches: • Number of instances of data breaches • Percentage of data breaches involving personally identifiable information of customers • Impact, if any, of the data breaches

Independent Auditor's Report

To The Members of
Laurus Labs Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Laurus Labs Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibility for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue Recognition- Refer note 2.2 (d) and note 17 of standalone financial statements** The Company recognises revenue from products based on the terms and conditions of transactions which varies with different customers. For sale transactions in a certain period of time around the Balance Sheet date, it is essential to ensure that the control of goods have transferred to the customers. As revenue recognition is subject to management's judgement on whether the control of the goods have been transferred, we consider cut-off of revenue as a key audit matter.	**Principal audit procedures performed included the following:** We obtained an understanding of the revenue recognition process and tested the Company's controls around the timely and accurate recording of sales transactions. We have obtained an understanding of a sample of customer contracts. We tested the access and change management controls of the relevant information technology system in which shipments are recorded. Our test of revenue samples focused on sales recorded immediately before the year-end, obtaining evidence to support the appropriate timing of revenue recognition, based on terms and conditions set out in sales contracts and delivery documents.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's report including annexures to Board's report, Report on Corporate Governance and Business Responsibility and Sustainability Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Management Discussion and Analysis, Board's report including annexures to Board's report, Report on Corporate Governance and Business Responsibility and Sustainability Report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the standalone financial statements does not cover the other information and, we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the Management Discussion and Analysis, Board's report including annexures to Board's report, Report on Corporate Governance and Business Responsibility and Sustainability Report, if we conclude that there is a material misstatement therein, we are required to communicate the

matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books of account.

    c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors as on March 31, 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 standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

    g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

    h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

        i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 39(C) to the standalone financial statements;

        ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

        iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 41(vi) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

        (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 41(vii) to the 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 Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

        (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. (a) The first interim dividend declared and paid by the company during the year and until the date of this report is in accordance with section 123 of the Act, as applicable.

(b) The second interim dividend declared by the Company during the year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to declaration of dividend. However, the said dividend was not due for payment on the date of this audit report.

(c) The interim dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

C Manish Muralidhar
(Partner)
(Membership No. 213649)
(UDIN: 25213649BMOEMJ3077)

Place: Hyderabad
Date: April 24, 2025

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls with reference to standalone financial statements of Laurus Labs Limited (the "Company") as at March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to standalone financial statements

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

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

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

C Manish Muralidhar
(Partner)
(Membership No. 213649)
(UDIN: 25213649BMOEMJ3077)

Place: Hyderabad
Date: April 24, 2025

Annexure "B" to the Independent Auditor's Report

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

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

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

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

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

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

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

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

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

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

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

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

(₹ in crores)

		Investments	Loans	Guarantees
A.	Aggregate amount granted / provided during the year:			
	- Subsidiaries	-	339.00	42.79
	- Joint Venture	105.35	-	-
	- Associates	-	-	-
	- Others (to employees)	-	0.94	-
B.	Balance outstanding as at balance sheet date in respect of above cases:			
	- Subsidiaries	-	472.50	42.79
	- Associates	-	-	-
	- Joint Venture	105.35	-	-
	- Others (to employees)	-	0.69	-

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

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

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

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

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

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

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

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

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

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

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2025 on account of disputes are given below:

Name of Statute	Nature of Dues	Amount (in ₹ crores)	Period for which the amount relates to	Forum where dispute is pending
AP VAT Act, 2005	Sales Tax	0.00^	2014-2016	Sales Tax and VAT Appellate Tribunal, Andhra Pradesh
Finance Act, 1994	Service Tax	21.73*	2010-2015	Customs Excise and Service Tax Appellate Tribunal
		18.87**	2015-2017	
Customs Act, 1962	Customs Duty	18.61#	2012-13	

^ Net of ₹ 0.36 crores paid under protest

* Net of ₹ 0.37 crores paid under protest

**Net of ₹ 0.61 crores paid under protest

Net of ₹ 2.00 crores paid under protest

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

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

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

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

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

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

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

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

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

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

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

(c) We have taken into consideration the whistle blower complaints received by the Company during the year and provided to us, when performing our audit.

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

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

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

(b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto March 2025.

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

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

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

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

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

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

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

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

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

C Manish Muralidhar
(Partner)
(Membership No. 213649)
(UDIN: 25213649BMOEMJ3077)

Place: Hyderabad
Date: April 24, 2025

Standalone Balance Sheet

as at March 31, 2025

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

Particulars	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,762.97	2,902.77
Right-of-use assets	39A	106.90	115.99
Capital work-in-progress	3	336.24	155.51
Other Intangible assets	4	17.63	17.55
Financial assets			
Investments	5A	740.22	634.87
Other financial assets	5C	44.01	43.90
Loans	5B	466.50	226.50
Other non-current assets	7A	105.50	53.28
Total non-current assets		**4,579.97**	**4,150.37**
Current assets			
Inventories	8	1,738.88	1,697.16
Financial assets			
Trade receivables	9	2,035.07	1,640.50
Cash and cash equivalents	10A	50.36	42.63
Bank balances other than Cash and cash equivalents	10B	0.28	0.29
Loans	5B	6.69	6.60
Other financial assets	5C	12.93	8.82
Other current assets	7B	162.57	121.11
Total current assets		**4,006.78**	**3,517.11**
Total assets		**8,586.75**	**7,667.48**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	107.85	107.79
Other equity	11	4,456.10	4,099.26
Total equity		**4,563.95**	**4,207.05**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	13A	414.25	490.53
Lease liabilities	39A	46.90	53.10
Provisions	15A	96.72	88.26
Deferred tax liability (net)	6	35.63	66.31
Other non-current liabilities	14A	267.26	26.44
Total non-current liabilities		**860.76**	**724.64**
Current liabilities			
Financial liabilities			
Borrowings	13B	1,910.39	1,558.53
Trade payables			
- total outstanding dues of micro enterprises and small enterprises	13C	24.46	22.78
- total outstanding dues of creditors other than micro enterprises and small enterprises	13C	904.24	974.00
Lease liabilities	39A	8.22	7.66
Other financial liabilities	13D	194.01	39.33
Other current liabilities	14B	39.63	75.48
Provisions	15B	27.63	24.00
Income tax liabilities (net)	16	53.46	34.01
Total current liabilities		**3,162.04**	**2,735.79**
Total - equity and liabilities		**8,586.75**	**7,667.48**
Summary of material accounting policies	2.2		

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

As per our report of even date

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
ICAI Firm Registration Number: 117366W/W-100018

C. Manish Muralidhar
Partner
Membership No. 213649

Place: Hyderabad
Date: April 24, 2025

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

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

V.V. Ravi Kumar
Executive Director & Chief Financial Officer
DIN: 01424180

G.Venkateswar Reddy
Company Secretary
Membership No. F7016

Place: Hyderabad
Date: April 24, 2025

Standalone Statement of Profit and Loss

for the year ended March 31, 2025

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

	Particulars	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
I.	**INCOME**			
	Revenue from operations	17	5,216.98	4,812.39
	Other income	18	65.10	27.05
	Total income (I)		**5,282.08**	**4,839.44**
II.	**EXPENSES**			
	Cost of materials consumed	19	2,371.38	2,396.95
	Purchase of traded goods		105.36	110.92
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	20	(13.55)	(102.48)
	Employee benefits expenses	21	608.64	552.21
	Other expenses	22	1,200.82	1,104.91
	Total expenses (II)		**4,272.65**	**4,062.51**
III.	**Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) (I-II)**		**1,009.43**	**776.93**
	Depreciation and amortisation	3, 4 & 39A	358.79	345.01
	Finance income	23A	(35.37)	(20.37)
	Finance costs	23B	182.20	150.82
IV.	**Profit before tax**		**503.81**	**301.47**
V.	**Tax expense**			
	Current tax		153.84	87.94
	Deferred tax		(30.42)	(10.17)
	Income tax expense		**123.42**	**77.77**
VI.	**Profit for the year (IV-V)**		**380.39**	**223.70**
	Other comprehensive income (OCI)	24		
	Items that will not be reclassified subsequently to profit or loss:			
	Remeasurement gains/(losses) on defined benefit plans		(1.02)	(1.02)
	Tax on remeasurement of defined benefit plans		0.26	0.26
	Total other comprehensive income/(loss) for the year, net of tax		**(0.76)**	**(0.76)**
	Total comprehensive income for the year, net of tax		**379.63**	**222.94**
	Earnings per equity share ₹ 2/- each fully paid (March 31, 2024: ₹ 2/- each fully paid)	25		
	Computed on the basis of total profit for the year			
	Basic (₹)		7.06	4.15
	Diluted (₹)		7.05	4.15
	Summary of material accounting policies	2.2		

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

As per our report of even date

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
ICAI Firm Registration Number: 117366W/W-100018

C. Manish Muralidhar
Partner
Membership No. 213649

Place: Hyderabad
Date: April 24, 2025

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

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

V.V. Ravi Kumar
Executive Director & Chief Financial Officer
DIN: 01424180

G.Venkateswar Reddy
Company Secretary
Membership No. F7016

Place: Hyderabad
Date: April 24, 2025

Standalone Statement of Changes in Equity

for the year ended March 31, 2025

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

a) Equity share capitall

Equity shares of ₹2/- each, fully paid up	No.	₹
As at April 01, 2023	**53,86,50,925**	**107.73**
Issued during the year - ESOP	3,14,933	0.06
As at March 31, 2024	**53,89,65,858**	**107.79**
Issued during the year - ESOP	2,86,633	0.06
As at March 31, 2025	**53,92,52,491**	**107.85**

b) Other equity

Particulars	Reserves and surplus					Total
	Capital reserve	Securities Premium	Share based payments reserve	Retained Earnings	Re-measurement of the net defined benefit plans	
As at April 01, 2023	**1.79**	**713.06**	**12.05**	**3,230.09**	**(7.90)**	**3,949.09**
Profit for the year	-	-	-	223.70	-	223.70
Expense arising from equity-settled share-based payment transactions	-	-	10.92	-	-	10.92
Transferred from stock options outstanding	-	4.02	(1.53)	-	-	2.49
Dividend on equity shares	-	-	-	(86.18)	-	(86.18)
Remeasurement loss on net defined benefit liability, net of tax	-	-	-	-	(0.76)	(0.76)
As at March 31, 2024	**1.79**	**717.08**	**21.44**	**3,367.61**	**(8.66)**	**4,099.26**
Profit for the year	-	-	-	380.39	-	380.39
Expense arising from equity-settled share-based payment transactions	-	-	10.23	-	-	10.23
Transferred from stock options outstanding	-	15.76	(5.65)	-	-	10.11
Dividend on equity shares	-	-	-	(43.13)	-	(43.13)
Remeasurement loss on net defined benefit liability, net of tax	-	-	-	-	(0.76)	(0.76)
As at March 31, 2025	**1.79**	**732.84**	**26.02**	**3,704.87**	**(9.42)**	**4,456.10**

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

As per our report of even date

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
ICAI Firm Registration Number: 117366W/W-100018

C. Manish Muralidhar
Partner
Membership No. 213649

Place: Hyderabad
Date: April 24, 2025

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

Dr. Satyanarayana Chava
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DIN: 01424180

G.Venkateswar Reddy
Company Secretary
Membership No. F7016

Place: Hyderabad
Date: April 24, 2025

Standalone Statement of Cash Flows

for the year ended March 31, 2025

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

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit before tax	503.81	301.47
Cash Flow from operating activities		
Adjustments for:		
Depreciation and amortisation	358.79	345.01
(Profit)/Loss on sale of Property, plant and equipment (net)	(58.12)	0.80
Finance income	(35.37)	(20.37)
Interest expense	177.30	143.81
Share based payment expense	10.23	10.92
Net (gain)/loss on foreign exchange fluctuations (unrealised)	0.01	(6.77)
Allowance for expected credit loss and bad debts (net)	45.79	4.92
Operating profit before working capital changes	**1,002.44**	**779.79**
Movement in working capital:		
Increase in inventories	(41.73)	(127.87)
Increase in trade receivables	(447.29)	(155.78)
Increase in financial and non-financial assets	(37.52)	(26.66)
Increase/(Decrease) in trade payables	(65.40)	328.90
Increase/(Decrease) in financial, non-financial liabilities and provisions	263.95	(41.86)
Cash generated from operations	**674.45**	**756.52**
Income tax paid	(134.39)	(97.98)
Net cash generated from operating activities (A)	**540.06**	**658.54**
Cash flow used in investing activities		
Purchase of property, plant and equipment, including intangible assets, and movement in capital work in progress, capital advances and capital creditors	(380.68)	(367.32)
Proceeds from sale of property, plant and equipment	99.00	1.55
Movement in Bank balances other than Cash and cash equivalents	0.01	-
Investment in associate	-	(80.02)
Investment in Joint Venture	(105.35)	-
Investment in subsidiaries	-	(170.73)
Loan given to subsidiaries	(339.00)	(283.00)
Loan repaid by subsidiaries	99.00	121.00
Interest received	35.37	21.78
Net cash used in investing activities (B)	**(591.65)**	**(756.74)**
Cash flow from financing activities		
Proceeds from exercise of employee stock options	10.17	2.56
Repayment of long - term borrowings (Refer note no. 13g)	(244.42)	(179.33)
Proceeds from long - term borrowings (Refer note no. 13g)	178.86	177.37
Proceeds from Short - term borrowings (net) (Refer note no. 13g)	345.79	375.60
Payment of lease liabilities (Refer note no. 39A)	(11.81)	(7.41)
Dividend paid	(43.13)	(86.18)
Interest paid	(176.14)	(143.20)
Net cash generated from financing activities (C)	**59.32**	**139.41**
Net increase in cash and cash equivalents (A+B+C)	7.73	41.21
Cash and cash equivalents at the beginning of the year	42.63	1.42
Cash and cash equivalents at the year end	**50.36**	**42.63**
Components of cash and cash equivalents:		
Cash on hand	0.07	0.06
Balances with banks		
On current accounts	50.29	42.57
Total cash and cash equivalents	**50.36**	**42.63**

Note: The above cash flow statement has been prepared under "Indirect Method" as set out in the Indian Accounting Standards (Ind AS 7)

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

As per our report of even date

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
ICAI Firm Registration Number: 117366W/W-100018

C. Manish Muralidhar
Partner
Membership No. 213649

Place: Hyderabad
Date: April 24, 2025

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

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

V.V. Ravi Kumar
Executive Director & Chief Financial Officer
DIN: 01424180

G.Venkateswar Reddy
Company Secretary
Membership No. F7016

Place: Hyderabad
Date: April 24, 2025

Standalone Notes to Financial Statements

for the year ended March 31, 2025

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

1. Corporate information

Laurus Labs Limited (the "Company") offers a broad and integrated portfolio of Active Pharma Ingredients (API) including intermediates, Generic Finished dosage forms (FDF) and Contract Research services to cater to the needs of the global pharmaceutical industry. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the company is located at Laurus Enclave, Plot Office 01, E. Bonangi Village, Parawada Mandal, Anakapalli District, Andhra Pradesh – 531021.

The Company is equipped with an Active Pharma Ingredients (API) manufacturing facilities, FDF drug manufacturing facility situated in Parawada and Achutapuram at Visakhapatnam and a Research and Development Centre in IKP Knowledge Park at Hyderabad.

These financial statements are authorised by the Board of Directors for issue in accordance with their resolution dated April 24, 2025.

2. Material accounting policies

2.1 Basis of preparation

(a) The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS'), under the historical cost basis except for certain financial instruments which are measured at fair values at the end of each reporting period as explained in the accounting policies below, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after and presentation requirements of Division II of Schedule III to the Companies Act, 2013.

2.2 Summary of material accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

(b) Foreign currencies

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

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

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

(c) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or

Standalone Notes to Financial Statements

for the year ended March 31, 2025

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

- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 : Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's chief financial officer and the financial controller of the Company determines the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. Any change in the fair value of each asset and liability is also compared with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(d) Revenue recognition

Revenue from contracts with customers is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. When a performance obligation is satisfied, the revenue is measured at the transaction price which is consideration received or receivable, net of returns and allowances, trade discounts and volume rebates after taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company derives revenues primarily from manufacture and sale of Active Pharma Ingredients (API) including intermediates, Generic Finished dosage forms (FDF) and Contract Research services (together called as "Pharmaceuticals").

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

Sale of products

The Company recognises revenue for supply of goods to customers against orders received. The majority of contracts that company enters into relate to sales orders containing single performance obligations for the delivery of pharmaceutical products as per Ind AS 115. Product revenue is recognised when control of the goods is passed to the customer. The point at which control passes is determined based on the terms and conditions by each customer arrangement. Revenue is not recognised until it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Amount representing the profit share component is recognised as revenue only to the extent that it is highly probable that a significant reversal will not occur.

The Company also recognises revenue where goods are ready as per customer request and pending dispatch at the instance of the customer. In such cases, the products are separately identified as belonging to the customer and the Company does not hold the right to redirect the product to another customer. On satisfaction of all performance obligations, invoice is raised on the customer in accordance with customer request at regular payment terms.

Standalone Notes to Financial Statements

for the year ended March 31, 2025

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

The Government of India introduced the Goods and Services Tax (GST) with effect from July 01, 2017. Accordingly, 'Revenue', Revenue from operations for the year ended March 31, 2018 includes Excise duty up to June 30, 2017. Revenue from operations of earlier periods included Excise duty which is now subsumed in GST.

Sale of services

Revenue from services rendered, which primarily relate to contract research, is recognised in the statement of profit and loss as the underlying services are performed. Upfront non-refundable payments received under these arrangements are deferred and recognised as revenue over the expected period over which the related services are expected to be performed.

Contract Liabilities

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

Interest income

For all debt financial instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in finance income in the Statement of Profit and Loss.

Dividends

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

(e) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Export incentives are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

(f) Taxes

Income tax

Income tax expense consists of current and deferred tax. Income tax expense is recognised in the standalone statement of Profit and Loss except to the extent that it relates to items recognised in OCI or directly in equity, in which case it is recognised in OCI or directly in equity respectively. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provision where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based

Standalone Notes to Financial Statements

for the year ended March 31, 2025

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

on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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

(g) Property, plant and equipment

Under the previous GAAP (Indian GAAP), property, plant and equipment and capital wok in progress were carried in the balance sheet at cost of acquisition. The Company has elected to regard those values of property, plant and equipment as deemed cost at the date of the acquisition since there is no change in the functional currency as at 1 April 2015 (date of transition to Ind AS) on the date of transition to Ind AS. The Company has also determined that cost of acquisition or construction at deemed cost as at 1 April 2015.

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance or extends its estimated useful life. Freehold land is not depreciated.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Factory buildings	:	30 years
Other buildings	:	60 years
Plant and equipment	:	5 to 20 years
Furniture and fixtures	:	10 years
Vehicles	:	4 to 5 years
Computers	:	3 to 6 years

The Company, based on technical assessment and management estimate, depreciates certain items of plant and equipment and vehicles over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively/retrospectively, as appropriate.

(h) Intangible assets

Computer Software

Costs relating to software, which is acquired, are capitalised and amortised on a straight-line basis over their estimated useful lives of five years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

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

(i) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term and useful life of the underlying asset. The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

(j) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

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for the year ended March 31, 2025

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

(k) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on weighted average basis.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Stores, spares and packing materials are valued at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(l) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss. An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods/ years. Such reversal is recognised in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(m) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(n) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense,

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when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund by a third party.

The cost of providing benefits under the defined benefit plan is determined based on projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to Statement of Profit or Loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

The Company treats accumulated leaves which are to be settled after 12 months as a long-term employee benefit and accumulated leaves which are to be settled in the next 12 months as a short-term employee benefit for measurement purposes. Such accumulated leaves are provided for based on an actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

(o) Share-based payments

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments.

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using Black Scholes valuation model.

That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(p) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a siginficant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame

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

established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, a 'debt instrument' is measured at the amortised cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 9.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

a) the rights to receive cash flows from the asset have expired, or

b) the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

i. the Company has transferred substantially all the risks and rewards of the asset, or

ii. the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits and bank balances.

b) Trade receivables that result from transactions that are within the scope of Ind AS 115.

The Company follows 'simplified approach' for recognition of impairment loss. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition.

If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted

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at the original effective interest rate. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

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

Particulars	% of provision on outstanding receivables
> 1 year and < 2 years	25%
> 2 years and < 3 years	50%
> 3 years	100%

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss ("FVTPL"), loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to Statement of Profit or Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit or Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit or Loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant

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

to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(q) Investments in subsidiaries

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

(r) Derivative instruments and hedge accounting

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

Changes in the fair value of derivative contracts that economically hedge monetary assets and liabilities in foreign currencies, and for which no hedge accounting is applied, are recognised in the statement of profit and loss. The changes in fair value of such derivative contracts, as well as the foreign exchange gains and losses relating to the monetary items, are recognised in the Statement of Profit and Loss.

(s) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(t) Research and Development

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

(u) Measurement of EBITDA

The Company presents EBITDA in the statement of profit or loss, which is neither specifically required by Ind AS 1 nor defined under Ind AS. Ind AS complaint Schedule III allows companies to present line items, sub-line items and sub-totals shall be presented as an addition or substitution on the face of the financial statements when such presentation is relevant to an understanding of the company's financial position or performance or to cater to industry/sector-specific disclosure requirements or when required for compliance with the amendments to the Companies Act or under the Indian Accounting Standards.

Accordingly, the Company has elected to present EBITDA as a separate line item on the face of the Statement of Profit and Loss and does not include depreciation and amortisation expense, finance income, finance costs, share of profit/ loss from associate and tax expense in the measurement of EBITDA.

(v) New standards and interpretations not yet adopted

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

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

3. Property, plant and equipment

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Computers	Vehicles	Total
Gross carrying value (at cost or deemed cost)							
As at April 01, 2023	**171.21**	**1,116.29**	**2,644.96**	**83.02**	**40.44**	**30.17**	**4,086.09**
Additions	3.61	90.13	335.08	9.93	9.28	9.79	457.82
Disposals	-	-	(5.16)	-	-	(4.61)	(9.77)
As at March 31, 2024	**174.82**	**1,206.42**	**2,974.88**	**92.95**	**49.72**	**35.35**	**4,534.14**
Additions	4.46	28.85	189.70	1.14	8.31	11.44	243.90
Disposals	(31.80)	(0.60)	(30.73)	(0.57)	(0.75)	(5.65)	(70.10)
As at March 31, 2025	**147.48**	**1,234.67**	**3,133.85**	**93.52**	**57.28**	**41.14**	**4,707.94**
Depreciation							
As at April 01, 2023	**-**	**205.99**	**1,033.72**	**30.78**	**21.91**	**12.71**	**1,305.11**
Charge for the year	-	46.43	264.02	9.53	6.06	7.64	333.68
Disposals	-	(0.05)	(3.52)	-	-	(3.85)	(7.42)
As at March 31, 2024	**-**	**252.37**	**1,294.22**	**40.31**	**27.97**	**16.50**	**1,631.37**
Charge for the year	-	49.67	266.97	10.30	6.82	9.06	342.82
Disposals	-	(0.45)	(22.65)	(0.33)	(0.49)	(5.30)	(29.22)
As at March 31, 2025	**-**	**301.59**	**1,538.54**	**50.28**	**34.30**	**20.26**	**1,944.97**
Net carrying value							
As at March 31, 2024	**174.82**	**954.05**	**1,680.66**	**52.64**	**21.75**	**18.85**	**2,902.77**
As at March 31, 2025	**147.48**	**933.08**	**1,595.31**	**43.24**	**22.98**	**20.88**	**2,762.97**

Notes:

(i) Pledge on Property, plant and equipment:

Property, plant and equipment (other than vehicles) with a net carrying amount aggregating ₹ 2,742.09 (March 31, 2024: ₹ 2,883.92) are subject to a pari passu first charge on the Company's term loans. Further, the property, plant and equipment (other than vehicles) are subject to a pari passu second charge on the Company's current borrowings. Also, refer note 13A and 13B.

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

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

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

	As at March 31, 2025	As at March 31, 2024
Opening balance	155.51	357.06
Additions during the year	424.63	256.27
Capitalised during the year	243.90	457.82
Closing balance	**336.24**	**155.51**

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

(v) Capital work-in-progress (CWIP) ageing schedule:

For the year ended March 31, 2025

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	270.23	56.52	6.96	2.53	336.24
Projects temporarily suspended	-	-	-	-	-

For the year ended March 31, 2024

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	138.83	14.15	2.53	-	155.51
Projects temporarily suspended	-	-	-	-	-

(vi) For CWIP, whose completion is overdue or has exceeded its cost compared to its original plan the project wise details of when the project is expected to be completed it given below:

Particulars	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
CETP - Unit VIII	123.53	-	-	-	123.53
Utility block - Unit II	12.51	-	-	-	12.51
Balance as on March 31, 2025	**136.04**	**-**	**-**	**-**	**136.04**
Projects in progress	-	-	-	-	
Balance as on March 31, 2024	**-**	**-**	**-**	**-**	**-**

4. Other Intangible assets

Particulars	Computer software	Total intangible assets
Gross carrying value (at cost or deemed cost)		
As at April 01, 2023	**40.01**	**40.01**
Additions	9.54	9.54
Disposals	-	-
As at March 31, 2024	**49.55**	**49.55**
Additions	5.57	5.57
Disposals	(0.99)	(0.99)
As at March 31, 2025	**54.13**	**54.13**
Amortisation		
As at April 01, 2023	**27.37**	**27.37**
Charge for the year	4.63	4.63
Disposals	-	-
As at March 31, 2024	**32.00**	**32.00**
Charge for the year	5.49	5.49
Disposals	(0.99)	(0.99)
As at March 31, 2025	**36.50**	**36.50**
Net carrying value		
As at March 31, 2024	**17.55**	**17.55**
As at March 31, 2025	**17.63**	**17.63**

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5. Financial assets

		March 31, 2025	March 31, 2024
A.	**Investments**		
	Equity instruments of subsidiaries, associates and Joint venture	619.99	514.64
	Compulsorily convertible preference shares of associate	116.82	116.82
	Others	3.41	3.41
	Total	**740.22**	**634.87**

(Unquoted, except otherwise stated)

(a) Investment in equity instruments - carried at cost	March 31, 2025	March 31, 2024
I. Investments in subsidiaries		
- 9,700 Equity Shares of Laurus Generics Inc (March 31, 2024: 9,700) of US$ 100 each fully paid-up	34.16	34.16
- 14,203,363 (March 31, 2024:14,203,363) Equity Shares of ₹ 10 each fully paid-up of Sriam Labs Private Limited	28.19	28.19
- 8,500 (March 31, 2024: 8,500) Equity Shares of GBP 100 each fully paid-up in Laurus Holdings Limited	7.79	7.79
- 107,600 (March 31, 2024:107,600) Equity Shares of ₹ 10 each fully paid-up of Laurus Synthesis Private Limited	99.23	99.23
- 2,000 (March 31, 2024: 2,000) Equity Shares of ZAR 1.00 each fully paid-up in Laurus Generics SA (Pty) Limited	0.03	0.03
- 2,35,919 (March 31, 2024: 2,35,919) Equity Shares of ₹ 10 each fully paid-up in Laurus Bio Private Limited (note ii)	332.04	332.04
- 100,000 (March 31, 2024:100,000) Equity Shares of ₹ 10 each fully paid-up of Laurus Specialty Chemicals Private Limited (Note iii)	0.10	0.10
Sub-Total (I)	**501.54**	**501.54**
II. Investments in associates		
- 996 (March 31, 2024: 996) Equity shares of ₹ 10 each fully paid-up of Immunoadoptive Cell Therapy Private Limited	9.20	9.20
- 740,000 (March 31, 2024: 740,000) Equity shares of ₹ 10 each fully paid-up of Ethan Energy India Private Limited	3.90	3.90
Sub-Total (II)	**13.10**	**13.10**
III. Investments in Joint Venture		
- 10,53,50,000 (March 31, 2024: Nil) Equity shares of ₹ 10 each fully paid-up of KRKA Pharma Private Limited (Note i)	105.35	-
Total (a) (I+II+III)	**619.99**	**514.64**

(b) Investment in Compulsorily convertible preference shares - carried at cost	March 31, 2025	March 31, 2024
Investments in associates		
- 3,983, 0.1 % Compulsorily Convertible preference shares of ₹ 10 each fully paid Series A of Immunoadoptive Cell Therapy Private Limited (March 31, 2024: 3,983 of ₹ 10 each fully paid)	36.80	36.80
- 2,028, 0.1 % Compulsorily Convertible preference shares of ₹ 10 each fully paid Series B of Immunoadoptive Cell Therapy Private Limited (March 31, 2024: 2,028 of ₹ 10 each fully paid)	80.02	80.02
Total (b)	**116.82**	**116.82**
Total (a+b)	**736.81**	**631.46**

Notes:

i) Pursuant to the joint venture agreement entered into by the Company with KRKA Pharma Private Limited ("KRKA"), Capital contribution amounting to ₹ 105.35 have been made into KRKA in terms of the aforesaid agreement during the year for 49% stake in two tranches, ₹ 22.05 and ₹ 83.30 respectively. The Company has accounted for the investment in KRKA as joint venture w.e.f. October 03, 2024.

ii) During the year, Laurus Bio Private Limited ("Laurus Bio") entered into definitive agreement with Eight Roads Ventures and F-Prime Capital ("Investors"), Pursuant to this agreement Investors have together invested ₹ 120 crores into Laurus Bio. Accordingly, the Company's stake in Laurus Bio as on March 31, 2025 is 76.32% (as on March 31, 2024: 91.14%).

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

iii) The Company incorporated wholly owned subsidiary, Laurus Specialty Chemicals Private Limited (LSCPL) in India on December 01, 2022. LSCPL has not commenced its operations.

iv) The Company has complied with number of layers prescribed under clause 87 of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

(c) Unquoted investments (measured at fair value through profit and loss)	March 31, 2025	March 31, 2024
- 3,405,000 (March 31, 2024: 3,405,000) Equity Shares of ₹ 10 each of Atchutapuram Effluent Treatment Ltd	3.41	3.41
Total	**3.41**	**3.41**

B. Loans

Particulars	March 31, 2025	March 31, 2024
Non-current (unsecured, considered good unless otherwise stated)		
Other loans		
- Loans to related parties* (Refer note no.33)	466.50	226.50
Total	**466.50**	**226.50**
Current (unsecured, considered good unless otherwise stated)		
Other loans		
- Loans to employees	0.69	0.60
- Loans to related parties* (Refer note no.33)	6.00	6.00
Total	**6.69**	**6.60**

* Percentage to the total loans 99.9% (March 31, 2024: 99.7%)

C. Other financial assets

Particulars	March 31, 2025	March 31, 2024
Non-current (unsecured, considered good unless otherwise stated)		
Security deposits	35.50	31.39
Export and other incentives receivable (net)*	8.51	12.51
Total	**44.01**	**43.90**
Current (unsecured, considered good unless stated otherwise)		
Export and other incentives receivable (net)*	5.36	8.60
Other receivable	7.57	-
Derivative foreign currency forward contracts	-	0.22
Total	**12.93**	**8.82**

*Export and other receivable comprises the following:

a. Market Access Initiative (MAI refunds) governed by guidelines issued by the Department of Commerce

b. Duty drawbacks governed by Foreign Trade Policy 2015-20, which has been extended till September 30, 2022 vide notification no.64/2015-2020 dated 31.03.2022 & Public Notice No.53/2015-2020 dated 31.03.2022

c. Terminal Excise Duty (TED refunds) governed under the Customs Act, 1962

d. Sales tax incentive and reimbursement of power cost under the Andhra Pradesh state incentives IIPP 2015-20 scheme. There are no unfulfilled conditions or contingencies attached to these incentives

Standalone Notes to Financial Statements

for the year ended March 31, 2025

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

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

Particulars		March 31, 2025	March 31, 2024
Deferred tax liability			
Income tax at the applicable rate on the difference between the aggregate book written down value and tax written down value of property, plant and equipment		(111.71)	(119.93)
	(A)	**(111.71)**	**(119.93)**
Deferred tax asset			
Expenses allowable on payment basis		40.17	32.95
Other items giving raise to temporary differences		35.91	20.67
	(B)	**76.08**	**53.62**
Deferred tax assets/(liability) (Net)	(A+B)	**(35.63)**	**(66.31)**

For the year ended March 31, 2025:

Particulars	Opening balance	Recognised/ Utilised during the year	Recognised in other comprehensive income	Closing balance
Accelerated depreciation for tax purposes	(119.93)	8.22	-	(111.71)
Expenses allowable on payment basis	32.95	7.22	-	40.17
Other items giving rise to temporary differences	20.67	14.98	0.26	35.91
Total	**(66.31)**	**30.42**	**0.26**	**(35.63)**

For the year ended March 31, 2024:

Particulars	Opening balance	Recognised/ Utilised during the year	Recognised in other comprehensive income	Closing balance
Accelerated depreciation for tax purposes	(121.80)	1.87	-	(119.93)
Expenses allowable on payment basis	24.65	8.30	-	32.95
Other items giving rise to temporary differences	20.41		0.26	20.67
Total	**(76.74)**	**10.17**	**0.26**	**(66.31)**

The Company has accounted for deferred tax liabilities (net) of ₹ 35.63 (March 31, 2024: ₹ 66.31) based on approval of business plan by board, agreements entered with customers, orders on hand, successful patent filings and a portfolio of drugs.

There are no unrecognised deferred tax assets and liabilities as at March 31, 2025 and March 31, 2024.

7. Other assets

Particulars	March 31, 2025	March 31, 2024
A) Non-current (unsecured, considered good unless otherwise stated)		
Capital advances	86.55	30.88
Prepayments	15.60	19.06
Balances with statutory/Government authorities	2.00	2.00
Taxes paid under protest	1.35	1.34
	105.50	**53.28**
Less: Allowance for doubtful advances	-	-
Total	**105.50**	**53.28**
B) Current (unsecured, considered good unless otherwise stated)		
Advances recoverable in cash or kind	24.94	19.38
Advances to related parties (Refer note no. 33)	-	0.82
Prepayments	24.69	23.73
Balances with statutory/Government authorities	111.05	76.45
Others	1.89	0.73
Total	**162.57**	**121.11**

Standalone Notes to Financial Statements

for the year ended March 31, 2025

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

8. Inventories

Particulars	March 31, 2025	March 31, 2024
(At lower of cost and net realisable value)		
Raw materials [including port stock and stock-in-transit ₹ 96.35 (March 31, 2024 : ₹ 78.61)]	506.49	479.57
Work-in-progress	691.16	666.05
Finished goods	470.32	481.88
Stores, spares and packing materials	70.91	69.66
Total	**1,738.88**	**1,697.16**

9. Trade receivables

Particulars	March 31, 2025	March 31, 2024
Unsecured		
Considered good	1,802.55	1,525.33
Receivable from related parties (Refer note no. 33)	232.52	115.17
Credit impaired	50.81	5.57
	2,085.88	**1,646.07**
Less: Allowance for doubtful debts	(50.81)	(5.57)
Total	**2,035.07**	**1,640.50**

a) No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

b) Trade receivables are non-interest bearing and are generally on terms of 30 - 120 days.

c) Of the trade receivables balance, ₹ 737.22 in aggregate (as at March 31, 2024 ₹ 538.10) is due from the Company's customers individually representing more than 5 % of the total trade receivables balance.

d) The Company has used practical expedient by computing the expected credit loss allowance for doubtful trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking estimates. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates used in the provision matrix.

e) Trade receivables is net of bills discounted without recourse aggregating ₹ nil (as at March 31, 2024 ₹ 33.82)

(f) Movement in the expected credit loss allowance	March 31, 2025	March 31, 2024
Balance at the beginning of the year	5.57	1.32
Recoveries/write offs during the year	(0.64)	(1.13)
Additions during the year	45.88	5.38
Balance at the end of the year	**50.81**	**5.57**

Trade Receivables ageing schedule for the year ended March 31,2025:

Particulars	Not Due	Outstanding from due date of payment					Total
		Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	More than 3 years	
i) Undisputed Trade receivables - considered good	1,270.21	608.98	129.04	19.00	7.84	-	2,035.07
ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade receivables - credit impaired	-	-	13.33	28.75	8.21	0.52	50.81
iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Total	**1,270.21**	**608.98**	**142.37**	**47.75**	**16.05**	**0.52**	**2,085.88**

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for the year ended March 31, 2025

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

Trade Receivables ageing schedule for the year ended March 31,2024:

Particulars	Not Due	Outstanding from due date of payment					Total
		Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	More than 3 years	
i) Undisputed Trade receivables - considered good	1,052.84	521.15	50.31	15.94	0.26	-	1,640.50
ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade receivables - credit impaired	-	-	-	5.31	0.26	-	5.57
iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Total	**1,052.84**	**521.15**	**50.31**	**21.25**	**0.52**	**-**	**1,646.07**

10. Cash and cash equivalents and other bank balances

Particulars	March 31, 2025	March 31, 2024
A) Cash and cash equivalents		
Balances with banks		
- in current accounts	50.29	42.57
Cash on hand	0.07	0.06
Total	**50.36**	**42.63**
B) Bank balances other than Cash and cash equivalents		
- Unclaimed dividend accounts*	0.28	0.29
Total	**0.28**	**0.29**

* Unclaimed dividend ₹ 0.01 pertaining to FY 2016-17 has been transferred to Investor Education and Protection Fund.

11. Equity share capital

Particulars	March 31, 2025	March 31, 2024
Authorised		
555,000,000 (March 31, 2024: 555,000,000) Equity shares of ₹ 2/- each	111.00	111.00
Total	**111.00**	**111.00**
Issued, Subscribed and Paid Up		
539,252,491 (March 31, 2024: 538,965,858) Equity shares of ₹ 2/- each	107.85	107.79
Total	**107.85**	**107.79**

11.1.Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares of ₹2/- each, fully paid up	For the year ended March 31, 2025		For the year ended March 31, 2024	
	Number of shares	₹	Number of shares	₹
Balance at the beginning of the year	53,89,65,858	107.79	53,86,50,925	107.73
Shares issued during the year - ESOP (Refer note no. 29)	2,86,633	0.06	3,14,933	0.06
Balance at the end of the year	**53,92,52,491**	**107.85**	**53,89,65,858**	**107.79**

11.2. Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share at the general meetings of the Company. For liquidation terms refer note 11.2a.

The Company declares and pays dividends in Indian rupees. The final dividend, if any, proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

During the year ended March 31, 2025, the amount of dividend (first interim dividend ₹ 0.40 and second interim dividend ₹ 0.80) per share declared as distribution to equity shareholders was ₹ 1.20 (March 31, 2024: first interim dividend ₹ 0.40 and second interim dividend ₹ 0.40 per share declared as distribution to equity shareholders was ₹ 0.80).

Standalone Notes to Financial Statements

for the year ended March 31, 2025

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

11. 2a. Liquidation terms and preferential rights

The liquidation terms of the equity shares are as follows:

(a) If the company shall be wound up, the Liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act divide amongst the shareholders, in specie or kind the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(b) For the purpose aforesaid, the Liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the shareholders or different classes of shareholders.

11.3 Details of shareholders holding more than 5% shares of the Company:

Particulars	March 31, 2025		March 31, 2024	
Equity shares of ₹2/- each held by	% Holding	Number of shares	% Holding	Number of shares
M/s. NSN Holdings represented by Dr. Satyanarayana Chava	23.02%	12,41,26,740	23.03%	12,41,26,740
New World Fund Inc	6.50%	3,50,30,909	6.50%	3,50,30,409

11.4 Details of shares held by the promoters of the Company:

Equity Shares held by promoters as at March 31, 2025 and March 31, 2024

Promoter Name	March 31, 2025			March 31, 2024		
	No of shares	% of total shares	% Change during the year	No of shares	% of total shares	% Change during the year
M/s. NSN Holdings (represented by Dr. Satyanarayana Chava)	12,41,26,740	23.02%	-	12,41,26,740	23.03%	-
Dr. Satyanarayana Chava	15,70,000	0.29%	100.0%	-	0.00%	-
Dr. C.V. Lakshmana Rao	1,43,10,765	2.65%	6.4%	1,34,50,145	2.50%	-
M/s. Leven Holdings (represented by Mr. V.V. Ravi Kumar)	67,05,000	1.24%	-	67,05,000	1.24%	-
Mr. V. V. Ravi Kumar	10,00,000	0.19%	-	10,00,000	0.19%	-
Mr. Narasimha Rao Chava	1,19,675	0.02%	-	1,19,675	0.02%	-
Mr. Chandrakanth Chereddi	42,000	0.01%	-	42,000	0.01%	-
Mrs. V. Krishnaveni	2,01,397	0.04%	-	2,01,397	0.04%	-
Mr. C. Sekhar Babu	1,00,000	0.02%	-	1,00,000	0.02%	-
Mrs. V. Hymavathi	2,25,000	0.04%	-	2,25,000	0.04%	-
Mrs. Soumya Chava	22,940	0.00%	119.7%	10,440	0.00%	-
Mr. Krishna Chaitanya Chava	20,699	0.00%	-	20,699	0.00%	-
Mrs. T. Nagamani	1,00,000	0.02%	-	1,00,000	0.02%	-
Mrs. K. Kamala	1,00,000	0.02%	-	1,00,000	0.02%	-
Mr. S. Narasimha Rao	1,47,500	0.03%	-	1,47,500	0.03%	-
Mrs. S. Rama	1,70,000	0.03%	-	1,70,000	0.03%	-

11.5. Details of shares reserved for issue under options

For details of shares reserved for issue under various Employee Stock Option Schemes of the Company, refer note no. 29

11.6. Other equity

Particulars	March 31, 2025	March 31, 2024
Capital reserve	1.79	1.79
Securities premium	732.84	717.08
Share based payment reserve	26.02	21.44
Retained earnings	3,704.87	3,367.61
Re-measurement of the net defined benefit plans	(9.42)	(8.66)
Total	**4,456.10**	**4,099.26**

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

Nature and purpose of reserves

Capital reserve:

Represents capital reserve balances of acquired entities which are transferred to the Company upon merger.

Securities premium:

Securities premium is used to record the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

Share based payments reserve:

The fair value of the equity-settled share based payment transactions with employees is recognised in statement of profit and loss with corresponding credit to Share based payments reserve. This will be utilised for allotment of equity shares against outstanding employee stock options.

Retained earnings:

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distribution to share holders.

Re-measurement of the net defined benefit plans:

Re-measurement of net defined benefit plan reserve comprises the cumulative net gains/losses on actuarial valuation of post employee benefit obligations.(Refer note 28)

12. Dividends paid and proposed

Cash dividends on equity shares declared and paid:	2024-25		2023-24	
	Dividend per equity share	Amount	Dividend per equity share	Amount
Second interim dividend for the financial year 2022-23 (face value of ₹ 2/- each)	-	-	1.20	64.64
First interim dividend for the financial year 2023-24 (face value of Rs. 2/- each)	-	-	0.40	21.54
Second interim dividend for the financial year 2023-24 (face value of ₹ 2/- each)	0.40	21.56	-	-
First interim dividend for the financial year 2024-25 (face value of ₹ 2/- each)	0.40	21.57	-	-
Total		**43.13**		**86.18**
Proposed dividends on equity shares:				
Second interim dividend for the financial year 2023-24 (face value of ₹ 2/- each)	-	-	0.40	21.56
Second interim dividend for the financial year 2024-25 (face value of ₹ 2/- each)*	0.80	43.14	-	-
Total		**43.14**		**21.56**

*The Board of Directors of the Company in their meeting held on April 24, 2025 have approved for payment of second interim dividend and the Company has fixed May 09, 2025 as "Record Date" for determining the eligibility of the Shareholders. Accordingly, the Company has not recognised the said proposed dividend as a liability as at March 31, 2025.

Standalone Notes to Financial Statements

for the year ended March 31, 2025

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

13. Financial liabilities

Particulars	March 31, 2025	March 31, 2024
A) Non-current borrowings		
Term loans		
Indian rupee loans from banks (Secured)	376.52	359.72
Foreign currency loans from banks (Secured)	37.73	130.81
Total	**414.25**	**490.53**
Current maturities of non-current borrowings		
Term loans		
Indian rupee loans from banks (Secured)	205.90	154.97
Foreign currency loans from banks (Secured)	50.31	93.37
	256.21	248.34
Less: Amount disclosed under the head "current borrowings"	(256.21)	(248.34)
Total	-	-
B) Current borrowings		
Cash credits and working capital demand loans		
Indian rupee loans from banks (Secured)	534.28	696.68
Indian rupee loans from banks (Un Secured)	999.20	516.53
Buyers credit from banks (Secured)	120.70	44.09
Buyers credit from banks (Unsecured)	-	52.89
Current maturities of non-current borrowings	256.21	248.34
Total	**1,910.39**	**1,558.53**

(a) The details of Indian rupee term loans from banks are as under:

Name of the Bank	Outstanding as on March 31, 2025	Outstanding as on March 31, 2024	Sanction Amount	No. of Instalments	Commencement of instalments	Effective interest rate^
HDFC Bank (HDFC)	60.00	100.00	200.00	20 quarterly instalments of ₹ 10	December 2021	Repo + 1.25% (March 31, 2024: Repo + 1.25%)
The Hongkong & Shanghai Banking Corporation (HSBC)	9.38	46.88	150.00	16 quarterly instalments of ₹ 9.375	July 2021	T Bill + 1.75% (March 31, 2024 : T Bill + 0.29%)
CITI Bank (CITI)	0.00	5.00	40.00	24 quarterly instalments of ₹ 1.67	January 2019	T Bill + 0.28% (March 31, 2024 : T Bill + 0.28%)
HDFC Bank (HDFC)	170.44	172.93	200.00	22 quarterly instalments for 5 tranches each ranging from ₹ 0.44 to ₹ 2.31	"March 2024, June 2024"	1M T Bill + 1.20% (March 31, 2024 : T Bill + 1.20%)
Axis Bank (Axis)	142.41	189.88	200.00	20 quarterly instalments ranging from ₹ 2.50 to ₹ 11.875	May 2023	Repo +1.50% (March 31, 2024: Repo + 1.50%)
State Bank of India (SBI)*	43.95	-	200.00	11 quarterly instalments of ₹ 11.11	July 2023	6M MCLR+0.1%
Export Import Bank (Exim)	156.24	-	200.00	16 quarterly instalments of ₹12.50	December 2025	1 year MCLR

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

(b) Foreign Currency loans from banks comprise of Foreign Currency Non Resident Term Loan (FCNR TL) and ECB loan:

Name of the Bank & Nature of Loan	Outstanding as on March 31, 2025	Outstanding as on March 31, 2024	Sanction Amount	No. of Instalments	Commencement of instalments	Effective interest rate^
State Bank of India (SBI) - FCNR TL*	-	89.40	US$ 12.08 Mn	11 quarterly instalments of ₹ 11.11	July 2023	SOFR plus 1.50% p.a. (March 31, 2024 :SOFR plus 1.25% p.a)
State Bank of India (SBI) - New York - ECB TL	88.04	134.78	US$ 25 Mn	17 quarterly instalments of ₹ 12.07	November 2022	SOFR plus 0.97% p.a. (March 31, 2024 : SOFR plus 0.97% p.a.)

* During year ended March 31, 2025, SBI FCNR Term Loans have been converted to SBI INR Term Loan.

^ Secured Overnight Financing Rate (SOFR), Repo rate and Marginal Cost of Funds based Lending Rate (MCLR)

(c) All term loans are secured by pari passu first charge on the property, plant and equipment (both present and future) except to the extent of assets exclusively charged to banks. They are further secured by pari passu second charge on current assets (both present and future).

(d) Current borrowings are availed in both Rupee and Foreign currencies. Interest on rupee loans ranges from MCLR plus 0% to 0.10% (March 31, 2024: MCLR plus 0% to 0.10%). Buyers credit loan interest ranges from SOFR plus 0.34% to SOFR plus 0.45% (March 31, 2024: SOFR plus 0.30% to SOFR plus 0.45%). The secured current borrowings are backed by pari passu first charge on current assets and pari passu second charge on the fixed assets (both present and future). [March 31, 2024: The secured current borrowings are backed by pari passu first charge on current assets and pari passu second charge on the fixed assets (both present and future)].

(e) The Company has used the borrowings for the purposes for which it was taken.

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

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

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

Particulars	March 31, 2023	Cash flows	Non-cash transactions foreign exchange fluctuation	March 31, 2024
Non-current borrowings	746.43	(1.96)	5.60	738.87
Current borrowings	934.95	375.60	0.36	1,310.19

C) Trade payables

Particulars	March 31, 2025	March 31, 2024
Valued at amortised cost		
- Total outstanding dues to creditors other than micro enterprises and small enterprises	851.99	954.31
- Outstanding dues to related parties (Refer note no. 33)	52.25	19.69
Total	**904.24**	**974.00**
- Total outstanding dues to micro enterprises and small enterprises (Refer note no. 30)	24.46	22.78
Total	**24.46**	**22.78**

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 30-120 day terms.

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

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for the year ended March 31, 2025

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

Trade Payables ageing schedule for the year ended March 31, 2025

Particulars	Unbilled	Not due	Outstanding from due date of payment				Total
			Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
i) Total outstanding dues to micro enterprises and small enterprises	-	24.46	-	-	-	-	24.46
ii) Total outstanding dues to creditors other than micro enterprises and small enterprises	125.30	517.25	261.69	-	-	-	904.24
iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	**125.30**	**541.71**	**261.69**	**-**	**-**	**-**	**928.70**

Trade Payables ageing schedule for the year ended March 31, 2024

Particulars	Unbilled	Not due	Outstanding from due date of payment				Total
			Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
i) Total outstanding dues to micro enterprises and small enterprises	-	22.78	-	-	-	-	22.78
ii) Total outstanding dues to creditors other than micro enterprises and small enterprises	115.80	499.90	355.29	2.70	0.30	0.01	974.00
iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	**115.80**	**522.68**	**355.29**	**2.70**	**0.30**	**0.01**	**996.78**

D) Other financial liabilities

Particulars	March 31, 2025	March 31, 2024
Capital creditors#	136.67	31.49
Other payables (Includes payroll related liabilities and derivative financial instrument liability etc.)	57.34	7.84
Total	**194.01**	**39.33**

Includes ₹ 10.70 payable to micro and small suppliers (Refer note 30)

14. Other non-current and current liabilities

Particulars	March 31, 2025	March 31, 2024
A) Non-current		
Advances from customers	267.26	26.44
	267.26	**26.44**
B) Current		
Advances from customers	24.48	63.81
Unclaimed dividend	0.28	0.29
Statutory dues	14.87	11.38
Total	**39.63**	**75.48**

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

15. Provisions

Particulars	March 31, 2025	March 31, 2024
A) Non-current provisions		
Provision for gratuity (Refer note no. 28)	60.95	55.97
Provision for compensated absences	35.77	32.29
Total	**96.72**	**88.26**
B) Current provisions		
Provision for gratuity (Refer note no. 28)	11.98	10.23
Provision for compensated absences	15.65	13.77
Total	**27.63**	**24.00**

16. Income tax liabilities

Particulars	March 31, 2025	March 31, 2024
Income tax liabilities		
Provision for taxes [net of advance tax ₹ 947.26 (March 31, 2024: ₹ 809.25)]	53.46	34.01
Total	**53.46**	**34.01**

17. Revenue from operations

Particulars		For the year ended March 31, 2025	For the year ended March 31, 2024
Sale of products			
Income from sale of API, Intermediates and Formulations		4,935.72	4,508.61
Income from sale of traded goods		120.73	111.67
	(A)	5,056.45	4,620.28
Sale of services			
Contract research services		115.70	153.91
	(B)	115.70	153.91
Other operating revenue			
Sale of scrap		15.61	12.81
Others		29.22	25.39
	(C)	44.83	38.20
Revenue from operations	(A+B+C)	**5,216.98**	**4,812.39**

Notes:

(i) **Reconciliation of revenue from sale of products with the contracted price:**	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue as per contracted price, net of returns	4,879.36	4,451.38
Adjusted for:		
Profit sharing adjustments	56.36	57.23
Total revenue from contracts with customers	**4,935.72**	**4,508.61**

(ii) **Disaggregated revenue information:**	For the year ended March 31, 2025	For the year ended March 31, 2024
Below is the disaggregation of the Company's revenue from contracts with customers.		
Revenue from operations - Domestic	1,808.81	1,984.55
Revenue from operations - Exports	3,408.17	2,827.84
Total	**5,216.98**	**4,812.39**
Timing of revenue recognition		
Goods transferred at a point of time	5,101.28	4,658.48
Services transferred over time	115.70	153.91
Total	**5,216.98**	**4,812.39**

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for the year ended March 31, 2025

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

(iii) Details of contract balances	March 31, 2025	March 31, 2024
Trade receivables (Refer note no. 9)	2,035.07	1,640.50
Advance from customers (Refer note no. 14)	291.74	90.25

(iv) The amount of revenue recognised from advances from customers at the beginning of the year ₹ 60.88 (March 31, 2024 : ₹ 96.13)

(v) Revenue from customers contributing more than 10% of total revenue amounts to ₹ nil (March 31, 2024 : ₹ nil)

18. Other income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net gain on foreign exchange fluctuations	0.57	4.59
Profit on sale of property, plant and equipment (net) *	58.12	-
Insurance claim	-	17.05
Corporate support service income	6.39	5.40
Miscellaneous income	0.02	0.01
Total	**65.10**	**27.05**

* During the current year, the Company has sold its land situated at MN Park, Hyderabad, Telangana at fair value of ₹ 90.65 to KRKA Pharma Private Limited (Joint Venture) and accordingly recognised the profit of ₹ 58.85. (Refer note no. 33)

19. Cost of materials consumed

Particulars		For the year ended March 31, 2025	For the year ended March 31, 2024
Raw materials consumed			
Opening stock at the beginning of the year		479.57	465.30
Add: Purchases		2,315.63	2,353.20
		2,795.20	**2,818.50**
Less: Closing stock at the end of the year		506.49	479.57
	(A)	**2,288.71**	**2,338.93**
Packing materials consumed	(B)	82.67	58.02
Total	(A+B)	**2,371.38**	**2,396.95**

20. Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening stock of inventories		
Finished goods of API, Intermediates and Formulations	481.88	501.95
Work-in-progress of API, Intermediates and Formulations	666.05	543.50
	1,147.93	**1,045.45**
Closing stock of inventories		
Finished goods of API, Intermediates and Formulations	470.32	481.88
Work-in-Progress of API, Intermediates and Formulations	691.16	666.05
	1,161.48	**1,147.93**
(Increase)/Decrease in inventories of finished goods and work-in-progress	**(13.55)**	**(102.48)**
(Increase)/Decrease in finished goods of API, Intermediates and Formulations	11.56	20.07
(Increase)/Decrease in Work-in-Progress of API, Intermediates and Formulations	(25.11)	(122.55)
(Increase)/Decrease in inventories of finished goods and work-in-progress	**(13.55)**	**(102.48)**

Standalone Notes to Financial Statements
for the year ended March 31, 2025

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

21. Employee benefits expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, allowances and wages	448.35	414.40
Contribution to provident fund and other funds	27.90	26.68
Gratuity expense (Refer note no. 28)	13.99	12.77
Share based payment expense (Refer note no. 29)	10.23	10.92
Managerial remuneration (Refer note no. 33)	37.86	20.28
Recruitment and training	1.49	1.00
Staff welfare expenses	68.82	66.16
Total	**608.64**	**552.21**

22. Other expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Consumption of stores and spares	53.72	58.66
Conversion charges	42.58	59.72
Factory maintenance	213.53	189.63
Effluent treatment expenses	68.76	84.43
Power and fuel	289.49	309.67
Repairs and maintenance		
Plant and machinery	83.16	82.05
Buildings	10.40	10.24
Others	3.64	2.66
Product development	64.85	47.31
Testing and analysis charges	1.00	2.57
Rent	2.35	1.39
Rates and taxes	38.38	25.44
Office maintenance	6.56	4.55
Insurance	32.93	30.67
Printing and stationery	3.61	3.07
Consultancy and other professional charges	24.96	18.21
Membership and subscription	8.22	9.64
Remuneration to auditors		
- Audit fee	0.62	0.62
- Limited review	0.39	0.36
- Other services	0.08	0.05
- Out of pocket expenses	0.03	0.04
Travelling and conveyance	8.55	7.71
Communication expenses	3.07	2.92
Loss on sale of property, plant and equipment (net)	-	0.80
Allowance for bad and doubtful advance and debts	45.79	4.92
Carriage outwards	66.38	44.80
Commission on sales	30.21	28.80
Other selling expenses	3.10	1.91
Business promotion and advertisement	66.53	48.17
CSR expenditure (Refer note no. 26)	15.77	22.28
Donations*	11.93	1.50
Miscellaneous expenses	0.23	0.12
Total	**1,200.82**	**1,104.91**

* Contribution to Political Parties as per Section 182 of the Companies Act, 2013. Political contributions amounting to ₹ 10.00 (March 31, 2024: nil) contributed through electoral trusts made in accordance with Section 182 of the Act during the year ended March 31, 2025.

Standalone Notes to Financial Statements

for the year ended March 31, 2025

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

23A. Finance Income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest income on		
Intercorporate loan	31.87	16.77
Electricity deposits and others	3.50	3.60
Total	**35.37**	**20.37**

23B.Finance costs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest		
- on term loans	48.05	52.57
- on working capital loans	117.82	83.57
- on others	8.06	4.43
Total interest expense	**173.93**	**140.57**
Bank charges	4.90	7.01
Exchange differences to the extent considered as an adjustment to finance costs	3.37	3.24
Total	**182.20**	**150.82**

24. Components of other comprehensive income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Remeasurement gains/(losses) on defined benefit plans	(1.02)	(1.02)
Deferred tax on remeasurement of defined benefit plans	0.26	0.26
Total	**(0.76)**	**(0.76)**

25. Earnings per share (EPS)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
The following reflects the profit and share data used in the basic and diluted EPS computations:		
Profit available for equity shareholders	380.39	223.70
Weighted average number of equity shares in computing basic EPS	53,91,52,333	53,87,49,879
Add: Effect of dilution		
Stock options granted under ESOP	4,41,187	9,15,791
Weighted Average number of Equity Shares in computing diluted earnings per share	53,95,93,520	53,96,65,671
Face value of each equity share (₹)	2.00	2.00
Earnings per share		
- Basic (₹)	7.06	4.15
- Diluted (₹)	7.05	4.15

Standalone Notes to Financial Statements

for the year ended March 31, 2025

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

26. Details of CSR expenditure

As per the requirement of the Companies Act, 2013, gross amount required to be spent by the Company during the year is ₹ 15.52 (March 31, 2024 : ₹ 22.01). The nature of CSR activities undertaken by the company includes promoting education, health care and environmental sustainability. The details of CSR expenditure is given below.

CSR Activities		For the year ended March 31, 2025		
		In cach	Yet to be paid in cash	Total
(i)	Construction/acquisition of any asset	-	-	-
		(-)	(-)	(-)
(ii)	On purposes other than (i) above	15.77	-	15.77
		(22.28)	(-)	(22.28)

Amounts in bracket indicate previous year numbers. There is no shortfall at the end of March 31,2025 and March 31, 2024 in terms of amount required to be spent by the company.

The above includes contribution made to Laurus Charitable Trust amounting to ₹ 15.70 (March 31, 2024: ₹ 22.12) (Refer note no. 33)

27. Taxes

(a) Income tax expense:

The major components of income tax expenses for the year ended March 31, 2025 and for the year ended March 31, 2024 are:

(i) Statement of Profit and Loss

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current tax	153.84	87.94
Deferred tax credit	(30.42)	(10.17)
Total income tax expense recognised in Statement of Profit and Loss	**123.42**	**77.77**

(ii) Other comprehensive income (OCI)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Tax on remeasurement of defined benefit plans	0.26	0.26
Total tax recognised in OCI	**0.26**	**0.26**

(b) Reconciliation of effective tax rate:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit before tax (A)	503.81	301.47
Enacted tax rate in India (B)	25.17 %	25.17 %
Expected tax expenses (C = A*B)	126.80	75.87
Permanent Difference		
Expenses disallowed under Income Tax Act, 1961	30.58	24.52
Impact of rate change on sale of capital assets	(20.85)	-
Tax pertaining to earlier years	(19.28)	(10.98)
Others	(3.89)	(6.01)
Total (D)	**(13.44)**	**7.53**
Profit after adjusting permanent difference	490.37	309.00
Expected tax expense	123.42	77.77
Total Tax expense	123.42	77.77
Effective Tax rate	24.50 %	25.80 %

(c) The details of component of deferred tax assets are given under note 6.

Standalone Notes to Financial Statements

for the year ended March 31, 2025

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

28. The employee benefit schemes are as under:

i) Providend fund:

All employees of the Company receive benefits under the Provident Fund which is a defined benefit plan wherein the Company provides the guarantee of a specified return on contribution. The contribution is made both by the employee and the Company equal to 12% of the employees' salary.

ii) Superannuation fund:

The Company has a defined contribution scheme to provide pension to its eligible employees. The company has established a trust to administer its obligation for payment of pension to the employees. The Company makes monthly contributions equal to a specified percentage of the covered employees' salary. These contributions are administered by Company's own Trust which has subscribed to "CapAssure Gold Policy" of SBI Life Insurance Company Limited. The Company's monthly contributions are charged to the Statement of Profit and Loss.

iii) Compensated absences:

The accrual for unutilised leave is determined for the entire available leave balance standing to the credit of the employees at the year end. The value of such leave balances that are eligible for carry forward, is determined by an actuarial valuation as at the end of the year and is charged to the Statement of Profit and Loss.

iv) Gratuity

Defined Benefit Plans

The Company has a defined benefit gratuity plan and governed by Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to a gratuity on departure at 15 days salary for each completed year of service. The Company has established a trust to administer its obligation for payment of gratuity to employees. The trust in turn contributes to a scheme administered by the SBI Life Insurance Company Limited. The following tables summarise net benefit expenses recognised in the Statement of Profit and Loss, the status of funding and the amount recognised in the Balance sheet for the gratuity plan:

	Particulars	March 31, 2025	March 31, 2024
A)	**Net employee benefit expense (recognised in Employee benefits expenses)**		
	Current service cost	9.46	8.67
	Interest cost	4.91	4.32
	Expected return on plan assets	(0.38)	(0.22)
	Net employee benefit expenses	**13.99**	**12.77**
	Actual return on plan asset	(0.18)	(0.15)
B)	**Amount recognised in the Balance Sheet**		
	Defined benefit obligation	80.35	69.92
	Fair value of plan assets	7.07	3.72
		73.28	**66.20**
C)	**Changes in the present value of the defined benefit obligation**		
	Opening defined benefit obligation	69.92	59.24
	Current service cost	9.46	8.67
	Interest cost	4.91	4.32
	Benefits paid	(3.58)	(3.33)
	Transfer	(1.38)	-
	Net actuarial (gains) / losses on obligation for the year recognised under OCI	1.02	1.02
	Closing defined benefit obligation	**80.35**	**69.92**
D)	**Change in the fair value of plan assets**		
	Opening fair value of plan assets	3.72	2.30
	Actual return on plan assets	0.18	0.15
	Contributions	6.75	4.60
	Benefits paid	(3.58)	(3.33)
	Closing fair value of plan assets	**7.07**	**3.72**

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for the year ended March 31, 2025

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

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

Particulars		March 31, 2025	March 31, 2024
	Investments with SBI Life Insurance Company Limited	100.00%	100.00%
E)	**Remeasurement adjustments:**		
	Financial (loss)/ gain on plan assets	(1.02)	(1.02)
	Remeasurement gains/(losses) recognised in other comprehensive income:	**(1.02)**	**(1.02)**

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

Particulars	March 31, 2025	March 31, 2024
Discount rate	7.00%	7.23%
Expected rate of return on assets	7.00%	7.23%
Salary escalation	11.00%	11.00%
Attrition rate	17.00%	17.00%

The estimates of future salary increases, considered in the actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(ii) Disclosure related to indication of effect of the defined benefit plan on the entity's future cashflows:

Expected benefit payments for the year ending:

Year ending	March 31, 2025	March 31, 2024
Year 1	12.04	10.27
Year 2	10.68	9.54
Year 3	10.20	9.03
Year 4	9.71	8.35
Year 5	8.77	7.91
Beyond 5 years	21.80	21.01

The average duration of the defined benefit plan obligation at the end of the reporting period is 25.50 years (March 31, 2024: 25.70 years).

(iii) Sensitivity analysis:

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

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Effect of 1% change in assumed discount rate on defined benefit obligation		
- 1% increase	(4.44)	(3.72)
- 1% decrease	4.17	3.80
(b) Effect of 1% change in assumed salary escalation rate on defined benefit obligation		
- 1% increase	3.60	3.37
- 1% decrease	(4.19)	(3.53)
(c) Effect of 1% change in assumed attrition rate on defined benefit obligation		
- 1% increase	(1.04)	(0.74)
- 1% decrease	0.36	0.47

(v) Defined contribution plan

Particulars	March 31, 2025	March 31, 2024
Contribution to Provident Fund	25.17	24.64
Contribution to Superannuation Fund	2.10	2.34

Standalone Notes to Financial Statements

for the year ended March 31, 2025

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

Risk Management:

Investment risk - The probability or likelihood of occurrence of losses related to the expected return on any particular investment.

Interest rate risk - The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Longevity risk - The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk - The present value of the defined benefit plan is calculated with reference to the future salaries of participants under the plan. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

29. Share based payments

ESOP 2016 Scheme

The board of directors/ compensation committee has approved the Laurus Employees Stock Option Scheme (ESOP) 2016 for issue of stock options to eligible employees of the Company effective from June 09, 2016. According to the Scheme, the options granted vest within a period of four years, subject to the terms and conditions specified in the scheme. Options granted shall vest so long as the employee continues to be in the employment of the Company as on the date of vesting. Subject to an employee's continued employment with the Company, options can be exercised any time on or after the date of vesting of options as specified in the respective grants under the Scheme.

ESOP 2018 Scheme

The board of directors/ compensation committee has approved the Laurus Employees Stock Option Scheme (ESOP) 2018 for issue of stock options to eligible employees of the Company. According to the Scheme, the options granted vest within a period of four years, subject to the terms and conditions specified in the scheme. Options granted shall vest so long as the employee continues to be in the employment of the Company as on the date of vesting. Subject to an employee's continued employment with the Company, options can be exercised any time on or after the date of vesting of options as specified in the respective grants under the Scheme.

ESOP 2021 Scheme

The board of directors/ compensation committee has approved the Laurus Employees Stock Option Scheme (ESOP) 2021 for issue of stock options to eligible employees of the Company. According to the Scheme, the options granted vest within a period of five years, subject to the terms and conditions specified in the scheme. Options granted shall vest so long as the employee continues to be in the employment of the Company as on the date of vesting. Subject to an employee's continued employment with the Company, options can be exercised any time on or after the date of vesting of options as specified in the respective grants under the Scheme.

Exercise period

Scheme	Grant	Date of Grant	Exercise price	Weighted Average Fair value of option at grant date	Number of options Granted	Year 1 25%	Year 2 25%	Year 3 50%
ESOP 2016	Grant III	April 01, 2022	350.00	199.73	2,70,750	01-Apr-24	01-Apr-25	01-Apr-26
ESOP 2016	Grant IV	April 01, 2023	301.50	194.81	3,50,500	01-Apr-25	01-Apr-26	01-Apr-27
ESOP 2018	Grant II	April 01, 2021	356.00	217.10	7,07,000	01-Apr-23	01-Apr-24	01-Apr-25
ESOP 2018	Grant III	April 01, 2022	350.00	199.73	5,000	01-Apr-24	01-Apr-25	01-Apr-26
ESOP 2018	Grant IV	July 01, 2024	463.50	292.74	2,07,250	01-Jul-26	01-Jul-27	01-Jul-28

Scheme	Grant	Date of Grant	Exercise price	Weighted Average Fair value of option at grant date	Number of options Granted	Year 1 25%	Year 2 25%	Year 3 25%	Year 4 25%
ESOP 2021	Grant I	April 01, 2023	301.50	197.44	7,87,500	01-Apr-25	01-Apr-26	01-Apr-27	01-Apr-28
ESOP 2021	Grant II	July 01,2024	463.50	297.41	58,250	01-Jul-26	01-Jul-27	01-Jul-28	01-Jul-29

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The details of activity under the Scheme ESOP 2016 are summarised below:

Particulars	March 31, 2025	March 31, 2024
	No. of options	No. of options
Outstanding at the beginning of the year	5,92,750	2,58,435
Granted during the year	-	3,50,500
Forfeited during the year	31,629	16,185
Exercised during the year	52,536	-
Outstanding at the end of the year	5,08,585	5,92,750
Weighted average exercise price for all the above options	318.60	321.53

The details of activity under the Scheme ESOP 2018 are summarised below:

Particulars	March 31, 2025	March 31, 2024
	No. of options	No. of options
Outstanding at the beginning of the year	5,80,419	9,47,950
Granted during the year	2,07,250	-
Forfeited during the year	54,623	52,598
Exercised during the year	2,34,097	3,14,933
Outstanding at the end of the year	4,98,949	5,80,419
Weighted average exercise price for all the above options	400.18	355.95

The details of activity under the Scheme ESOP 2021 are summarised below:

Particulars	March 31, 2025	March 31, 2024
	No. of options	No. of options
Outstanding at the beginning of the year	7,87,500	-
Granted during the year	58,250	7,87,500
Forfeited during the year	15,000	-
Exercised during the year	-	-
Outstanding at the end of the year	8,30,750	7,87,500
Weighted average exercise price for all the above options	312.86	301.50

For options exercised during the year, the weighted average share price at the exercise date under under ESOP 2016 scheme, was ₹ 350 per share (March 31, 2024: ₹ nil per share) and under ESOP 2018 scheme, was ₹ 356 per share (March 31, 2024: ₹ 81.25 per share).

The weighted average remaining contractual life for the stock options outstanding under ESOP 2016 as at March 31, 2025 is 2.65 years (March 31, 2024: 3.59 years), under ESOP 2018 as at March 31, 2025 is 2.35 years (March 31, 2024: 2.01 years) and under ESOP 2021 as at March 31, 2025 is 4.10 years (March 31, 2024: 5 years). The range of exercise prices for options outstanding under ESOP 2016 as at March 31, 2025 was ₹ 301.50 to ₹ 350.00 (March 31, 2024: ₹ 301.50 to ₹ 350.00) and under ESOP 2018 as at March 31, 2025 was ₹ 350.00 to ₹ 463.50 (March 31, 2024: ₹ 350.00 to ₹ 356.00) and ESOP 2021 as at March 31, 2025 was ₹ 301.50 to ₹463.50 (March 31, 2024: ₹ 301.50)

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The weighted average fair value of stock options granted during the year under ESOP 2016 scheme was ₹ nil (March 31, 2024: ₹ 194.81), under ESOP 2018 scheme was ₹ 463.50 (March 31, 2024: ₹ nil) and under ESOP 2021 scheme was ₹ 463.50 (March 31, 2024: ₹ 197.44). The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

	March 31, 2025								
	ESOP 2016 scheme			ESOP 2018 scheme				ESOP 2021 scheme	
	Grant IV	Grant III	Grant II	Grant IV	Grant III	Grant II	Grant I	Grant II	Grant I
Dividend yield	0.40%	0.34%	0.39%	0.26%	0.34%	0.25%	0.43%	0.26%	0.40%
Expected volatility	36.4% - 41.56%	36.37% - 44.27%	26.90%	31.53% - 39.14%	36.37% - 44.27%	36.22% - 42.13%	26.3% - 27.18%	31.53%- 37.44%	36.4% - 41.56%
Risk-free interest rate	7.10% - 7.14%	6.15% - 6.94%	7.19% - 7.43%	6.86% - 6.90%	6.15% - 6.94%	4.74% - 5.54%	5.53% - 6.07%	6.86%- 6.91%	7.1% - 7.14%
Weighted average share price of ₹	401.85	466.60	384.00	292.74	466.60	474.70	350.25	297.41	401.85
Exercise price of ₹	301.50	350.00	292.00	463.50	350.00	217.10	255.50	463.50	301.50
Expected life of options granted in years	2.5 - 4.51	1.26 - 3.26	2.5 - 4.5	2.5 - 4.5	1.26 - 3.26	2.43 - 4.43	2.5 - 4.51	2.5 - 5.5	2.5 - 4.51

	March 31, 2024						
	ESOP 2016 scheme			ESOP 2018 scheme			ESOP 2021 scheme
	Grant III	Grant II	Grant I	Grant III	Grant II	Grant I	Grant I
Dividend yield	0.40%	0.34%	0.39%	0.34%	0.25%	0.43%	0.40%
Expected volatility	36.4% - 41.56%	36.37% - 44.27%	26.90%	36.37% - 44.27%	36.22% - 42.13%	26.3% - 27.18%	36.4% - 41.56%
Risk-free interest rate	7.10% - 7.14%	6.15% - 6.94%	7.19% - 7.43%	6.15% - 6.94%	4.74% - 5.54%	5.53% - 6.07%	7.1% - 7.14%
Weighted average share price of Rs.	401.85	466.60	384.00	466.60	474.70	350.25	401.85
Exercise price of ₹	301.50	350.00	292.00	350.00	217.10	255.50	301.50
Expected life of options granted in years	2.5 - 4.51	1.26 - 3.26	2.5 - 4.5	1.26 - 3.26	2.43 - 4.43	2.5 - 4.51	2.5 - 4.51

The expected life of the stock is based on the historical data and current expectations and is not necessarily indicative of exercise pattern that may occur.

30. Disclosure required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	March 31, 2025	March 31, 2024
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year*	35.16	22.78
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	-	-
Total	**35.16**	**22.78**

* Includes amount pertaining to trade payables ₹ 24.46 and capital creditors ₹ 10.70

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Standalone Notes to Financial Statements

for the year ended March 31, 2025

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

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

32. Research and development

i). Details of Revenue expenditure (expensed as and when incurred):

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Cost of materials consumed		
Raw materials consumed	29.69	28.66
Employee benefits expenses		
Salaries, allowances and wages	79.18	74.45
Staff welfare expenses	6.00	5.52
Recruitment and training	0.05	0.13
Other expenses		
Consumption of stores and spares	1.50	1.37
Factory maintenance	10.05	8.89
Repairs and maintenance		
Plant and machinery	4.49	5.08
Effluent treatment expenses	1.70	1.81
Power and fuel	8.88	9.23
Product development	57.00	39.96
Testing and analysis charges	1.11	1.37
Rates and taxes	5.35	11.64
Insurance	2.76	1.50
Membership and subscription	1.67	3.66
Consultancy and other professional charges	11.55	9.00
Travelling and conveyance	1.19	1.32
Printing and stationery	0.28	0.18
Communication expenses	0.40	0.36
Business promotion and advertisement	0.29	0.03
Total	**223.14**	**204.16**

ii). Details of property, plant and equipment:

Particulars	Buildings	Plant and equipment	Furniture and fixtures	Computers	Total Property, plant and equipment
Gross carrying value (at cost or deemed cost)					
As at April 01, 2023	**11.85**	**108.81**	**17.68**	**6.45**	**144.80**
Additions	1.22	17.19	0.06	3.47	21.94
As at March 31, 2024	**13.07**	**126.00**	**17.74**	**9.92**	**166.74**
Additions	0.97	12.26	0.03	1.70	14.95
As at March 31, 2025	**14.04**	**138.26**	**17.77**	**11.62**	**181.69**
Depreciation					
As at April 01, 2023	**7.09**	**60.74**	**9.31**	**3.69**	**80.82**
Charge for the year	1.50	13.60	1.84	1.38	18.32
As at March 31, 2024	**8.59**	**74.34**	**11.15**	**5.07**	**99.14**
Charge for the year	1.28	12.39	1.73	1.64	17.05
As at March 31, 2025	**9.87**	**86.73**	**12.88**	**6.71**	**116.19**
Net carrying value					
As at March 31, 2024	**4.48**	**51.66**	**6.59**	**4.85**	**67.60**
As at March 31, 2025	**4.17**	**51.53**	**4.89**	**4.91**	**65.50**

* For details of pledge, refer note no. 3

Standalone Notes to Financial Statements

for the year ended March 31, 2025

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

33. Related party disclosures

Names of related parties and description of relationship

Name of the related party	Relationship
Subsidiary Companies	
i) Sriam Labs Private Limited (Wholly owned subsidiary)	
ii) Laurus Synthesis Private Limited (Wholly owned subsidiary)	
iii) Laurus Holdings Limited (Wholly owned subsidiary)	
iv) Laurus Generics Inc (Subsidiary of Laurus Holdings Limited)	
v) Laurus Generics GmbH (Wholly owned subsidiary of Laurus Holdings Limited)	
vi) Laurus Generics SA (Pty) Limited (Wholly owned subsidiary)	
vii) Laurus Bio Private Limited (Holding 76.32%) (Formerly known as Richcore Lifesciences Private Limited)	
viii) Laurus Specialty Chemicals Private Limited (Wholly owned subsidiary)	
Associate Companies/Joint Ventures	
i) ImmunoAdoptive Cell Therapy Private Limited (Holding 34.89%) (Associate)	
ii) Ethan Energy India Private Limited (Holding 26.00%) (w.e.f. January 03,2023) (Associate)	
iii) KRKA Pharma Private Limited (Holding 49.00%) (w.e.f. October 03,2024) (Joint Venture)	
Enterprise over which Key Management Personnel exercise significant influence	
i) Chemiasoft Private Limited (Formerly known as Laurus Infosystems (India) Private Limited)	
ii) Laurus Charitable Trust	
iii) Sterotherapeutics, LLC	
iv) NSN Investments	
Key Management Personnel	
i) Dr. Satyanarayana Chava	Executive Director & Chief executive officer
ii) Mr. V.V. Ravi Kumar	Executive Director & Chief financial officer
iii) Dr. C.V. Lakshmana Rao	Executive Director
iv) Mr. Krishna Chaitanya Chava	Executive Director (Appointed w.e.f. April 25, 2024)
v) Mrs. Soumya Chava	Executive Director (Appointed w.e.f. April 25, 2024)
vi) Mr. Chandrakanth Chereddi	Non-Executive Director (Resigned w.e.f. October 21, 2023)
vii) Mrs. Aruna Bhinge	Independent Director
viii) Dr. Rajesh Koshy Chandy	Independent Director
ix) Dr. Venugopala Rao Malempati	Independent Director (Resigned w.e.f. May 18, 2024)
x) Dr. Ravindranath Kancherla	Independent Director
xi) Mr. Sekar Karnam	Independent Director (Appointed w.e.f. April 25, 2024)
xii) Mr. Ramesh Subrahmanian	Independent Director (Appointed w.e.f. July 25, 2024)
xiii) Mr. G Venkateswar Reddy	Company Secretary
Relatives of Key Management Personnel	
i) Mr. Narasimha Rao Chava	Brother of Dr. Satyanarayana Chava

Standalone Notes to Financial Statements
for the year ended March 31, 2025

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

Transactions during the year:

		For the year ended March 31, 2025	For the year ended March 31, 2024
a)	**Subsidiary Companies**		
i)	**Sriam Labs Private Limited**		
	Conversion charges	8.40	12.82
	Purchase of goods	29.51	28.07
	Sale of goods	2.79	3.12
	Corporate Support service income	0.58	0.54
	Product development expenses	0.10	0.54
	Sale of assets	0.14	0.07
	Reimbursement of expenses	0.34	-
ii)	**Laurus Holdings Limited**		
	Business promotion	5.20	4.92
	Corporate Support service income	0.05	0.05
iii)	**Laurus Synthesis Private Limited**		
	Investments made	-	99.13
	Loan given/(repaid) (net)	236.00	154.00
	Interest income	23.51	10.86
	Conversion charges	10.96	22.60
	Purchase of goods	18.73	6.43
	Sale of goods	9.07	15.89
	Sale of assets	7.16	0.85
	Purchase of fixed assets	0.39	0.14
	Conversion Income	32.46	2.84
	Business promotion	15.93	3.14
	Corporate Support service income	3.99	3.21
	Reimbursement of expenses	2.03	1.67
	Interest received on Corporate guarantee	4.05	2.88
	R&D Services Billing	9.01	-
iv)	**Laurus Bio Private Limited**		
	Investments made	-	71.60
	Corporate Support service income	1.12	0.95
	Product development expenses	9.45	3.63
	Loan given/(repaid) (net)	4.00	8.00
	Interest income	2.68	1.82
	Interest received on corporate guarantee	1.20	0.90
	Purchase of goods	1.37	-
	Sale of Services	0.07	-
b)	**Step-down subsidiary companies**		
i)	**Laurus Generics Inc**		
	Sale of goods	189.15	152.83
	Business promotion	31.96	29.75
	Corporate Support service income	0.42	0.41
	Conversion income	2.70	2.96
	Interest received on corporate guarantee	0.42	0.31
	Purchase of asset	0.14	
ii)	**Laurus Generics GmbH**		
	Sale of goods	-	7.08
	Corporate Support service income	0.23	0.22

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for the year ended March 31, 2025

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

		For the year ended March 31, 2025	For the year ended March 31, 2024
c)	**Associate companies**		
i)	**ImmunoAdoptive Cell Therapy Private Limited**		
	Investment made	-	80.02
ii)	**Ethan Energy India Private Limited**		
	Purchase of solar power	7.30	4.14
iii)	**KRKA Pharma Private Limited**		
	Investment made	105.35	-
	Sale of assets	90.65	-
d)	**Enterprise over which Key Management Personnel exercise significant influence**		
i)	**Chemiasoft Private Limited**		
	Software maintenance	2.95	2.67
ii)	**Laurus Charitable Trust**		
	Donations	0.51	0.94
	CSR expenditure	15.70	22.12
iii)	**Sterotherapeutics, LLC**		
	Sale of goods/services	-	0.04
iv)	**NSN Investments**		
	Rent	9.78	4.57
	Reimbursement of expenses	0.94	1.00
	Security Deposit	1.51	-
e)	**Key Management Personnel**		
i)	**Dr. Satyanarayana Chava**		
	Remuneration	23.06	12.01
ii)	**Mr. V.V. Ravi Kumar**		
	Remuneration	6.13	4.04
	Rent	0.03	0.11
iii)	**Dr. C.V. Lakshmana Rao**		
	Remuneration	4.06	2.71
iv)	**Mr. Krishna Chaitanya Chava**		
	Remuneration	1.90	1.96
v)	**Mrs. Soumya Chava**		
	Remuneration	1.24	0.77
	Rent	0.06	0.22
vi)	**Mr. Chandrakanth Chereddi**		
	Independent directors fee	-	0.22
	Sitting fee	-	0.05
vii)	**Mrs. Aruna Bhinge**		
	Independent directors fee	0.20	0.20
	Sitting fee	0.10	0.09
viii)	**Dr. Rajesh Koshy Chandy**		
	Independent directors fee	0.34	0.33
	Sitting fee	0.10	0.08
ix)	**Dr. Venugopala Rao Malempati**		
	Independent directors fee	0.03	0.20
	Sitting fee	0.02	0.06
x)	**Dr. Ravindranath Kancherla**		
	Independent directors fee	0.20	0.20
	Sitting fee	0.06	0.05

Standalone Notes to Financial Statements

for the year ended March 31, 2025

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

		For the year ended March 31, 2025	For the year ended March 31, 2024
xi)	**Mr. Sekar Karnam**		
	Independent directors fee	0.19	-
	Sitting fee	0.06	-
xii)	**Mr. Ramesh Subrahmanian**		
	Independent directors fee	0.14	-
	Sitting fee	0.06	-
xiii)	**Mr. G.Venkateswar Reddy**		
	Remuneration	0.91	0.84
f)	**Relatives of Key Management Personnel**		
i)	**Mr. Narasimha Rao Chava**		
	Salary	1.68	1.53

Closing balances (Unsecured)

		March 31, 2025	March 31, 2024
a)	**Subsidiary Companies**		
i)	**Sriam Labs Private Limited**		
	Trade receivable	0.39	1.02
	Trade payable	6.57	9.46
ii)	**Laurus Holdings Limited**		
	Trade payables	0.40	0.36
	Trade Receivable	0.01	0.01
iii)	**Laurus Synthesis Private Limited**		
	Other receivable	7.57	-
	Trade payable	33.45	7.69
	Trade receivable	41.79	8.08
	Inter corporate loan	440.50	204.50
iv)	**Laurus Bio Private Limited**		
	Trade payable	8.31	0.89
	Trade receivable	1.48	1.31
	Inter corporate loan	32.00	28.00
b)	**Step-down subsidiary Companies**		
i)	**Laurus Generics Inc.**		
	Trade receivable	188.74	104.65
	Trade payables	3.43	-
	Advance	-	0.82
ii)	**Laurus Generics GmbH**		
	Trade receivable	0.06	0.06
c)	**Enterprise over which Key Management Personnel exercise significant influence**		
i)	**Chemiasoft Private Limited**		
	Trade payables	-	0.11
ii)	**Sterotherapeutics, LLC**		
	Trade receivable	0.04	0.04
iii)	**NSN Investments**		
	Rent payable	-	-
	Trade Payables	0.08	-
	Security deposit	2.43	0.92
d)	**Key Management Personnel**		
i)	**Dr. Satyanarayana Chava**		
	Remuneration payable	9.89	-

Standalone Notes to Financial Statements

for the year ended March 31, 2025

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

		March 31, 2025	March 31, 2024
ii)	**Mr. V.V. Ravi Kumar**		
	Remuneration payable	1.66	-
	Rent payable	-	0.01
iii)	**Dr. C.V. Lakshmana Rao**		
	Remuneration payable	1.11	-
iv)	**Mr. Krishna Chaitanya Chava**		
	Remuneration payable	0.31	0.32
v)	**Mrs. Soumya Chava**		
	Remuneration payable	0.23	0.15
	Rent Payable	-	0.02
vi)	**Mr. Rajesh Chandy**		
	Independent directors fee payable	0.02	0.11
vii)	**Mr. Ramesh Subrahmanian**		
	Independent directors fee payable	0.02	-
viii)	**Mr. G.Venkateswar Reddy**		
	Remuneration payable	0.16	0.12
e)	**Relatives of Key Management Personnel**		
i)	**Mr. Narasimha Rao Chava**		
	Salary payable	0.36	0.26

* Net of loan given ₹ 236.00 Maximum balance outstanding during the year ₹ 440.50; (March 31, 2024: ₹ 204.50) loan given for business purposes at the rate of interest 8.50% (March 31,2024: 8.50%)

** Maximum balance outstanding during the year ₹ 33.00; (March 31, 2024: ₹ 29.00) loan given for business purposes at the rate of interest 8.50% (March 31, 2024: 8.50%)

The Company has provided guarantees for ₹ 534.01 in the form of Corporate guarantees to CITI, SBI and DBS Bank for the loans obtained by Laurus Synthesis Private Limited, Laurus Bio Private Limited & Laurus Generics Inc, USA. (March 31, 2024: ₹ 595.91 in the form of Corporate guarantees to CITI, SBI and DBS Bank for the loans obtained by Laurus Synthesis Private Limited, Laurus Bio Private Limited & Laurus Generics Inc, USA).

^ As the future liability for gratuity and leave encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the Key Management personnel and their relatives is not ascertainable and, therefore, not included above.

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. Outstanding balances at the year-end are unsecured.

34. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are disclosed in notes to financial statements.

Standalone Notes to Financial Statements
for the year ended March 31, 2025

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(i) Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimation requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The Black Scholes valuation model has been used by the Management for share-based payment transactions. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 29.

(ii) Defined employee benefit plans (Gratuity)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. Further details about gratuity obligations are given in Note 28.

(iii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow ('DCF') model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 37 and 38 for further disclosures.

(iv) Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives and residual values of all its property, plant and equipment estimated by the management. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, though these rates in certain cases are different from lives prescribed under Schedule II of the Companies Act, 2013.

(v) Impairment of investments

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

(vi) Recognition and measurement of other provisions:

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the closing date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

(vii) Taxes - Refer Note (2(f))

(viii) Impairment of non-financial assets - Refer Note (2(l))

(ix) Inventories - Refer Note (2(k))

(x) Leases: whether an arrangement contains a lease; lease classification- Refer Note (2(i))

(xi) Contingent liabilities: Measurement and likelihood of occurrence of provisions and contingencies.- Refer Note (39 (c))

(xii) Revenue and receivables - Refer Note (2 (d) and 2(p))

Standalone Notes to Financial Statements

for the year ended March 31, 2025

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

35. Fair values

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

Particulars	Carrying value		Fair value	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Financial assets at fair value through profit & loss:				
Investments	3.41	3.41	3.41	3.41
Derivative contracts	-	0.22	-	0.22
Financial assets at cost:				
Investments	736.81	631.46	736.81	631.46
Financial assets at amortised cost:				
Loans	473.19	233.10	473.19	233.10
Other financial assets	56.94	52.72	56.94	52.72
Trade receivables	2,035.07	1,640.50	2,035.07	1,640.50
Cash and cash equivalents	50.36	42.63	50.36	42.63
Other balances with banks	0.28	0.29	0.28	0.29
Financial liabilities at amortised cost:				
Borrowings (Non-current and current)	2,324.64	2,049.06	2,324.64	2,049.06
Interest accrued	8.98	7.84	8.98	7.84
Trade payables	928.70	996.78	928.70	996.78
Capital creditors and others	185.03	31.49	185.03	31.49
Lease liabilities	55.12	60.76	55.12	60.76
Financial liabilities at fair value through profit and loss:				
Derivative contracts	0.39	-	0.39	-

The management assessed that cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Further, the management has assessed that fair value of borrowings approximate their carrying amounts largely since they are carried at floating rate of interest.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

36. Fair value hierarchy

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

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

Particulars	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets at fair value through profit and loss:					
Investments	March 31, 2025	3.41	-	-	3.41
Financial assets/(liability) at fair value through profit and loss:					
Derivative financial instruments	March 31, 2025	(0.39)	-	(0.39)	-

Standalone Notes to Financial Statements

for the year ended March 31, 2025

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

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at March 31, 2024:

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
			Fair value measurement using		
Financial assets at fair value through profit and loss:					
Investments	March 31, 2024	3.41	-	-	3.41
Financial assets at fair value through profit and loss:					
Derivative financial instruments	March 31, 2024	0.22	-	0.22	-

Measurement of fair value

Valuation techniques

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for assets and liabilities carried at fair value through profit or loss.

Type	Valuation technique
Assets measured at fair value:	
Investments	Discounted cash flow method
Derivative financial instruments	The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curve in reporting currency.

37. Financial risk management objectives and policies

Financial risk management framework

The Company is exposed primarily to credit risk, liquidity risk and market risk (fluctuations in foreign currency exchange rates and interest rate), which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

A Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk, except for trade receivables.

Trade receivables:

The customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on the individual credit limits are defined in accordance with this assessment and outstanding customer receivables are regularly monitored. Of the trade receivables balance, ₹ 737.22 in aggregate (as at March 31, 2024 ₹ 538.10) is due from the Company's customers individually representing more than 5 % of the total trade receivables balance and accounted for approximately 36.2% (March 31, 2024: 33%) of all the receivables outstanding. The Company' receivables turnover is quick and historically, there was no significant defaults on account of those customer in the past. Ind AS requires an entity to recognise in profit or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised in accordance with Ind AS 109. The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

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for the year ended March 31, 2025

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

Before accepting any new customer, the Company uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed on periodic basis. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix.

Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 2,035.07 (March 2024: ₹ 1,640.50), being the total of the carrying amount of balances with trade receivables.

Loans are given to subsidiaries for the purpose of working capital and other business requirements.

Other than trade receivables and loans, the Company has no significant class of financial assets that is past due but not impaired.

B Liquidity risk

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

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	Up to 1 Year	1 to 3 years	3 to 5 years	> 5 years	Total
As at March 31, 2025:					
Non-current borrowings (including current maturities)	256.21	372.98	41.27	-	670.46
Current borrowings	1,654.18	-	-	-	1,654.18
Interest accrued	8.98	-	-	-	8.98
Trade payables	928.70	-	-	-	928.70
Other payables	185.03	-	-	-	185.03
	3,033.10	**372.98**	**41.27**	**-**	**3,447.35**
As at March 31, 2024:					
Non-current borrowings (including current maturities)	248.34	462.60	27.93	-	738.87
Current borrowings	1,310.19	-	-	-	1,310.19
Interest accrued	7.84	-	-	-	7.84
Trade payables	996.78	-	-	-	996.78
Other payables	31.49	-	-	-	31.49
	2,594.64	**462.60**	**27.93**	**-**	**3,085.17**

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

C Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. In order to optimise the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Standalone Notes to Financial Statements
for the year ended March 31, 2025

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

Interest rate sensitivity

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

Particulars	Change in basis points		Effect on profit before tax	
	Increase	Decrease	Decrease	Increase
March 31, 2025				
Indian Rupees	0.50%	0.50%	(9.88)	9.88
US Dollars	0.50%	0.50%	(1.48)	1.48
March 31, 2024				
Indian Rupees	0.50%	0.50%	(7.56)	7.56
US Dollars	0.50%	0.50%	(1.88)	1.88

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar against the functional currencies of the Company. The Company, as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies. The information on derivative instruments is as follows:

a) **Forward contract (Derivatives):**

Forward contract outstanding as at Balance Sheet date:

March 31, 2025 Sell US $ 2,09,65,652.76	Designated as fair value hedge - receivables
March 31, 2025 Sell ZAR 5,02,76,424	Designated as fair value hedge - receivables
March 31, 2025 Buy US $ 2,35,50,768.28	Designated as fair value hedge - Payables and Secured loans
March 31, 2024 Sell US $ 10,000,000	Designated as fair value hedge - receivables
March 31, 2024 Sell ZAR 2,74,87,587.24	Designated as fair value hedge - receivables

Standalone Notes to Financial Statements

for the year ended March 31, 2025

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

b) **Details of Unhedged Foreign Currency Exposure:**

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under:

Particulars	Currency	March 31, 2025			March 31, 2024		
		Amount in foreign currency	Amount in ₹	Conversion rate	Amount in foreign currency	Amount in ₹	Conversion rate
Secured loans	USD	1,50,50,469	128.80	85.58	3,22,07,468	268.53	83.37
Unsecured loans	USD	-	-	85.58	63,44,535	52.90	83.37
Interest accrued but not due on borrowings	USD	1,62,216	1.39	85.58	2,61,090	2.18	83.37
	EURO	-	-	92.32	-	-	86.10
Trade payables	USD	1,56,92,984	134.30	85.58	2,59,19,496	216.10	83.37
	EURO	4,67,408	4.32	92.32	7,19,101	6.49	90.22
	GBP	35,872	0.40	110.74	28,917	0.30	105.29
	CAD	1,42,317	0.85	59.99	-	-	60.65
	NAD	-	-	4.57	-	-	4.57
	AED	-	-	23.35	-		22.69
	CHF	-	-	97.14	-	0.03	92.09
Capital creditors	USD	2,79,500	2.39	85.58	306	0.00	83.37
	EURO	1,13,460	1.05	92.32	44,808	0.40	90.22
Trade receivables	USD	10,46,00,002	895.18	85.58	8,16,38,735	680.65	83.37
	EURO	91,21,462	84.21	92.32	75,56,379	68.17	90.22
	GBP	1,250	0.01	110.74	67,207	0.71	105.29
	CAD	39,95,390	23.97	59.99	6,18,149	3.79	61.33
	ZAR	2,90,62,740	13.66	4.70	-	-	0.55
Cash and cash equivalents*	USD	4,17,359	3.57	85.58	50,77,586	42.33	83.37

* Amount less than Indian Rupees 100,000.

c) **Foreign currency sensitivity:**

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

Particulars	Change in forex rate		Effect on profit before tax	
	Increase	Decrease	Increase/ (Decrease)	
March 31, 2025				
USD	1.00%	1.00%	6.32	(6.32)
EURO	1.00%	1.00%	0.79	(0.79)
March 31, 2024				
USD	1.00%	1.00%	1.83	(1.83)
EURO	1.00%	1.00%	0.61	(0.61)

Standalone Notes to Financial Statements

for the year ended March 31, 2025

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

38. Capital management

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

The Company manages its capital structure in consideration to the changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company intends to keep the gearing ratio between 0.4 to 1.5. The Company includes within net debt, borrowings including interest accrued on borrowings less cash and short-term deposits.

Particulars	March 31, 2025	March 31, 2024
Borrowings including interest accrued on borrowings (Note 13)	2,333.62	2,056.90
Less: Cash and cash equivalents; other balances with banks (Note 10A & 10B)	(50.64)	(42.92)
Net debt	**2,282.98**	**2,013.98**
Equity	107.85	107.79
Other equity	4,456.10	4,099.26
Total equity	**4,563.95**	**4,207.05**
Gearing ratio (Net debt/ Total equity)	0.50	0.48

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2025.

39. Commitments and Contingencies

A. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Operating lease commitments - Company as lessee

The Company's lease asset classes primarily consist of leases for land. The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Standalone Notes to Financial Statements

for the year ended March 31, 2025

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

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2025 and March 31, 2024

Particulars	March 31, 2025	March 31, 2024
Opening Balance	115.99	90.54
Additions	1.39	32.15
Depreciation	(10.48)	(6.70)
Closing Balance	**106.90**	**115.99**

The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the statement of profit and loss.

The following is the movement in lease liabilities during the year ended March 31, 2025 and March 31,2024

Particulars	March 31, 2025	March 31, 2024
Opening Balance	60.76	32.88
Additions	1.39	32.15
Finance cost accrued during the year	4.78	3.14
Payment of lease liabilities	(11.81)	(7.41)
Closing Balance	**55.12**	**60.76**

The following is the break-up of current and non-current lease liabilities as at March 31, 2025 and March 31, 2024

Particulars	March 31, 2025	March 31, 2024
Non-current lease liabilities	46.90	53.10
Current lease liabilities	8.22	7.66
Total	**55.12**	**60.76**

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2025 and March 31, 2024 on undiscounted basis

Particulars	March 31, 2025	March 31, 2024
Within one year	11.75	11.08
After one year but not more than five years	28.99	38.27
More than five years	1,182.90	1,184.59

B. Commitments

Particulars	March 31, 2025	March 31, 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for	154.73	157.85

C. Contingent liabilities

Particulars		March 31, 2025	March 31, 2024
(i)	Outstanding bank guarantees (excluding performance obligations)	319.91	51.27
(ii)	Claims arising from disputes not acknowledged as debts - direct taxes	14.54	15.39
(iii)	Claims arising from disputes not acknowledged as debts - indirect taxes	62.57	59.55
(iv)	On account of provident fund liability	7.57	7.57
(v)	Corporate guarantees	534.01	595.91

Standalone Notes to Financial Statements

for the year ended March 31, 2025

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

40. Ratios

The following are analytical ratios for the year ended March 31, 2025 and March 31, 2024

Particulars	Numerator	Denominator	March 31, 2025	March 31, 2024	Variance	Reasons for varaince
Current Ratio	Current Assets	Current Liabilities	1.27	1.29	-1 %	
Debt-Equity Ratio	Total Debt[1]	Shareholder's Equity	0.51	0.49	5 %	
Debt Service Coverage Ratio	Earnings available for debt service[2]	Debt service [3]	2.64	2.61	1 %	
Return on Equity (ROE)	Net profit after taxes	Average Shareholder's Equity	8.67 %	5.41 %	60 %	The variance is due to increase in profits
Inventory Turnover Ratio	Revenue from Operations	Average Inventory	3.04	2.95	3 %	
Trade Receivables Turnover Ratio	Revenue from Operations	Average Receivables	2.84	3.08	-8 %	
Trade Payables Turnover Ratio	Purchases	Average Trade Payables	2.51	2.96	-15 %	
Net Capital Turnover Ratio	Revenue from Operations	Working Capital [4]	6.18	6.16	0 %	
Net Profit Ratio	Net Profit	Revenue from Operations	7.29 %	4.65 %	57 %	The variance is on account of increase in Profit after tax which is primarily on account of increase in revenue
Return on Capital Employed (ROCE)	Earnings Before Interest and Taxes (EBIT)	Average Capital Employed [5]	9.97 %	7.23 %	38 %	The variance is on account of increase in Profits.
Return on Investment [6]	Income generated from investments	Investment	N.A.	N.A.	-	

(1) Long Term borrowings + Short Term borrowings + interest accrued

(2) Net profit after tax + Depreciation and amortisation + Term loan Interest

(3) Term loan Interest + Principal repayments

(4) Current assets - Current liabilities

(5) Networth + net total debt including interest accrued - cash and cash equivalents

(6) The Company is not having any market linked investments.

Standalone Notes to Financial Statements

for the year ended March 31, 2025

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

41. Other statutory information

i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

ii) The Company does not have any transactions with companies struck off.

iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

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

vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

viii) The Company doesn't have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

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

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

V.V. Ravi Kumar
Executive Director & Chief
Financial Officer
DIN: 01424180

G.Venkateswar Reddy
Company Secretary
Membership No. F7016

Place: Hyderabad
Date: April 24, 2025

Independent Auditors' Report

To The Members of
Laurus Labs Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Laurus Labs Limited** (the "Holding Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as the "Group") which includes the Group's share of profit in its associates and joint venture, which comprise the Consolidated Balance Sheet as at March 31, 2025, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of subsidiaries and associate referred to in the Other Matters section below the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. we have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue Recognition - Refer note 2.2 (e) and note 17 of consolidated financial statements.** The Holding Company recognises revenue from sale of products based on the terms and conditions of transactions which varies with different customers. For sale transactions in a certain period of time around the Balance Sheet date, it is essential to ensure that the control of the goods have been transferred to the customers. As revenue recognition is subject to management's judgement on whether the control of the goods have been transferred, we consider cut-off of revenue as a key audit matter.	**Principal audit procedures performed included the following:** We obtained an understanding of the revenue recognition process and tested the Holding Company's controls around the timely and accurate recording of sales transactions. We have obtained an understanding of a sample of customer contracts. We tested the access and change management controls of the relevant information technology system in which shipments are recorded. Our test of revenue samples focused on sales recorded immediately before the year-end, obtaining evidence to support the appropriate timing of revenue recognition, based on terms and conditions set out in sales contracts and delivery documents

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

- The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's report including annexures to Board's report, Report on Corporate Governance and Business Responsibility and Sustainability Report but does not include the Consolidated financial statements, standalone financial statements and our auditor's report thereon. The Management Discussion and Analysis, Board's report including annexures to Board's report, Report on Corporate Governance and Business Responsibility and Sustainability Report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the consolidated financial statements does not cover the other information and, will 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

identified above when it becomes available, compare with the financial statements of subsidiaries, joint venture and associate audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries and associate, is traced from their financial statements audited by the other auditors.

- When we read the Management Discussion and Analysis, Board's report including annexures to Board's report, Report on Corporate Governance and Business Responsibility and Sustainability Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

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

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the consolidated financial position, Consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its Associates and joint venture in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its associates and its joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group and of its associates and joint venture are also responsible for overseeing the financial reporting process of the Group and of its associates and joint venture.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group, its associates and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group, its associates and joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, its associates and joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements of five subsidiaries whose financial statements reflect total assets of ₹ 256.75 crores as at March 31, 2025, total revenues of ₹ 243.27 crores and net cash flows amounting to Rs.5.53 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 have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

(b) The Consolidated Financial Statements also include the Group's share of net profit of ₹ 0.37 crores for the year ended March 31, 2025 as considered in the consolidated financial statements, in respect of an associate and a joint venture, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these joint venture and associate, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries and associate referred to in the Other Matters section above we report, to the extent applicable that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group and its associate including relevant records 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 Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies, associate company incorporated in India, none of the directors of the Group companies, its associate company incorporated in India 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 consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Holding company, subsidiary companies, associate company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies incorporated in India, the remuneration paid by the Holding Company and such subsidiary companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i) The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group Refer Note 39(C)to the Consolidated financial statements.

ii) The Group, its associates and joint venture did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate company incorporated in India.

iv) (a) The respective Managements of the Holding Company, its subsidiaries and associate Company which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, associate respectively that, to the best of their knowledge and belief, as disclosed in the note 40(Vi) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries, associate to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries, associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Holding Company, its subsidiaries and associate Company which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, associate respectively that, to the best of their knowledge and belief, as disclosed in the note 40(Vii) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiaries, associate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, associate shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, associate which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) (a) The first interim dividend declared and paid by the Holding Company during the year and until the date of this report is in accordance with section 123 of the Act, as applicable.

(b) The second interim dividend declared by the Holding Company during the year is in accordance with Section 123 of the Companies Act 2013 to the extent it applies to declaration of dividend. However, the said dividend was not due for payment on the date of this audit report.

(c) The interim dividend paid by the Holding company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

vi) Based on our examination which included test checks performed by us on the Holding Company, its subsidiary companies, associate company incorporated in India whose financial statements have been audited under the Act, the Holding Company, its subsidiary companies, associate company incorporated in India have used accounting software systems for maintaining their respective books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of audit, we and respective other auditors, whose reports have been furnished to us by the Management of the Holding Company, have not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Holding Company and above referred subsidiary companies, associate company incorporated in India as per the statutory requirements for record retention.

The financial statements of one associate company and a joint venture that is not material to the Consolidated Financial Statements of the Group, have not been audited under the provisions of the Act as of the date of the report. Therefore, we are unable to comment on the reporting requirements under Rule 11(g) of the Companies (Audit and Auditors) Rule,2014 in respect of the associate and joint venture.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Holding Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements except for the following:

(All amounts in crores rupees except for share data or as otherwise stated)

Name of the Company	CIN	Nature of relationship	Clause Number of CARO report with qualification or adverse remark
Sriam Labs Private Limited	U24239TG2002PTC038490	Wholly Owned Subsidiary	Clause i(c)
Laurus Bio Private Limited	U02423KA2005PTC036770	Subsidiary	Clause i(c)

Further, in respect of the following companies included in the Consolidated Financial Statements, whose audit under Section 143 of the Act has not yet been completed, the CARO report as applicable in respect of these companies are not available and consequently have not been provided to us as on the date of this audit report:-

Name of the Company	CIN	Nature of relationship
Ethan Energy India Private Limited	U40100TG2018FTC125395	Associate
KRKA Pharma Private Limited	U21000TS2024FTC184449	Joint Venture

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

C Manish Muralidhar
(Partner)
(Membership No. 213649)
(UDIN: 25213649BMOEMK9764)

Place: Hyderabad
Date: April 24, 2025

Annexure “A” to the Independent Auditors’ Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

In conjunction with our audit of the consolidated financial statements of the Company as at and for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated financial statements of Laurus Labs Limited (hereinafter referred to as “the Holding Company”) and its subsidiary companies, which includes internal financial controls with reference to consolidated financial statements of its associate companies and joint venture, which are companies incorporated in India, as of that date.

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

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary companies, its associate companies and joint venture which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, associate company in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary companies, its associate companies and joint venture which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

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

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

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Holding Company and its subsidiary companies which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to a subsidiary company, which is company incorporated in India is based solely on the corresponding report of the auditor of such company incorporated in India.

The Holding Company has consolidated financial information of an associate Company and a joint venture company incorporated in India on the basis of Unaudited financial statements prepared by the management. In our Opinion and according to the information and explanations given to us by Management, such associate and Joint venture are not material to the group.

Our opinion is not modified in respect of the above matters.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

C Manish Muralidhar
(Partner)
(Membership No. 213649)
(UDIN: 25213649BMOEMK9764)

Place: Hyderabad
Date: April 24, 2025

Consolidated Balance Sheet

as at March 31, 2025

(All amounts in crores rupees except for share data or as otherwise stated)

Particulars	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3	3,668.46	3,446.37
Right-of-use assets	39A	189.14	178.32
Capital work-in-progress	3	458.36	422.84
Goodwill	4	246.30	246.30
Other intangible assets	4	19.32	19.02
Financial assets			
Investments	5A	233.26	123.98
Other financial assets	5C	48.66	47.38
Income tax assets (net)	16A	6.94	2.97
Other non-current assets	7A	132.81	64.88
Total non-current assets		**5,003.25**	**4,552.06**
Current assets			
Inventories	8	1,936.54	1,845.41
Financial assets			
Trade receivables	9	2,007.16	1,662.92
Cash and cash equivalents	10A	99.54	138.94
Bank balances other than Cash and cash equivalents	10B	44.67	2.71
Loans	5B	0.93	0.95
Other financial assets	5C	5.86	8.82
Other current assets	7B	237.62	175.22
Total current assets		**4,332.32**	**3,834.97**
Total assets		**9,335.57**	**8,387.03**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	107.85	107.79
Other equity	11	4,364.71	4,003.16
Total equity attributable to equity holders of Holding Company		**4,472.56**	**4,110.95**
Non-controlling interests		129.96	4.62
Total equity		**4,602.52**	**4,115.57**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	13A	645.58	798.23
Lease liabilities	39A	62.19	62.16
Other financial liabilities	13E	-	42.33
Provisions	15A	106.09	93.47
Deferred tax liability (net)	6	31.87	57.04
Other non-current liabilities	14A	347.60	105.95
Total non-current liabilities		**1,193.33**	**1,159.18**
Current liabilities			
Financial liabilities			
Borrowings	13B	2,047.50	1,708.82
Trade payables			
- total outstanding dues of micro enterprises and small enterprises	13C	27.75	29.60
- total outstanding dues of creditors other than micro enterprises and small enterprises	13C	930.74	1,021.64
Lease liabilities	39A	8.46	8.19
Other financial liabilities	13D	337.61	138.76
Other current liabilities	14B	101.12	144.25
Provisions	15B	29.34	24.81
Income tax liabilities (net)	16B	57.20	36.21
Total current liabilities		**3,539.72**	**3,112.28**
Total - equity and liabilities		**9,335.57**	**8,387.03**
Summary of material accounting policies	2.2		

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

As per our report of even date

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
ICAI Firm Registration Number: 117366W/W-100018

C Manish Muralidhar
Partner
Membership No. 213649

Place: Hyderabad
Date: April 24, 2025

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

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

V. V. Ravi Kumar
Executive Director & Chief Financial Officer
DIN: 01424180

G. Venkateswar Reddy
Company Secretary
Membership No. F7016

Place: Hyderabad
Date: April 24, 2025

Consolidated Statement of Profit and Loss

for the year ended March 31, 2025

(All amounts in crores rupees except for share data or as otherwise stated)

Particulars		Note	For the year ended March 31, 2025	For the year ended March 31, 2024
I.	**INCOME**			
	Revenue from operations	17	5,553.96	5,040.83
	Other income	18	59.93	20.73
	Total income (I)		**5,613.89**	**5,061.56**
II.	**EXPENSES**			
	Cost of materials consumed	19	2,428.55	2,422.38
	Purchase of traded goods		105.36	110.92
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	20	(55.93)	(100.88)
	Employee benefits expense	21	719.52	639.93
	Other expenses	22	1,301.18	1,190.98
	Total expenses (II)		**4,498.68**	**4,263.33**
III.	**Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) (I-II)**		**1,115.21**	**798.23**
	Depreciation and amortisation	3,4 & 39A	430.09	384.58
	Finance income	23A	(15.17)	(5.61)
	Finance costs	23B	216.00	182.90
IV.	**Profit before tax**		**484.29**	**236.36**
V.	**Tax expense**	27		
	Current tax		156.90	93.11
	Deferred tax		(27.02)	(24.96)
	Total tax expense		**129.88**	**68.15**
VI.	**Profit for the year before share of profit/(loss) from associates and joint venture (IV-V)**		**354.41**	**168.21**
VII.	**Share of profit/(loss) from associates and joint venture, net of tax**		3.93	(5.94)
VIII.	**Profit for the year after share of profit/(loss) from associates and joint venture (VI-VII)**		**358.34**	**162.27**
	Other comprehensive income (OCI)	24		
	Items that will not be reclassified subsequently to profit or loss:			
	Remeasurement gains/(losses) on defined benefit plans		(1.87)	(1.20)
	Tax on remeasurement of defined benefit plans		0.50	0.31
	Share in Other comprehensive income of associates and joint venture, net of tax		(0.01)	-
			(1.38)	**(0.89)**
	Items that will be reclassified subsequently to profit or loss:			
	Exchange differences on translating the financial statements of foreign operations		(2.27)	(1.98)
			(2.27)	**(1.98)**
	Total other comprehensive income/(loss) for the year, net of tax		**(3.65)**	**(2.87)**
	Total comprehensive income for the year, net of tax		**354.69**	**159.40**
	Profit for the year attributable to:			
	Equity holders of the parent company		358.32	160.55
	Non-controlling interests		0.02	1.72
	Total comprehensive income for the year attributable to:			
	Equity holders of the parent company		354.67	157.68
	Non-controlling interests		0.02	1.72
	Earnings per equity share ₹ 2/- each fully paid (March 31, 2024: ₹ 2/- each fully paid)	25		
	Computed on the basis of total profit for the year			
	Basic (₹)		6.65	2.98
	Diluted (₹)		6.64	2.97
	Summary of material accounting policies	2.2		

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

As per our report of even date

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
ICAI Firm Registration Number: 117366W/W-100018

C Manish Muralidhar
Partner
Membership No. 213649

Place: Hyderabad
Date: April 24, 2025

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

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

V. V. Ravi Kumar
Executive Director & Chief Financial Officer
DIN: 01424180

G. Venkateswar Reddy
Company Secretary
Membership No. F7016

Place: Hyderabad
Date: April 24, 2025

Consolidated Statement of Changes in Equity

for the year ended March 31, 2025

(All amounts in crores rupees except for share data or as otherwise stated)

a) Equity share capital

Equity shares of ₹2/- each, fully paid up	No.	₹
As at April 01, 2023	**538,650,925**	**107.73**
Issued during the year - ESOP	314,933	0.06
As at March 31, 2024	**538,965,858**	**107.79**
Issued during the year - ESOP	286,633	0.06
As at March 31, 2025	**539,252,491**	**107.85**

b) Other equity

Particulars	Reserves and surplus					Other comprehensive income		Non-controlling Interests	Total
	Capital reserve	Securities Premium	Employee Stock option reserve	Retained Earnings	Gross obligation liability to acquire non-controlling interest	Re-measurement of the net defined benefit plans	Foreign currency translation reserve		
As at April 01, 2023	**1.79**	**713.06**	**12.08**	**3,302.01**	**(83.20)**	**(8.13)**	**(7.81)**	**11.13**	**3,940.93**
Profit for the year	-	-	-	157.68	-	-	-	1.72	159.40
Expense arising from equity-settled share-based payment transactions	-	-	10.92	-	-	-	-	-	10.92
Transferred from stock options outstanding	-	4.02	(1.53)	-	-	-	-	-	2.49
Dividend on equity shares	-	-	-	(86.18)	-	-	-	-	(86.18)
Acquisition of Non-controlling interest		-	-		-	-	-	(8.23)	(8.23)
Gross obligation liability to acquire Non-controlling interest	-	-	-	(58.56)	49.88	-	-	-	(8.68)
Foreign currency translation reserve	-	-	-	-	-	-	(1.98)	-	(1.98)
Remeasurement loss on net defined benefit liability, net of tax	-	-	-	-	-	(0.89)	-	-	(0.89)
At March 31, 2024	**1.79**	**717.08**	**21.47**	**3,314.95**	**(33.32)**	**(9.02)**	**(9.79)**	**4.62**	**4,007.78**
Profit for the year	-	-	-	358.32	-	-	-	0.02	358.34
Expense arising from equity-settled share-based payment transactions	-	-	10.23	-	-	-	-	-	10.23
Transferred from stock options outstanding	-	15.76	(5.65)	-	-	-	-		10.11
Dividend on equity shares	-	-	-	(43.13)	-	-	-	-	(43.13)
Changes in Non-controlling interest								125.32	125.32
Net impact on settlement of Gross obligation liability to acquire Non-controlling interest	-	-	-	(3.65)	33.32	-	-	-	29.67
Foreign currency translation reserve	-	-	-	-	-	-	(2.27)	-	(2.27)
Remeasurement loss on net defined benefit liability, net of tax	-	-	-	-	-	(1.38)	-	-	(1.38)
As at March 31, 2025	**1.79**	**732.84**	**26.05**	**3,626.49**	**-**	**(10.40)**	**(12.06)**	**129.96**	**4,494.67**

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

As per our report of even date

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
ICAI Firm Registration Number: 117366W/W-100018

C Manish Muralidhar
Partner
Membership No. 213649

Place: Hyderabad
Date: April 24, 2025

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

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

V. V. Ravi Kumar
Executive Director & Chief Financial Officer
DIN: 01424180

G. Venkateswar Reddy
Company Secretary
Membership No. F7016

Place: Hyderabad
Date: April 24, 2025

Consolidated Statement of Cash Flows

for the year ended March 31, 2025

(All amounts in crores rupees except for share data or as otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit before tax	484.29	236.36
Cash flow from operating activities		
Adjustments for:		
Depreciation and amortisation	430.09	384.58
(Profit)/Loss on sale of Property, plant and equipment (net)	(57.05)	1.93
Interest income	(15.17)	(5.61)
Interest expenses	209.96	175.00
Share-based payment expense	10.23	10.92
Net (gain) / loss on foreign exchange fluctuations (unrealised)	(1.92)	(8.82)
Allowance for expected credit loss and bad debts (net)	53.36	4.93
Provisions no longer required written back	-	(0.01)
Operating profit before working capital changes	**1,113.79**	**799.28**
Movement In working capital:		
Increase in inventories	(82.86)	(151.31)
Increase in trade receivables	(404.96)	(85.10)
Increase in financial and non-financial assets	(54.96)	(38.50)
Increase/(Decrease) in trade payables	(97.99)	334.41
Increase/(Decrease) in financial, non-financial liabilities and provisions	266.17	(88.52)
Cash generated from operations	**739.19**	**770.26**
Income tax paid	(137.54)	(104.57)
Net cash generated from operating activities (A)	**601.65**	**665.69**
Cash flow used in investing activities		
Purchase of property, plant and equipment, including intangible assets, and movement in capital work-in-progress, capital advances and capital creditors	(641.00)	(678.31)
Proceeds from sale of property, plant and equipment	99.87	2.30
Movement in Bank balances other than Cash and cash equivalents	(41.39)	(0.40)
Investment in associate	-	(80.02)
Investment in joint venture	(105.35)	-
Acquisition of Non-controlling interest	-	(71.60)
Interest received	6.15	5.61
Net cash used in investing activities (B)	**(681.72)**	**(822.42)**
Cash flow from financing activities		
Proceeds from exercise of employee stock options	10.17	2.56
Repayment of long - term borrowings (Refer note no. 13g)	(315.70)	(216.69)
Proceeds from long - term borrowings (Refer note no. 13g)	178.86	363.86
Proceeds from short - term borrowings (net) (Refer note no. 13g)	323.91	393.88
Payment of lease liabilities (Refer note no. 39A)	(30.93)	(33.29)
Dividend paid	(43.13)	(86.18)
Changes in Non-controlling interest	125.32	-
Interest paid	(209.22)	(174.31)
Net cash generated from financing activities (C)	**39.28**	**249.83**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(40.79)	93.10
Effect of exchange differences on cash and cash equivalents	1.39	0.17
Cash and cash equivalents at the beginning of the year	138.94	45.67
Cash and cash equivalents at the year end	**99.54**	**138.94**
Components of cash and cash equivalents:		
Cash on hand	0.12	0.10
Balances with banks		
On current accounts	90.99	121.71
On deposit accounts	8.43	17.13
Total cash and cash equivalents	**99.54**	**138.94**

Note: The above cash flow statement has been prepared under "Indirect Method" as set out in the Indian Accounting Standards (Ind AS 7)

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

As per our report of even date

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
ICAI Firm Registration Number: 117366W/W-100018

C Manish Muralidhar
Partner
Membership No. 213649

Place: Hyderabad
Date: April 24, 2025

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

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

V. V. Ravi Kumar
Executive Director & Chief Financial Officer
DIN: 01424180

G. Venkateswar Reddy
Company Secretary
Membership No. F7016

Place: Hyderabad
Date: April 24, 2025

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

(All amounts in crores rupees except for share data or as otherwise stated)

1. Corporate information

The consolidated financial statements comprise financial statements of Laurus Labs Limited (the 'Company') and its subsidiaries (collectively, the 'Group') for the year ended March 31, 2025. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company's shares are listed on BSE Limited and National Stock Exchange of India Limited in India. The registered office of the Company is located at Laurus Enclave, Plot Office 01, E. Bonangi Village, Parawada Mandal, Anakapalli District, Andhra Pradesh – 531021.

The Group is principally engaged in offering a broad and integrated portfolio of Active Pharmaceuticals Ingredients (API) including intermediates, Generic Finished dosage forms (FDF) and Contract Research services to cater to the needs of the global pharmaceutical industry and to develop novel enzyme solutions for Industrial Biotechnology and Animal Origin Free recombinant proteins and enzymes for biopharma. Information on the Group's structure is provided in Note 37. Information on other related party relationships of the Group is provided in Note 32. The consolidated financial statements were authorised for issue in accordance with a resolution of the directors on April 24, 2025.

2. Material accounting policies

2.1 Basis of preparation

(a) The financial statements of the Group have been prepared in accordance with Indian Accounting Standards ('Ind AS'), under the historical cost except for certain financial instruments which are measured at fair values at the end of each reporting period as explained in the accounting policies below, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter and presentation requirements of Division II of Schedule III to the Companies Act, 2013.

The consolidated financial statements have been prepared on a historical cost except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in accounting policies below.

The financial statements are presented in Indian Rupees and all values are rounded to the nearest crores, except otherwise indicated.

Basis of consolidation

The Consolidated financial statements comprise the financial statements of the Group as at March 31, 2025 and March 31, 2024.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

(All amounts in crores rupees except for share data or as otherwise stated)

The Group has following investments in subsidiaries, associates and joint venture:

Name of Entity	Principal place of business and Country of Incorporation	Investee relationship		Proportion of ownership interest	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Sriam Labs Private Limited	India	Subsidiary	Subsidiary	100%	100%
Laurus Synthesis Private Limited (Refer note iv)	India	Subsidiary	Subsidiary	100%	100%
Laurus Holdings Limited	UK	Subsidiary	Subsidiary	100%	100%
Laurus Generics Inc.	USA	Step-down subsidiary	Step-down subsidiary	100%	100%
Laurus Generics GmbH	Germany	Step-down subsidiary	Step-down subsidiary	100%	100%
Laurus Generics SA (Pty) Ltd	South Africa	Subsidiary	Subsidiary	100%	100%
Laurus Bio Private Limited (Refer note ii)	India	Subsidiary	Subsidiary	76.32%	91.14%
Laurus Specialty Chemicals Private Limited	India	Subsidiary	Subsidiary	100%	100%
Immuno Adopative Cell Therapy Private Limited (Refer note iii)	India	Associate	Associate	34.89%	34.89%
Ethan Energy India Private Limited	India	Associate	Associate	26.00%	26.00%
KRKA Pharma Private Limited (Refer note i)	India	Joint Venture		49.00%	-

i) Pursuant to the joint venture agreement entered into by the Company with KRKA Pharma Private Limited ("KRKA"), Capital contribution amounting to ₹ 105.35 have been made into KRKA in terms of the aforesaid agreement during the year for 49% stake in two tranches, ₹ 22.05 and ₹ 83.30 respectively. The Company has accounted for the investment in KRKA as joint venture w.e.f. October 03, 2024.

ii) During the year, Laurus Bio Private Limited ("Laurus Bio") entered into definitive agreement with Eight Roads Ventures India Healthcare IV, L.P. and F-Prime Capital Partners Life Sciences Fund VIII LP ("Investors"), Pursuant to this agreement Investors have together invested ₹ 120 crores into Laurus Bio. Accordingly, the Company's stake in Laurus Bio as on March 31, 2025 is 76.32% (as on March 31, 2024: 91.14%).

iii) During the year ended March 31, 2024, Pursuant to investment agreement entered into by the Company with Immunoadoptive Cell Therapy Private Limited (ImmunoAct), the Company made further capital contribution towards Series B Compulsorily convertible preference shares (CCPS) amounting to ₹ 80.02 crores in ImmunoAct in terms of the aforesaid agreement. Consequent to additional acquisition, the total shareholding in ImmunoAct has increased from 27.57% to 34.89%.

iv) During the year ended March 31, 2024, the Company infused further equity into Laurus Synthesis Private Limited by subscribing to rights issue offered for acquiring 7,600 equity shares of ₹ 10 each for a consideration of ₹ 99.13 crores.

(b) Consolidation procedure:

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.

b) Eliminate the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

d) Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests.

e) When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

(All amounts in crores rupees except for share data or as otherwise stated)

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 Summary of material accounting policies

(a) Business combinations and goodwill

In accordance with Ind-AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from April 01, 2015. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with minimal adjustment. Similarly, such first time adoption exemption is also adopted for associate.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

(All amounts in crores rupees except for share data or as otherwise stated)

in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Investment in associates and joint venture: (accounted under equity method):

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associate are incorporated in these Consolidated Financial Statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105 – Non-current Assets Held for Sale and Discontinued Operations.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The considerations made in determining whether joint control are similar to those necessary to determine control over the subsidiaries.

(b) Current versus non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

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

(c) Foreign currencies

The Group's consolidated financial statements are presented in Indian rupees, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at its functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the group uses an average rate if the average approximates the actual rate at the date of the transaction.

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

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss except with the exception of exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity, such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Group Companies

On consolidation, the assets and liabilities of foreign operations are translated into functional currency at the rate of exchange prevailing at the reporting date and their Statements of Profit or Loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the date of transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in Statement of Profit and Loss.

(d) Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's chief financial officer determines the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. Any change in the fair value of each asset and liability is also compared with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(e) Revenue recognition

Revenue from contracts with customers is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. When a performance obligation is satisfied, the revenue is measured at the transaction price which is consideration received or receivable, net of returns and allowances, trade discounts and volume rebates after taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group derives revenues primarily from manufacture and sale of Active Pharma Ingredients (API) including intermediates, Generic Finished dosage forms (FDF) and Contract Research services (together called as "Pharmaceuticals").

The following is summary of significant accounting policies relating to revenue recognition. Further, refer note no. 17 for disaggregate revenues from contracts with customers.

Sale of products

The Group recognises revenue for supply of goods to customers against orders received. The majority of contracts that Group enters into relate to sales orders containing single performance obligations for the delivery of pharmaceutical products as per Ind AS 115. Product revenue is recognised when control of the goods is passed to the customer. The point at which control passes is

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for the year ended March 31, 2025

(All amounts in crores rupees except for share data or as otherwise stated)

determined based on the terms and conditions by each customer arrangement. Revenue is not recognised until it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Amount representing the profit share component is recognised as revenue only to the extent that it is highly probable that a significant reversal will not occur.

The Group also recognises revenue where goods are ready as per customer request and pending dispatch at the instance of the customer. In such cases, the products are separately identified as belonging to the customer and the Group does not hold the right to redirect the product to another customer. On satisfaction of all performance obligations, invoice is raised on the customer in accordance with customer request at regular payment terms.

Provisions for chargeback, rebates and discounts are estimated and provided for in the year of sales and recorded as reduction of revenue.

Sale of services

Revenue from services rendered, which primarily relate to contract research, is recognised in the statement of profit and loss as the underlying services are performed. Upfront non-refundable payments received under these arrangements are deferred and recognised as revenue over the expected period over which the related services are expected to be performed.

Contract Liabilities

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

Interest income

For all debt financial instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in finance income in the Statement of Profit and Loss.

Dividends

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

Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Export incentives are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

(f) Taxes

Income tax

Income tax expense consists of current and deferred tax. Income tax expense is recognised in the consolidated statement of Profit and Loss except to the extent that it relates to items recognised in OCI or directly in equity, in which case it is recognised in OCI or directly in equity respectively. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provision where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries and associate, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (MAT Credit) and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that

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taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries and associate, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period/ year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(g) Property, plant and equipment

Under the previous GAAP (Indian GAAP), property, plant and equipment and capital wok in progress were carried in the Balance Sheet at cost of acquisition. The Group has elected to regard those values of property, plant and equipment as deemed cost at the date of the acquisition since there is no change in the functional currency as at April 01, 2015 (date of transition to Ind AS) on the date of transition to Ind AS. The Group has also determined that cost of acquisition or construction at deemed cost as at April 01, 2015.

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Capital work-in-progress is stated at cost, net of accumulated impairment loss, if any.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance or extends its estimated useful life. Freehold land is not depreciated.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Factory buildings	: 30 years
Other buildings	: 60 years
Plant and equipment	: 5 to 20 years
Furniture and fixtures	: 10 years
Vehicles	: 4 to 5 years
Computers	: 3 to 6 years

The Group, based on technical assessment and management estimate, depreciates certain items of plant and equipment and vehicles over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively/ retrospectively, as appropriate.

(h) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets

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for the year ended March 31, 2025

(All amounts in crores rupees except for share data or as otherwise stated)

acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Computer Software

Costs relating to software, which is acquired, are capitalised and amortised on a straight-line basis over their estimated useful lives of five years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

(i) Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification ofa lease requires significant judgement. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right-to-use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as a lessee

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right-to-use the asset or assets, even if that right is not explicitly specified in an arrangement.

At the date of commencement of the lease, the Group recognises a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term and useful life of the underlying asset. The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.”

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

(j) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(k) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on weighted average basis.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials and packing material: Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Finished goods and work-in-progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.
- Traded goods and spare parts: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Stores and spares are valued at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(l) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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

Impairment losses, including impairment on inventories, are recognised in the Statement of Profit and Loss. For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods/ years. Such reversal is recognised in the Statement of Profit and Loss.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

(m) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of

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the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(n) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund by a third party.

The cost of providing benefits under the defined benefit plan is determined based on projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other comprehensive income ("OCI") in the period in which they occur. Remeasurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

The Group treats accumulated leaves which are to be settled after 12 months as a long-term employee benefit and accumulated leaves which are to be settled in the next 12 months as a short-term employee benefit for measurement purposes. Such accumulated leaves are provided for based on an actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred. The Group presents the entire liability in respect of leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement beyond 12 months after the reporting date.

(o) Share-based payments

Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments.

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using Black Scholes valuation model.

That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The Statement of Profit and Loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(p) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets:

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a siginficant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, a 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. This category generally applies to trade and other receivables.

For purposes of subsequent measurement, Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL. FVTPL is a residual category for debt instruments.

In addition, the group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The group has not designated any debt instrument as at FVTPL due to recognition inconsistency.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Further, All equity investments in scope of Ind AS 109 are measured at fair value. For equity instruments which are not held for trading, the group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the group may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

a) the rights to receive cash flows from the asset have expired, or

b) the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

   i. the Group has transferred substantially all the risks and rewards of the asset, or

   ii. the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

   When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

   Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay. "

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of

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impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits and bank balances.

b) Trade receivables that result from transactions that are within the scope of Ind AS 115."

The Group follows 'simplified approach' for recognition of impairment loss. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms"

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

Receivables past due	% of allowance
> 1 year and < 2 years	25 %
> 2 years and < 3 years	50 %
> 3 years	100 %

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss ('FVTPL'), loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

Loans and borrowings

This is the category most relevant to the group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

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Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Reclassification of financial assets

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(q) Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

Changes in the fair value of derivative contracts that economically hedge monetary assets and liabilities in foreign currencies, and for which no hedge accounting is applied, are recognised in the statement of profit and loss. The changes in fair value of such derivative contracts, as well as the foreign exchange gains and losses relating to the monetary items, are recognised in the Statement of Profit and Loss.

(r) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

(s) Research and development

Revenue expenditure on research and development is charged to the Statement of Profit and Loss in the year in which it is incurred. The Group does not generate any intangible asset internally.

(t) Measurement of EBITDA

The Group presents EBITDA in the Statement of Profit and Loss, which is neither specifically required by Ind AS 1 nor defined under Ind AS. Ind AS complaint Schedule III allows companies to present line items, sub-line items and sub-totals shall be presented as an addition or substitution on the face of the financial statements when such presentation is relevant to an understanding of the group's financial position or performance or to cater to industry/ sector-specific disclosure requirements or when required for compliance with the amendments to the Companies Act or under the Indian Accounting Standards.

Accordingly, the Group has elected to present EBITDA as a separate line item on the face of the Statement of Profit and Loss and does not include depreciation and amortisation expense, finance income, finance costs, share of profit/ loss from associate and tax expense in the measurement of EBITDA.

(u) New standards and interpretations not yet adopted

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Group has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

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3. Property, plant and equipment

Particulars	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Computers	Vehicles	Total
Gross carrying value (at cost or deemed cost)							
As at April 01, 2023	**224.16**	**1,175.73**	**2,812.01**	**87.70**	**42.73**	**31.04**	**4,373.37**
Additions	3.61	190.81	570.86	15.66	11.80	9.94	802.68
Disposals	-	-	(8.17)	-	-	(4.69)	(12.86)
Adjustment							
- Exchange difference	-	-	-	-	-	-	-
As at March 31, 2024	**227.77**	**1,366.54**	**3,374.70**	**103.36**	**54.53**	**36.29**	**5,163.19**
Additions	4.60	196.46	435.69	5.87	16.18	15.11	673.91
Disposals	(31.80)	(0.60)	(33.54)	(0.57)	(0.75)	(5.74)	(73.00)
Adjustment							
- Exchange difference	-	-	-	-	-	-	-
As at March 31, 2025	**200.57**	**1,562.40**	**3,776.85**	**108.66**	**69.96**	**45.66**	**5,764.10**
Depreciation							
As at April 01, 2023	**-**	**211.18**	**1,077.98**	**31.64**	**23.54**	**13.07**	**1,357.41**
Charge for the year	-	50.19	292.39	10.50	7.08	7.83	367.99
Disposals	-	(0.05)	(4.64)	-	-	(3.94)	(8.63)
Adjustment							
- Exchange difference	-	-	-	0.04	0.01	-	0.05
As at March 31, 2024	**-**	**261.32**	**1,365.73**	**42.18**	**30.63**	**16.96**	**1,716.82**
Charge for the year	-	57.95	320.74	12.01	8.72	9.59	409.01
Disposals	-	(0.45)	(23.52)	(0.33)	(0.49)	(5.39)	(30.18)
Adjustment							
- Exchange difference	-	-	-	(0.01)	-	-	(0.01)
As at March 31, 2025	**-**	**318.82**	**1,662.95**	**53.85**	**38.86**	**21.16**	**2,095.64**
Net carrying value							
As at March 31, 2024	**227.77**	**1,105.22**	**2,008.97**	**61.18**	**23.90**	**19.33**	**3,446.37**
As at March 31, 2025	**200.57**	**1,243.58**	**2,113.90**	**54.81**	**31.10**	**24.50**	**3,668.46**

Notes:

(i) Pledge on Property, plant and equipment - Laurus Labs Limited:

Property, plant and equipment (other than vehicles) with a net carrying amount aggregating ₹ 3,643.96 (March 31, 2024: ₹ 3,427.04) are subject to a pari passu first charge on the Company's term loans. Further, the property, plant and equipment (other than vehicles) are subject to a pari passu second charge on the Company's current borrowings. Also, refer note 13A and 13B.

(ii) The Group has not revalued its property,plant and equipment.

(iii) During the year borrowing cost of ₹ 4.24 has been capitalised of which an amount of ₹ 1.63 is incurred in the current financial year and ₹ 2.61 is from CWIP of previous year

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

	March 31, 2025	March 31, 2024
Opening balance	422.84	550.78
Additions during the year	709.43	674.74
Capitalised during the year	673.91	802.68
Closing balance	**458.36**	**422.84**

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(v) Capital work-in-progress (CWIP) ageing schedule:

For the year ended March 31, 2025

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	379.82	68.27	7.37	2.53	457.99
Projects temporarily suspended	-	0.37	-	-	0.37

For the year ended March 31, 2024

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	377.11	40.10	3.20	2.43	422.84
Projects temporarily suspended	-	-	-	-	-

(vi) For CWIP, whose completion is overdue or has exceeded its cost compared to its original plan the project wise details of when the project is expected to be completed it given below:

Particulars	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
CETP - Unit VIII	123.53	-	-	-	123.53
Utility block - Unit II	12.51	-	-	-	12.51
Balance as on March 31, 2025	**136.04**	**-**	**-**	**-**	**136.04**
Projects in progress	-	-	-	-	-
Balance as on March 31, 2024	**-**	**-**	**-**	**-**	**-**

4. Other Intangible assets

Particulars	Goodwill on consolidation	Computer software	Total
Gross carrying value (at cost or deemed cost)			
As at April 01, 2023	**246.30**	**41.72**	**288.02**
Additions	-	11.00	11.00
Disposals	-	-	-
As at March 31, 2024	**246.30**	**52.72**	**299.02**
Additions	-	6.15	6.15
Disposals	-	(0.99)	(0.99)
As at March 31, 2025	**246.30**	**57.88**	**304.18**
Amortisation			
As at April 01, 2023	**-**	**28.79**	**28.79**
Charge for the year	-	4.91	4.91
Disposals			
As at March 31, 2024	**-**	**33.70**	**33.70**
Charge for the year	-	5.85	5.85
Disposals		(0.99)	(0.99)
As at March 31, 2025	**-**	**38.56**	**38.56**
Net carrying value			
As at March 31, 2024	**246.30**	**19.02**	**265.32**
As at March 31, 2025	**246.30**	**19.32**	**265.62**

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Impairment test of goodwill:

Goodwill is tested for impairment on annual basis and whenever there is an indication that the recoverable amount of cash generating unit is less than its carrying amount based on number of factors including business plan, operating results, future cash flows and economic conditions. The recoverable amount of cash generating units (CGU) is determined based on higher of value in use and fair value less cost to sell. The Group generally uses discounted cash flow based methods to determine the recoverable amount. These discounted cash flows use five-year projections that are based on financial forecasts. Cash flow projections take into account past experience and management's best estimate about future developments.

Discount rate represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and the risks specific to the asset for which future cash flow estimates have not been adjusted. The discount rate calculation is derived weighted average cost of capital of specific company. Terminal value growth rates take into consideration of external macroeconomic sources of data and industry specific trends.

The following table presents the key assumptions used to determine value in use/fair value less cost to sell for impairment test purpose:

Particulars	March 31, 2025	March 31, 2024
Terminal value growth rate	6%	6%
Pre tax discount rate	14.10%	14.10%

Based on the above, no impairment was identified as at March 31, 2025 as the recoverable value exceeds the carrying value.

5. Financial assets

		March 31, 2025	March 31, 2024
A.	**Investments**		
	Equity instruments of associates (net of share of profit/loss)	12.15	10.57
	Compulsorily convertible preference shares of associate (net of share of profit/loss)	113.06	110.00
	Equity instruments of Joint Venture (net of share of loss)	104.64	-
	Others	3.41	3.41
	Total	**233.26**	**123.98**

(a) Unquoted equity investments	March 31, 2025	March 31, 2024
I. Investments in associates (Equity accounted investees)		
- 996 (March 31, 2024: 996) Equity shares of ₹ 10 each fully paid-up of Immunoadoptive Cell Therapy Private Limited (net of share of profit/loss) (note i)	8.18	7.68
- 740,000 (March 31, 2024: 740,000) Equity shares of ₹ 10 each fully paid-up of Ethan Energy India Private Limited (net of share of profit/loss)	3.97	2.89
Total	**12.15**	**10.57**
II. Investments in Joint Venture (Equity accounted investee)		
- 10,53,50,000 (March 31, 2024: Nil) Equity shares of ₹ 10 each fully paid-up of KRKA Pharma Private Limited (note ii) (net of share of loss)	104.64	-
Total	**104.64**	**-**
III. Investments in others (valued at fair value through profit and loss)		
- 3,405,000 (March 31, 2024: 3,405,000) Equity shares of ₹ 10/- each of Atchutapuram Effluent Treatment Limited.	3.41	3.41
Total	**3.41**	**3.41**

(b) Unquoted Investment in Compulsorily convertible preference shares - carried at cost	March 31, 2025	March 31, 2024
- 3,983, 0.1% compulsorily Convertible preference shares of ₹ 10 each fully paid Series A of Immunoadoptive Cell Therapy Private Limited (March 31, 2024: 3,983 of ₹ 10 each fully paid) (note i)	32.01	29.98
- 2,028, 0.1% compulsorily Convertible preference shares of ₹ 10 each fully paid Series B of Immunoadoptive Cell Therapy Private Limited (March 31, 2024: 2,028 of ₹ 10 each fully paid) (note i)	81.05	80.02
Total	**113.06**	**110.00**

Notes:

i) During the year ended March 31, 2024, Pursuant to investment agreement entered into by the Company with Immunoadoptive Cell Therapy Private Limited (ImmunoAct), the Company made further capital contribution towards Series B Compulsorily

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convertible preference shares (CCPS) amounting to ₹ 80.02 crores in ImmunoAct in terms of the aforesaid agreement. Consequent to additional acquisition, the total shareholding in ImmunoAct has increased from 27.57% to 34.89% (As on March 31, 2023, the Company holds 27.57%)

ii) Pursuant to the joint venture agreement entered into by the Company with KRKA Pharma Private Limited ("KRKA"), Capital contribution amounting to ₹ 105.35 have been made into KRKA in terms of the aforesaid agreement during the year for 49% stake in two tranches, ₹ 22.05 and ₹ 83.30 respectively. The Company has accounted for the investment in KRKA as joint venture w.e.f. October 03, 2024.

iii) The Group has complied with number of layers prescribed under clause 87 of Section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

B. Loans

Particulars	March 31, 2025	March 31, 2024
Current (unsecured, considered good unless stated otherwise)		
Other loans		
- Loans to employees	0.93	0.95
Total	**0.93**	**0.95**

C. Other financial assets

Particulars	March 31, 2025	March 31, 2024
Non-current (unsecured, considered good unless stated otherwise)		
Security deposits	40.14	34.86
Other balances with banks	0.01	0.01
Export and other incentives receivable (net) *	8.51	12.51
Total	**48.66**	**47.38**
Current (unsecured, considered good unless stated otherwise)		
Export and other incentives receivable (net) *	5.86	8.60
Derivative foreign currency forward contracts	-	0.22
Total	**5.86**	**8.82**

* Export and other receivable comprises the following:

a. Market Access Initiative (MAI refunds) governed by guidelines issued by the Department of Commerce

b. Duty drawbacks governed by Foreign Trade Policy 2015-20, which has been extended till September 30, 2022 vide notification no.64/2015-2020 dated 31.03.2022 & Public Notice No.53/2015-2020 dated 31.03.2022

c. Terminal Excise Duty (TED refunds) governed under the Customs Act, 1962

d. Sales tax incentive and reimbursement of power cost under the Andhra Pradesh state incentives IIPP 2015-20 scheme. There are no unfulfilled conditions or contingencies attached to these incentives

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

Particulars		March 31, 2025	March 31, 2024
Deferred tax liability relating to			
Accelerated depreciation for tax purposes		(150.75)	(142.99)
	(A)	**(150.75)**	**(142.99)**
Deferred tax asset relating to			
MAT credit entitlement		-	0.66
Expenses allowable on payment basis		80.23	60.33
Other items giving rise to temporary differences		38.65	24.96
	(B)	**118.88**	**85.95**
Deferred tax assets/(liability) (net)	(A+B)	**(31.87)**	**(57.04)**

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Deferred tax assets/(liabilities):

For the year ended March 31, 2025:

Particulars	Opening balance	Recognised/ Utilised during the year	Recognised in other comprehensive income	Closing balance
Accelerated depreciation for tax purposes	(142.99)	(7.76)	-	(150.75)
MAT credit entitlement/(utilisation)	0.66	(0.66)	-	(0.00)
Expenses allowable on payment basis	60.33	19.90	-	80.23
Other items giving rise to temporary differences	24.96	13.19	0.50	38.65
	(57.04)	**24.67**	**0.50**	**(31.87)**

For the year ended March 31, 2024:

Particulars	Opening balance	Recognised/ Utilised during the year	Recognised in other comprehensive income	Closing balance
Accelerated depreciation for tax purposes	(129.59)	(13.40)	-	(142.99)
MAT credit entitlement/(utilisation)	0.87	(0.21)	-	0.66
Expenses allowable on payment basis	25.33	35.00	-	60.33
Other items giving rise to temporary differences	20.94	3.71	0.31	24.96
	(82.45)	**25.10**	**0.31**	**(57.04)**

The Group has accounted for deferred tax liabilities (net) of ₹ 31.87 (March 31, 2024: ₹ 57.04) based on approval of business plan by the board, agreements entered with customers, orders on hand, fresh infusion of funds, successful patent filings and a portfolio of drugs.

There are no unrecognised deferred tax assets and liabilities as at March 31, 2025 and March 31, 2024.

7. Other assets

Particulars	March 31, 2025	March 31, 2024
A) Non-current (unsecured, considered good unless otherwise stated)		
Capital advances	112.98	42.33
Prepayments	16.49	19.21
Balances with statutory/Government authorities	2.00	2.00
Taxes paid under protest	1.34	1.34
Total	**132.81**	**64.88**
B) Current (unsecured, considered good unless otherwise stated)		
Advances recoverable in cash or kind	26.97	22.73
Prepayments	29.28	28.05
Balances with statutory/Government authorities	179.16	123.48
Others	2.21	0.96
Total	**237.62**	**175.22**

8. Inventories

Particulars	March 31, 2025	March 31, 2024
(At lower of cost and net realisable value)		
Raw materials [including port stock and stock-in-transit ₹ 97.78 (March 31, 2024: ₹ 78.61)]	621.94	589.99
Work-in-progress	746.65	679.47
Finished goods	484.55	495.80
Stores, spares and packing materials	83.40	80.15
Total	**1,936.54**	**1,845.41**

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for the year ended March 31, 2025

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9. Trade receivables

Particulars	March 31, 2025	March 31, 2024
Unsecured		
Considered good	2,007.12	1,662.17
Reveivable from related parties (Refer note no. 32)	0.04	0.75
Credit impaired	50.85	5.61
	2,058.01	**1,668.53**
Less: Allowance for doubtful debts	(50.85)	(5.61)
Total	**2,007.16**	**1,662.92**

a) No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

b) Trade receivables are non-interest bearing and are generally on terms of 30 - 120 days.

c) Of the trade receivables balance, ₹ 648.96 in aggregate (as at March 31, 2024 ₹ 433.41) is due from the Company's customers individually representing more than 5 % of the total trade receivables balance.

d) The Group has used practical expedient by computing the expected credit loss allowance for doubtful trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking estimates. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates used in the provision matrix.

e) Trade receivables is net of bills discounted without recourse amounting to ₹ nil (as at March 31, 2024 ₹ 33.82)

Movement in the expected credit loss allowance	March 31, 2025	March 31, 2024
Balance at the beginning of the year	5.61	1.36
Additions during the year	46.00	5.38
Recoveries/write offs during the year	(0.76)	(1.13)
Balance at the end of the year	**50.85**	**5.61**

Trade Receivables ageing schedule for the year ended March 31,2025:

Particulars	Not Due	Outstanding from due date of payment					Total
		Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	More than 3 years	
i) Undisputed Trade receivables - considered good	1,393.67	501.11	83.71	20.83	7.84	-	2,007.16
ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade receivables - credit impaired	-	-	13.34	28.78	8.21	0.52	50.85
iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Total	**1,393.67**	**501.11**	**97.05**	**49.61**	**16.05**	**0.52**	**2,058.01**

Trade Receivables ageing schedule for the year ended March 31, 2024:

Particulars	Not Due	Outstanding from due date of payment					Total
		Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	More than 3 years	
i) Undisputed Trade receivables - considered good	1,049.28	545.31	52.10	15.97	0.26	-	1,662.92
ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade receivables - credit impaired	-	-	-	5.35	0.26	-	5.61
iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Total	**1,049.28**	**545.31**	**52.10**	**21.32**	**0.52**	**-**	**1,668.53**

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Consolidated Notes to Financial Statements
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(All amounts in crores rupees except for share data or as otherwise stated)

10. Cash and cash equivalents and other bank balances

Particulars	March 31, 2025	March 31, 2024
A) Cash and cash equivalents		
Balances with banks		
- On current accounts	90.99	121.71
- Deposits with original maturity of less than three months	8.43	17.13
Cash on hand	0.12	0.10
Total	**99.54**	**138.94**
B) Bank balances other than Cash and cash equivalents		
On deposit accounts		
- Remaining maturity for less than twelve months	44.39	2.42
- Unclaimed dividend accounts*	**0.28**	**0.29**
Total	**44.67**	**2.71**

* Unclaimed dividend ₹ 0.01 pertaining to FY 2016-17 has been transferred to Investor Education and Protection Fund.

11. Equity share capital

Particulars	March 31, 2025	March 31, 2024
Authorised		
555,000,000 (March 31, 2024: 555,000,000) Equity shares of ₹ 2/- each	111.00	111.00
Total	**111.00**	**111.00**
Issued, Subscribed and Paid Up		
539,252,491 (March 31, 2024: 538,965,858) Equity shares of ₹ 2/- each	107.85	107.79
Total	**107.85**	**107.79**

11.1.Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares of ₹2/- each, fully paid up	For the year ended March 31, 2025		For the year ended March 31, 2024	
	Number of shares	₹	Number of shares	₹
Balance at the beginning of the year	538,965,858	107.79	538,650,925	107.73
Shares issued during the year - ESOP (Refer note no. 29)	286,633	0.06	314,933	0.06
Balance at the end of the year	**539,252,491**	**107.85**	**538,965,858**	**107.79**

11.2. Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share at the general meetings of the Company. For liquidation terms refer note 11.2a.

The Company declares and pays dividends in Indian rupees. The final dividend, if any, proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

During the year ended March 31, 2025, the amount of dividend (first interim dividend ₹ 0.40 and second interim dividend ₹ 0.80) per share declared as distribution to equity shareholders was ₹ 1.20 (March 31, 2024: first interim dividend ₹ 0.40 and second interim dividend ₹ 0.40 per share declared as distribution to equity shareholders was ₹ 0.80).

11. 2a. Liquidation terms and preferential rights

The liquidation terms of the equity shares are as follows:

(a) If the Company shall be wound up, the Liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act divide amongst the shareholders, in specie or kind the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

(b) For the purpose aforesaid, the Liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the shareholders or different classes of shareholders.

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11.3 Details of Shareholders holding more than 5 % shares of the Group:

Particulars	March 31, 2025		March 31, 2024	
Equity shares of ₹2/- each held by	% Holding	Number of shares	% Holding	Number of shares
M/s. NSN Holdings represented by Dr. Satyanarayana Chava	23.02%	124,126,740	23.03%	124,126,740
New World Fund Inc	6.50%	35,030,909	6.50%	35,030,409

11.4 Details of shares held by the promoters of the Company:

Equity Shares held by promoters as at March 31, 2025 and March 31, 2024

Promoter Name	March 31, 2025			March 31, 2024		
	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
M/s. NSN Holdings (represented by Dr. Satyanarayana Chava)	124,126,740	23.02%	-	124,126,740	23.03%	-
Dr. Satyanarayana Chava	1,570,000	0.29%	100.0%	-	0.00%	-
Dr. C.V. Lakshmana Rao	14,310,765	2.65%	6.4%	13,450,145	2.50%	-
M/s. Leven Holdings (represented by Mr. V.V. Ravi Kumar)	6,705,000	1.24%	-	6,705,000	1.24%	-
Mr. V. V. Ravi Kumar	1,000,000	0.19%	-	1,000,000	0.19%	-
Mr. Narasimha Rao Chava	119,675	0.02%	-	119,675	0.02%	-
Mr. Chandrakanth Chereddi	42,000	0.01%	-	42,000	0.01%	-
Mrs. V. Krishnaveni	201,397	0.04%	-	201,397	0.04%	-
Mr. C. Sekhar Babu	100,000	0.02%	-	100,000	0.02%	-
Mrs. V. Hymavathi	225,000	0.04%	-	225,000	0.04%	-
Mrs. Soumya Chava	22,940	0.00%	119.7%	10,440	0.00%	-
Mr. Krishna Chaitanya Chava	20,699	0.00%	-	20,699	0.00%	-
Mrs. T. Nagamani	100,000	0.02%	-	100,000	0.02%	-
Mrs. K. Kamala	100,000	0.02%	-	100,000	0.02%	-
Mr. S. Narasimha Rao	147,500	0.03%	-	147,500	0.03%	-
Mrs. S. Rama	170,000	0.03%	-	170,000	0.03%	-

11.5. Details of shares reserved for issue under options

For details of shares reserved for issue under various Employee Stock Option Schemes of the Group, refer note no. 29.

11.6. Other equity

Particulars	March 31, 2025	March 31, 2024
Capital reserve	1.79	1.79
Securities premium	732.84	717.08
Employee Stock option reserve	26.05	21.47
Retained earnings	3,626.49	3,314.95
Gross obligation liability to acquire non-controlling interest	-	(33.32)
Re-measurement of the net defined benefit plans	(10.40)	(9.02)
Foreign currency translation reserve	(12.06)	(9.79)
Total	**4,364.71**	**4,003.16**

Nature and purpose of reserves

Capital reserve:

Represents capital reserve balances of acquired entities which are transferred to the Company upon merger.

Securities premium:

Securities premium is used to record the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

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Employee Stock option reserve:

The fair value of the equity-settled share-based payment transactions with employees is recognised in statement of profit and loss with corresponding credit to Employee Stock option reserve. This will be utilised for allotment of equity shares against outstanding employee stock options.

Retained earnings:

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distribution to share holders.

Gross obligation liability to acquire non-controlling interest:

Gross obligation liability to acquire non-controlling interest Represents the put option held by non-controlling interests recognised at present value of redemption amount.

Foreign currency translation reserve:

Exchange difference relating to the translation of the Group's foreign operations from their functional currencies to the Company's presentation currency are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.

Re-measurement of the net defined benefit plans:

Re-measurement of net defined benefit plan reserve comprises the cumulate net gains/losses on actuarial valuation of post employee benefit obligations. (Refer note 28)

Other Comprehensive Income:

Exchange differences on translation of financial statements of foreign operations: Represents exchange differences arising on account of conversion of foreign operations to Group's functional currency.

12. Dividends paid and proposed

Cash dividends on equity shares declared and paid:	2024-25		2023-24	
	Dividend per equity share	Amount	Dividend per equity share	Amount
Second interim dividend for the financial year 2022-23 (face value of ₹ 2/- each)	-	-	1.20	64.64
First interim dividend for the financial year 2023-24 (face value of ₹ 2/- each)	-		0.40	21.54
Second interim dividend for the financial year 2023-24 (face value of ₹ 2/- each)	0.40	21.56	-	-
First interim dividend for the financial year 2024-25 (face value of ₹ 2/- each)	0.40	21.57	-	-
		43.13		**86.18**
Proposed dividends on equity shares:				
Second interim dividend for the financial year 2023-24 (face value of ₹ 2/- each)	-	-	0.40	21.56
Second interim dividend for the financial year 2024-25 (face value of ₹ 2/- each) *	0.80	43.14	-	-
		43.14		**21.56**

*The Board of Directors of the Company in their meeting held on April 24, 2025 have approved for payment of second interim dividend and the Company has fixed May 09, 2025 as "Record Date" for determining the eligibility of the Shareholders. Accordingly, the Company has not recognised the said proposed dividend as a liability as at March 31, 2025.

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for the year ended March 31, 2025

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13. Financial liabilities

	Particulars	March 31, 2025	March 31, 2024
A)	**Non-current borrowings**		
	Term loans		
	Indian rupee loans from banks (Secured)	607.85	667.42
	Foreign currency loans from banks (Secured)	37.73	130.81
Total		**645.58**	**798.23**
Current maturities of non-current borrowings			
Term loans			
	Indian rupee loans from banks (Secured)	282.19	226.16
	Foreign currency loans from banks (Secured)	50.31	93.37
		332.50	319.53
	Less: Amount disclosed under the head "current borrowings"	**(332.50)**	**(319.53)**
Total		**-**	**-**
B)	**Current borrowings**		
	Cash credits and working capital demand loans		
	Indian rupee loans from banks (Secured)	534.28	726.68
	Indian rupee loans from banks (Un Secured)	1,019.43	526.03
	Foreign currency loans from banks (Secured)	40.59	39.59
	Buyer's credit from banks (Secured)	120.70	44.09
	Buyers credit from banks (Unsecured)	-	52.90
	Current maturities of non-current borrowings	332.50	319.53
Total		**2,047.50**	**1,708.82**

Terms and conditions of borrowings - Laurus Labs Limited:

(a) The details of Indian rupee term loans from banks are as under:

Name of the Bank	Outstanding as on March 31, 2025	Outstanding as on March 31, 2024	Sanction Amount	No. of Instalments	Commencement of instalments	Effective interest rate^
HDFC Bank (HDFC)	60.00	100.00	200.00	20 quarterly instalments of ₹ 10	December 2021	Repo + 1.25% (March 31, 2024: Repo + 1.25%)
The Hongkong & Shanghai Banking Corporation (HSBC)	9.38	46.88	150.00	16 quarterly instalments of ₹ 9.375	July 2021	T Bill + 1.75% (March 31, 2024: T Bill + 0.29%)
CITI Bank (CITI)	-	5.00	40.00	24 quarterly instalments of ₹ 1.67	January 2019	T Bill + 0.28% (March 31, 2024: T Bill + 0.28%)
HDFC Bank (HDFC)	170.44	172.93	200.00	22 quarterly instalments for 5 tranches each ranging from ₹ 0.44 to ₹ 2.31	March 2024, June 2024	1M T Bill + 1.20% (March 31, 2024: T Bill + 1.20%)
Axis Bank (Axis)	142.41	189.88	200.00	20 quarterly instalments ranging from ₹ 2.50 to ₹ 11.875	May 2023	Repo +1.50 % (March 31, 2024: Repo + 1.50 %)
State Bank of India (SBI)*	43.95		200.00	11 quarterly instalments of ₹ 11.11	July 2023	6M MCLR+0.1%
Export Import Bank (Exim)	156.24		200.00	16 quarterly instalments of ₹12.50	December 2025	1 year MCLR

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(b) Foreign Currency loans from banks comprise of Foreign Currency Non-Resident Term Loan (FCNR TL) and ECB loan:

Name of the Bank & Nature of Loan	Outstanding as on March 31, 2025	Outstanding as on March 31, 2024	Sanction Amount	No. of Instalments	Commencement of instalments	Effective interest rate^
State Bank of India (SBI) - FCNR TL *	-	89.40	US$ 12.08 Mn	11 quarterly instalments of ₹ 11.11	July 2023	SOFR plus 1.50% p.a. (March 31, 2024: SOFR plus 1.25% p.a)
State Bank of India (SBI) - New York - ECB TL	88.04	134.78	US$ 25 Mn	17 quarterly instalments of ₹ 12.07	November 2022	SOFR plus 0.97% p.a. (March 31, 2024: SOFR plus 0.97% p.a.)

* During year ended March 31, 2025, SBI FCNR Term Loans have been converted to SBI INR Term Loan.

^ Secured Overnight Financing Rate (SOFR), Repo rate and Marginal Cost of Funds based Lending Rate (MCLR)

(c) All term loans are secured by pari passu first charge on the property, plant and equipment (both present and future) except to the extent of assets exclusively charged to banks. They are further secured by pari passu second charge on current assets (both present and future).

(d) Current borrowings are availed in both Rupee and Foreign currencies. Interest on rupee loans ranges from MCLR plus 0% to 0.10% (March 31, 2024: MCLR plus 0% to 0.10%). Buyers credit loan interest ranges from SOFR plus 0.34% to SOFR plus 0.45% (March 31, 2024: SOFR plus 0.30% to SOFR plus 0.45%). The secured current borrowings are backed by pari passu first charge on current assets and pari passu second charge on the fixed assets (both present and future). [March 31, 2024: The secured current borrowings are backed by pari passu first charge on current assets and pari passu second charge on the fixed assets (both present and future)].

(e) The Group has used the borrowings for the purposes for which it was taken.

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

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

Particulars	March 31, 2024	Cash flows	Non-cash transactions foreign exchange fluctuation	March 31, 2025
Non-current borrowings	1117.76	(136.84)	2.84	978.08
Current borrowings	1,389.29	323.91	(1.81)	1,715.01

Particulars	March 31, 2023	Cash flows	Non-cash transactions foreign exchange fluctuation	March 31, 2024
Non-current borrowings	976.20	147.17	5.61	1,117.76
Current borrowings	995.77	393.88	0.36	1,389.29

Terms and conditions of borrowings - Laurus Synthesis Private Limited.

Name of the Bank	Outstanding as on March 31, 2025	Outstanding as on March 31, 2024	Sanction Amount	No. of Instalments	Commencement of instalments	Effective interest rate
DBS Bank India Limited	-	13.98	48.00	16 quarterly instalments ranging from ₹ 1.5 to 3.5	April 2021	Repo plus 2.25% (March 31 2024: Repo plus 2.25%)
State Bank of India	119.59	139.63	150.00	28 quarterly instalments ranging from ₹ 2.5 to 7.5	June 2023	Repo plus 1.00% (March 31 2024: Repo plus 1.25%)
HDFC Bank	137.81	149.25	150.00	20 quarterly instalments ranging from ₹ 0.75 to 9.18	January 2024	1M T-Bill plus 0.88% (March 31 2024: 1M T-Bill plus 0.88%)

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(a) Term Loans are secured by pari passu first charge on Property Plant & Equipment (both present & future) and pari passu second charge on current assets of the Company and are also backed by corporate guarantee issued by Laurus Labs Limited.

Current borrowings are availed in Rupee. Interest on rupee loans at MCLR + 1.20% (March 31, 2024: MCLR + 0.5%). These borrowings are secured by pari passu first charge on the current assets and pari passu second charge on Property Plant & Equipment of the Company, and are also backed by corporate guarantee from Laurus Labs Limited.

Terms and conditions of borrowings - Laurus Bio Private Limited:

Name of the Bank	Outstanding as on March 31, 2025	Outstanding as on March 31, 2024	Sanction Amount	No. of Instalments	Commencement of instalments	Effective interest rate
CITI Bank Term Loan I	2.08	10.42	25.00	12 quarterly instalments of ₹ 2.08	August 2022	3M T-Bill+1.86%
CITI Bank Term Loan II	48.13	65.63	70.00	16 quarterly installments of ₹ 4.38	March 2024	3M T-Bill+1.5%

(a) All term loans are secured by pari passu first charge on existing and new plant and machinery, research & development equipments and equitable mortgage of company land and building at plot no 204 & 237, Bommasandra, Jigani link road, KIADB Industrial area, Bangalore (consisting of land area 4040 Sq. Mtrs and buildings thereof) and on charge on present and future movable fixed assets of Vasanthanarsapura plant except to the extent of assets exclusively charged to banks. They are further secured by pari passu second charge on current assets (both present and future).

Current borrowings are availed in Rupee. Interest on rupee loans range from MCLR plus 0.15% to MCLR plus 0.20%. These borrowings are secured by first exclusive charge on current assets and second exclusive charge on property, plant and equipment of the Company (both present & future) and are also backed by corporate guarantee issued by Laurus Labs Limited. (March 31 2024: Current borrowings are secured by first exclusive charge on current assets and second exclusive charge on fixed assets of the Company (both present & future) and are also backed by corporate guarantee issued by Laurus Labs Limited.

C) Trade payables

Particulars	March 31, 2025	March 31, 2024
Valued at amortised cost		
- Total outstanding dues to creditors other than micro enterprises and small enterprises	930.66	1,020.35
- Outstanding dues to related parties (refer note no. 32)	0.08	1.29
Total	**930.74**	**1,021.64**
- Total outstanding dues to micro enterprises and small enterprises	27.75	29.60
Total	**27.75**	**29.60**

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 30-120 day terms.

For explanations on the Group's credit risk management processes, refer to note 36.

Trade Payables ageing schedule for the year ended March 31, 2025

Particulars	Unbilled	Not due	Outstanding from due date of payment				Total
			Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
i) Total outstanding dues to micro enterprises and small enterprises	-	27.75	-	-	-	-	27.75
ii) Total outstanding dues to creditors other than micro enterprises and small enterprises	124.62	521.26	284.36	0.00	0.50	-	930.74
iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	**124.62**	**549.01**	**284.36**	**0.00**	**0.50**	**-**	**958.49**

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for the year ended March 31, 2025

(All amounts in crores rupees except for share data or as otherwise stated)

Trade Payables ageing schedule for the year ended March 31, 2024

Particulars	Unbilled	Not due	Outstanding from due date of payment				Total
			Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
i) Total outstanding dues to micro enterprises and small enterprises	-	29.60	-	-	-	-	29.60
ii) Total outstanding dues to creditors other than micro enterprises and small enterprises	125.31	519.39	372.97	3.66	0.30	0.01	1,021.64
iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	**125.31**	**548.99**	**372.97**	**3.66**	**0.30**	**0.01**	**1,051.24**

D) Other financial liabilities

Particulars	March 31, 2025	March 31, 2024
Valued at amortised cost		
Capital creditors#	274.57	129.45
Other payables (Includes payroll related liabilities and derivative financial instrument liability etc.)	63.04	9.31
Total	**337.61**	**138.76**

Includes ₹ 18.59 payable to micro and small suppliers (Refer note 30)

E) Other financial liabilities

Particulars	March 31, 2025	March 31, 2024
Gross obligation liability to acquire Non-controlling interest	-	42.33
	-	**42.33**

* During the year ended March 31, 2025, Pursuant to the investment agreement and amendments thereto, the Group does not have any put option liability. Accordingly, the Gross obligation liability was reversed during the year.

14. Other Non-current and current liabilities

Particulars	March 31, 2025	March 31, 2024
A) Non-current		
Advances from customers	347.60	105.95
	347.60	**105.95**
B) Current		
Advances from customers	47.59	81.85
Unclaimed dividend	0.28	0.29
Charge back reserves and rebates *	34.72	48.84
Statutory dues	18.53	13.27
Total	**101.12**	**144.25**
***Details of charge back reserves and rebates**		
Opening Balance	48.84	63.00
Provisions relating to sales during the year	433.36	437.29
Credits/payments during the year	(447.48)	(451.45)
Closing Balance	**34.72**	**48.84**

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15. Provisions

Particulars	March 31, 2025	March 31, 2024
A) Non-current provisions		
Provision for gratuity (Refer note no. 28)	67.22	59.32
Provision for compensated absences	38.87	34.15
Total	**106.09**	**93.47**
B) Current provisions		
Provision for gratuity (Refer note no. 28)	12.83	10.59
Provision for compensated absences	16.51	14.22
Total	**29.34**	**24.81**

16. Income tax assets / liabilities

Particulars	March 31, 2025	March 31, 2024
A) Income tax assets		
Advance tax (net)	6.94	2.97
	6.94	**2.97**
B) Income tax liabilities		
Provision for taxes (net)	57.20	36.21
	57.20	**36.21**

17. Revenue from operations

Particulars		For the year ended March 31, 2025	For the year ended March 31, 2024
Sale of products			
Income from sale of API, Intermediates and Formulations		5,212.28	4,626.62
Income from sale of traded goods		120.73	111.98
	(A)	**5,333.01**	**4,738.60**
Sale of services			
Contract research services		174.85	263.20
	(B)	**174.85**	**263.20**
Other operating revenue			
Sale of scrap		16.17	13.31
Others		29.93	25.72
	(C)	**46.10**	**39.03**
Revenue from operations	(A+B+C)	**5,553.96**	**5,040.83**

(i) Reconciliation of revenue from sale of products with the contracted price:	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue as per contracted price, net of returns	5,576.44	5,004.48
Adjusted for:		
Chargebacks, rebates and discounts	(433.36)	(437.29)
Profit sharing adjustments	69.20	59.43
Total revenue from contracts with customers	**5,212.28**	**4,626.62**

Consolidated Notes to Financial Statements
for the year ended March 31, 2025

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(ii) Disaggregated revenue information:	For the year ended March 31, 2025	For the year ended March 31, 2024
Below is the disaggregation of the Company's revenue from contracts with customers.		
Revenue from operations - Domestic	1,754.04	1,972.76
Revenue from operations - Exports	3,799.92	3,068.07
Total	**5,553.96**	**5,040.83**
Timing of revenue recognition		
Goods transferred at a point of time	5,379.11	4,777.63
Services transferred over time	174.85	263.20
Total	**5,553.96**	**5,040.83**

(iii) Details of contract balances	March 31, 2025	March 31, 2024
Trade receivables (Refer note no. 9)	2,007.16	1,662.92
Advance from customers (Refer note no. 14)	395.19	187.80

(iv) The amount of revenue recognised from advances from customers at the beginning of the year ₹ 75.85 (March 31, 2024: ₹ 145.92)

(v) Revenue from customers contributing more than 10% of total revenue amounts to ₹ nil (March 31, 2024: ₹ nil)

18. Other income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net gain on foreign exchange fluctuations	2.86	3.66
Provision no longer required written back	-	0.01
Profit on sale of property, plant and equipment (net)*	57.05	-
Insurance claim	-	17.05
Miscellaneous income	0.02	0.01
Total	**59.93**	**20.73**

* During the current year, the Company has sold its land situated at MN Park, Hyderabad, Telangana at fair value of ₹ 90.65 to KRKA Pharma Private Limited (Joint Venture) and accordingly recognised the profit of ₹ 58.85. (Refer note no. 32)

19. Cost of materials consumed

Particulars		For the year ended March 31, 2025	For the year ended March 31, 2024
Raw materials consumed			
Opening stock at the beginning of the year		589.99	549.81
Add: Purchases		2,383.31	2,404.49
		2,973.30	**2,954.30**
Less: Closing stock at the end of the year		627.65	589.99
	(A)	**2,345.65**	**2,364.31**
Packing materials consumed	(B)	82.90	58.07
Total	(A+B)	**2,428.55**	**2,422.38**

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(All amounts in crores rupees except for share data or as otherwise stated)

20. Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening stock of inventories		
Finished goods of API, Intermediates and Formulations	495.80	512.31
Work-in-progress of API, Intermediates and Formulations	679.47	562.08
	1,175.27	**1,074.39**
Closing stock of inventories		
Finished goods of API, Intermediates and Formulations	484.55	495.80
Work-in-progress of API, Intermediates and Formulations	746.65	679.47
	1,231.20	**1,175.27**
(Increase)/Decrease in inventories of finished goods and work-in-progress	**(55.93)**	**(100.88)**
(Increase)/Decrease in finished goods of API, Intermediates and Formulations	11.25	16.51
(Increase)/Decrease in Work-in-Progress of API, Intermediates and Formulations	(67.18)	(117.39)
(Increase)/Decrease in inventories of finished goods and work-in-progress	**(55.93)**	**(100.88)**

21. Employee benefits expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, allowances and wages	534.92	483.48
Contribution to provident fund and other funds	31.32	29.12
Gratuity expense (Refer note no. 28)	15.45	13.81
Share-based payment expense (Refer note no. 29)	10.23	10.92
Managerial remuneration (Refer note no.32)	43.08	25.08
Recruitment and training	1.67	1.48
Staff welfare expenses	82.85	76.04
Total	**719.52**	**639.93**

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(All amounts in crores rupees except for share data or as otherwise stated)

22. Other expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Consumption of stores and spares	61.43	66.67
Conversion charges	25.57	27.86
Factory maintenance	236.42	212.62
Effluent treatment expenses	74.26	91.96
Power and fuel	323.40	338.15
Repairs and maintenance		
Plant and machinery	95.00	92.51
Buildings	11.77	11.21
Others	3.96	3.65
Product development	55.30	43.76
Testing and analysis charges	2.36	3.49
Rent	3.56	2.26
Rates and taxes	40.73	31.82
Office maintenance	6.99	4.56
Insurance	37.37	34.08
Printing and stationery	4.62	3.88
Consultancy and other professional charges	37.16	27.13
Membership and subscription	9.87	11.00
Auditors' remuneration	1.67	1.60
Travelling and conveyance	12.47	12.66
Communication expenses	4.17	3.82
Loss on sale of property, plant and equipment (net)	-	1.93
Allowance for bad and doubtful advance and debts	53.36	4.93
Carriage outwards	67.44	45.99
Commission on sales	30.25	28.85
Other selling expenses	59.48	48.97
Business promotion and advertisement	13.78	10.68
CSR expenditure (Refer note no. 26)	16.62	23.31
Donations*	11.93	1.50
Miscellaneous expenses	0.24	0.13
Total	**1,301.18**	**1,190.98**

* Contribution to Political Parties as per Section 182 of the Companies Act, 2013.

Political contributions amounting to ₹ 10.00 (March 31, 2024: nil) contributed through electoral trusts made in accordance with Section 182 of the Act during the year ended March 31, 2025.

23A. Finance Income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest Income on		
Deposits and margin money held	2.37	1.77
Electricity deposits and others	12.80	3.84
Total	**15.17**	**5.61**

Consolidated Notes to Financial Statements

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(All amounts in crores rupees except for share data or as otherwise stated)

23B.Finance costs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest		
- on term loans *	73.36	72.29
- on working capital loans	124.17	88.54
- on others	9.06	10.93
	206.59	**171.76**
Bank charges	6.04	7.90
Exchange differences to the extent considered as an adjustment to finance costs	3.37	3.24
Total	**216.00**	**182.90**

* Borrowing cost of ₹ 1.63 (March 31, 2024: ₹ 4.20) has been capitalised and transferred to CWIP. Capitalisation rate considered is 7.76% p.a (March 31, 2024: 7.83% p.a)

24. Components of other comprehensive income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Retained earnings:		
Remeasurement gains/(losses) on defined benefit plans	(1.88)	(1.20)
Deferred tax on remeasurement of defined benefit plans	0.50	0.31
Exchange differences on translating the financial statements of foreign operations	(2.27)	(1.98)
Total other comprehensive income for the year, net of tax	**(3.65)**	**(2.87)**

25. Earnings per share (EPS)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
The following reflects the profit and share data used in the basic and diluted EPS computations:		
Profit for the year attributable to shareholders	358.32	160.55
Profit available for equity shareholders	358.32	160.55
Weighted average number of equity shares in computing basic EPS	53,91,52,333	53,87,49,879
Add: Effect of dilution		
Stock options granted under ESOP	4,41,187	9,15,791
Weighted average number of equity shares in computing diluted earnings per share	53,95,93,520	53,96,65,671
Face value of each equity share (₹)	2.00	2.00
Earnings per share		
- Basic (₹)	6.65	2.98
- Diluted (₹)	6.64	2.97

26. Details of CSR expenditure

As per the requirement of the Companies Act, 2013, gross amount required to be spent by the Company during the year is ₹ 15.52 (March 31, 2024: ₹ 22.01).The nature of CSR activities undertaken by the Company includes promoting education, health care and environmental sustainability. The details of CSR expenditure is given below.

CSR Activities	For the year ended March 31, 2025		
	In cach	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-
	(-)	(-)	(-)
(ii) On purposes other than (i) above	15.77	-	15.77
	(22.28)	(-)	(22.28)

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Amounts in bracket indicate previous year numbers. There is no shortfall at the end of March 31, 2025 and March 31, 2024 in terms of amount required to be spent by the Company.

The above includes contribution made to Laurus Charitable Trust amounting to ₹ 15.70 (March 31, 2024: ₹ 22.12) (Refer note no. 32)

27. Taxes

(a) Income tax expense:

The major components of income tax expenses for the year ended March 31, 2025 and for the year ended March 31, 2024 are:

(i) Statement of Profit and Loss

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current tax	156.90	93.11
Deferred tax credit*	(27.02)	(24.96)
Total income tax expense recognised in Statement of Profit and Loss	**129.88**	**68.15**

* Including Mat credit utilisation (net) of ₹ 0.66 (March 31, 2024: ₹ 0.14)

(ii) Other comprehensive income (OCI)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Tax on remeasurement of defined benefit plans	0.50	0.31
Total tax recognised in OCI	**0.50**	**0.31**

(b) Reconciliation of effective tax rate:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit before tax (A)	484.29	236.36
Enacted tax rate in India (B)	25.17%	25.17%
Expected tax expenses (C = A*B)	121.89	59.49
Other than temporary difference		
Expenses disallowed under Income Tax Act, 1961	30.58	24.52
Effect of higher tax rate in subsidiaries	2.69	(3.27)
Impact of rate change on sale of capital assets	(20.85)	-
Results of subsidiaries not taxable	42.75	29.46
Tax pertaining to earlier years	(19.28)	(10.98)
Others	(4.13)	(5.32)
Total (D)	**31.76**	**34.42**
Profit after adjusting permanent difference	516.05	270.78
Expected tax expense	129.88	68.15
Actual income tax expense (benefit)	129.88	68.15
Effective tax rate	26.82%	28.83%

(c) The details of component of deferred tax assets are given under note 6.

Consolidated Notes to Financial Statements

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28. The employee benefit schemes are as under:

i) Providend fund:

All employees of the Company receive benefits under the Provident Fund which is a defined benefit plan wherein the Company provides the guarantee of a specified return on contribution. The contribution is made both by the employee and the Company equal to 12% of the employees' salary.

ii) Superannuation fund:

The Holding company has a defined contribution scheme to provide pension to its eligible employees. The Holding company has established a trust to administer its obligation for payment of pension to the employees. The Holding company makes monthly contributions equal to a specified percentage of the covered employees' salary. These contributions are administered by Company's own Trust which has subscribed to ""CapAssure Gold Policy"" of SBI Life Insurance Company Limited. The Company's monthly contributions are charged to the Statement of Profit and Loss.

iii) Compensated absences:

The accrual for unutilised leave is determined for the entire available leave balance standing to the credit of the employees at the year end. The value of such leave balances that are eligible for carry forward, is determined by an actuarial valuation as at the end of the year and is charged to the Statement of Profit and Loss.

iv) Gratuity

Defined benefit plans

The Group has a defined benefit gratuity plan and governed by Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to a gratuity on departure at 15 days salary for each completed year of service. The Group has established a trust to administer its obligation for payment of gratuity to employees. The trust in turn contributes to a scheme administered by the SBI Life Insurance Company Limited and HDFC Life Insurance Company Limited. The following tables summarise net benefit expenses recognised in the Statement of Profit and Loss, the status of funding and the amount recognised in the Balance sheet for the gratuity plan:

	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A)	**Net employee benefit expense (recognised in employee benefits expenses)**		
	Current service cost	10.65	10.30
	Interest cost	5.18	4.53
	Expected return on plan assets	(0.38)	(0.22)
	Net employee benefit expenses	**15.45**	**14.61**
	Actual return on plan asset	(0.18)	(0.15)
B)	**Amount recognised in the Balance Sheet**		
	Defined benefit obligation	87.51	73.63
	Fair value of plan assets	7.24	3.72
		80.27	**69.91**
C)	**Changes in the present value of the defined benefit obligation**		
	Opening defined benefit obligation	73.63	61.33
	Current service cost	10.65	10.30
	Interest cost	5.18	4.53
	Benefits paid	(3.82)	(3.73)
	Net actuarial (gains) / losses on obligation for the year recognised under OCI	1.87	1.20
	Closing defined benefit obligation	**87.51**	**73.63**
D)	**Change in the fair value of plan assets**		
	Opening fair value of plan assets	3.72	2.30
	Actual return on plan assets	0.18	0.15
	Contributions	6.95	4.60
	Benefits paid	(3.61)	(3.33)
	Closing fair value of plan assets	**7.24**	**3.72**

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(All amounts in crores rupees except for share data or as otherwise stated)

	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:		
	Investments with SBI Life Insurance Company Limited and HDFC Life Insurance Company Limited	100.00 %	100.00 %
E)	**Remeasurement adjustments:**		
	Financial (loss)/ gain on plan assets	(1.87)	(1.20)
	Remeasurement gains/(losses) recognised in other comprehensive income:	**(1.87)**	**(1.20)**

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

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Discount rate	7.00 %	7.23 %
Expected rate of return on assets	7.00 %	7.23 %
Salary escalation	11.00 %	11.00 %
Attrition rate	17.00 %	15.00 %

The estimates of future salary increases, considered in the actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(ii) Disclosure related to indication of effect of the defined benefit plan on the entity's future cashflows:

Expected benefit payments for the year ending:

Year ending	For the year ended March 31, 2025	For the year ended March 31, 2024
Year 1	12.89	10.63
Year 2	11.53	9.99
Year 3	11.02	9.49
Year 4	10.49	8.78
Year 5	9.53	8.31
Beyond 5 years	27.18	23.56

The average duration of the defined benefit plan obligation at the end of the reporting period is 26.04 years (March 31, 2024: 26.04 years).

(iii) Sensitivity analysis:

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

	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a)	Effect of 1 % change in assumed discount rate on defined benefit obligation		
	- 1 % increase	(4.76)	(6.87)
	- 1 % decrease	4.78	3.94
(b)	Effect of 1 % change in assumed salary escalation rate on defined benefit obligation		
	- 1 % increase	4.16	3.49
	- 1 % decrease	(4.48)	(6.68)
(c)	Effect of 1 % change in assumed attrition rate on defined benefit obligation		
	- 1 % increase	(1.02)	(3.82)
	- 1 % decrease	0.60	0.41

(v) Defined contribution plan

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Contribution to provident fund	28.52	27.07
Contribution to superannuation fund	2.10	2.33

(All amounts in crores rupees except for share data or as otherwise stated)

Risk Management:

Investment risk - The probability or likelihood of occurrence of losses related to the expected return on any particular investment.

Interest rate risk - The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Longevity risk - The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk - The present value of the defined benefit plan is calculated with reference to the future salaries of participants under the plan. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

29. Share-based payments - Equity settled

ESOP 2016 Scheme

The board of directors/ compensation committee has approved the Laurus Employees Stock Option Scheme (ESOP) 2016 for issue of stock options to eligible employees of the Company effective from June 09, 2016. According to the Scheme, the options granted vest within a period of four years, subject to the terms and conditions specified in the scheme. Options granted shall vest so long as the employee continues to be in the employment of the Company as on the date of vesting. Subject to an employee's continued employment with the Company, options can be exercised any time on or after the date of vesting of options as specified in the respective grants under the Scheme.

ESOP 2018 Scheme

The board of directors/ compensation committee has approved the Laurus Employees Stock Option Scheme (ESOP) 2018 for issue of stock options to eligible employees of the Company. According to the Scheme, the options granted vest within a period of four years, subject to the terms and conditions specified in the scheme. Options granted shall vest so long as the employee continues to be in the employment of the Company as on the date of vesting. Subject to an employee's continued employment with the Company, options can be exercised any time on or after the date of vesting of options as specified in the respective grants under the Scheme.

ESOP 2021 Scheme

The board of directors/ compensation committee has approved the Laurus Employees Stock Option Scheme (ESOP) 2021 for issue of stock options to eligible employees of the Company. According to the Scheme, the options granted vest within a period of five years, subject to the terms and conditions specified in the scheme. Options granted shall vest so long as the employee continues to be in the employment of the Company as on the date of vesting. Subject to an employee's continued employment with the Company, options can be exercised any time on or after the date of vesting of options as specified in the respective grants under the Scheme.

Exercise period

Scheme	Grant	Date of Grant	Exercise price	Weighted Average Fair value of option at grant date	Number of options Granted	Year 1 25%	Year 2 25%	Year 3 50%
ESOP 2016	Grant III	April 01, 2022	350.00	199.73	2,70,750	01-Apr-24	01-Apr-25	01-Apr-26
ESOP 2016	Grant IV	April 01, 2023	301.50	194.81	3,50,500	01-Apr-25	01-Apr-26	01-Apr-27
ESOP 2018	Grant II	April 01, 2021	356.00	217.10	7,07,000	01-Apr-23	01-Apr-24	01-Apr-25
ESOP 2018	Grant III	April 01, 2022	350.00	199.73	5,000	01-Apr-24	01-Apr-25	01-Apr-26
ESOP 2018	Grant IV	July 01, 2024	463.50	292.74	2,07,250	01-Jul-26	01-Jul-27	01-Jul-28

Scheme	Grant	Date of Grant	Exercise price	Weighted Average Fair value of option at grant date	Number of options Granted	Year 1 25%	Year 2 25%	Year 3 25%	Year 4 25%
ESOP 2021	Grant I	April 01, 2023	301.50	197.44	7,87,500	01-Apr-25	01-Apr-26	01-Apr-27	01-Apr-28
ESOP 2021	Grant II	July 01, 2024	463.50	297.41	58,250	01-Jul-26	01-Jul-27	01-Jul-28	01-Jul-29

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The details of activity under the Scheme ESOP 2016 are summarised below:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	No. of options	No. of options
Outstanding at the beginning of the year	592,750	258,435
Granted during the year	-	350,500
Forfeited during the year	31,629	16,185
Exercised during the year	52,536	-
Outstanding at the end of the year	508,585	592,750
Weighted average exercise price for all the above options	318.60	321.53

The details of activity under the Scheme ESOP 2018 are summarised below:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	No. of options	No. of options
Outstanding at the beginning of the year	580,419	947,950
Granted during the year	207,250	-
Forfeited during the year	54,623	52,598
Exercised during the year	234,097	314,933
Outstanding at the end of the year	498,949	580,419
Weighted average exercise price for all the above options	400.18	355.95

The details of activity under the Scheme ESOP 2021 are summarised below:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	No. of options	No. of options
Outstanding at the beginning of the year	787,500	-
Granted during the year	58,250	787,500
Forfeited during the year	15,000	-
Exercised during the year	-	-
Outstanding at the end of the year	830,750	787,500
Weighted average exercise price for all the above options	312.86	301.50

For options exercised during the year, the weighted average share price at the exercise date under under ESOP 2016 scheme, was ₹ 350 per share (March 31, 2024: ₹ nil per share) and under ESOP 2018 scheme, was ₹ 356 per share (March 31, 2024: ₹ 81.25 per share).

The weighted average remaining contractual life for the stock options outstanding under ESOP 2016 as at March 31, 2025 is 2.65 years (March 31, 2024: 3.59 years), under ESOP 2018 as at March 31, 2025 is 2.35 years (March 31, 2024: 2.01 years) and under ESOP 2021 as at March 31, 2025 is 4.10 years (March 31, 2024: 5 years). The range of exercise prices for options outstanding under ESOP 2016 as at March 31, 2025 was ₹ 301.50 to ₹ 350.00 (March 31, 2024: ₹ 301.50 to ₹ 350.00) and under ESOP 2018 as at March 31, 2025 was ₹ 350.00 to ₹ 463.50 (March 31, 2024: ₹ 350.00 to ₹ 356.00) and ESOP 2021 as at March 31, 2025 was ₹ 301.50 to ₹463.50 (March 31, 2024: ₹ 301.50)

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The weighted average fair value of stock options granted during the year under ESOP 2016 scheme was ₹ nil (March 31, 2024: ₹ 194.81), under ESOP 2018 scheme was ₹ 463.50 (March 31, 2024: ₹ nil) and under ESOP 2021 scheme was ₹ 463.50 (March 31, 2024: ₹ 197.44). The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

	March 31, 2025								
	ESOP 2016 scheme			ESOP 2018 scheme				ESOP 2021 scheme	
	Grant IV	Grant III	Grant II	Grant IV	Grant III	Grant II	Grant I	Grant II	Grant I
Dividend yield	0.40%	0.34%	0.39%	0.26%	0.34%	0.25%	0.43%	0.26%	0.40%
Expected volatility	36.4% - 41.56%	36.37% - 44.27%	26.90%	31.53% - 39.14%	36.37% - 44.27%	36.22% - 42.13%	26.3% - 27.18%	31.53%- 37.44%	36.4% - 41.56%
Risk-free interest rate	7.10% - 7.14%	6.15% - 6.94%	7.19% - 7.43%	6.86% - 6.90%	6.15% - 6.94%	4.74% - 5.54%	5.53% - 6.07%	6.86% - 6.91%	7.1% - 7.14%
Weighted average share price of ₹	401.85	466.60	384.00	292.74	466.60	474.70	350.25	297.41	401.85
Exercise price of ₹	301.50	350.00	292.00	463.50	350.00	217.10	255.50	463.50	301.50
Expected life of options granted in years	2.5 - 4.51	1.26 - 3.26	2.5 - 4.5	2.5 - 4.5	1.26 - 3.26	2.43 - 4.43	2.5 - 4.51	2.5 - 5.5	2.5 - 4.51

	March 31, 2024						
	ESOP 2016 scheme			ESOP 2018 scheme			ESOP 2021 scheme
	Grant IV	Grant III	Grant II	Grant III	Grant II	Grant I	Grant I
Dividend yield	0.40%	0.34%	0.39%	0.34%	0.25%	0.43%	0.40%
Expected volatility	36.4% - 41.56%	36.37% - 44.27%	26.90%	36.37% - 44.27%	36.22% - 42.13%	26.3% - 27.18%	36.4% - 41.56%
Risk-free interest rate	7.10% - 7.14%	6.15% - 6.94%	7.19% - 7.43%	6.15% - 6.94%	4.74% - 5.54%	5.53% - 6.07%	7.1% - 7.14%
Weighted average share price of ₹	401.85	466.60	384.00	466.60	474.70	350.25	401.85
Exercise price of ₹	301.50	350.00	292.00	350.00	217.10	255.50	301.50
Expected life of options granted in years	2.5 - 4.51	1.26 - 3.26	2.5 - 4.5	1.26 - 3.26	2.43 - 4.43	2.5 - 4.51	2.5 - 4.51

The expected life of the stock is based on the historical data and current expectations and is not necessarily indicative of exercise pattern that may occur.

30. Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year*	46.34	29.60
The amount of interest paid by the buyer in terms of Section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	-	-
Total	**46.34**	**29.60**

* Includes amount pertaining to trade payables ₹ 27.75 and capital creditors ₹ 18.59

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

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31. Segment reporting

A. The Group is engaged in the manufacture of Active Pharmaceutical Ingredients, intermediates and formulations and the same constitutes a single reportable business segment as per Ind AS 108.

B. Segment information for secondary segment reporting (by geographical segment)

The Company has reportable geographical segments based on location of its customers:

(i) Revenue from customers within India – Domestic

(ii) Revenue from customers outside India – Exports

Geographical segments

Particulars	For the year ended March 31, 2025		
	Outside India	Within India	Total
Revenue	3,799.92	1,754.04	5,553.96
Non-current assets (other than financial instruments and deferred tax assets)	2.42	4,718.91	4,721.33
Cost incurred to acquire capital assets	-	641.00	641.00

Particulars	For the year ended March 31, 2024		
	Outside India	Within India	Total
Revenue	3,068.07	1,972.76	5,040.83
Non-current assets (other than financial instruments and deferred tax assets)	2.32	4,378.38	4,380.70
Cost incurred to acquire capital assets	-	678.31	678.31

32. Related party disclosures

Names of related parties and description of relationship

Name of the related party	Relationship
Associate Companies	
i) ImmunoAdoptive Cell Therapy Private Limited (Holding 34.89 %)	
ii) Ethan Energy India Private Limited (Holding 26.00 %) (w.e.f. January 03, 2023)	
Joint Venture	
i) KRKA Pharma Private Limited (Holding 49.00 %) (w.e.f. October 03, 2024)	
Enterprise over which Key Management Personnel exercise significant influence	
i) Chemiasoft Private Limited (Formerly known as Laurus Infosystems (India) Private Limited)	
ii) Laurus Charitable Trust	
iii) Sterotherapeutics, LLC	
iv) NSN Investments	
Key Management Personnel	
i) Dr. Satyanarayana Chava	Executive Director & Chief executive officer
ii) Mr. V.V. Ravi Kumar	Executive Director & Chief financial officer
iii) Dr. C.V. Lakshmana Rao	Executive Director
iv) Mr. Krishna Chaitanya Chava	Executive Director (Appointed w.e.f. April 25, 2024)
v) Mrs. Soumya Chava	Executive Director (Appointed w.e.f. April 25, 2024)
vi) Mr. Chandrakanth Chereddi	Non-Executive Director (Resigned w.e.f. October 21, 2023)
vii) Mrs. Aruna Bhinge	Independent Director
viii) Dr. Rajesh Koshy Chandy	Independent Director
ix) Dr. Venugopala Rao Malempati	Independent Director (Resigned w.e.f. May 18, 2024)
x) Dr. Ravindranath Kancherla	Independent Director
xi) Mr. Sekar Karnam	Independent Director (Appointed w.e.f. April 25, 2024)
xii) Mr. Ramesh Subrahmanian	Independent Director (Appointed w.e.f. July 25, 2024)
xiii) Mr. G Venkateswar Reddy	Company Secretary

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(All amounts in crores rupees except for share data or as otherwise stated)

Name of the related party	Relationship
Relatives of Key Management Personnel	
i) Mr. Narasimha Rao Chava	Brother of Dr. Satyanarayana Chava

Transactions during the year:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Associate companies		
i) ImmunoAdoptive Cell Therapy Private Limited		
Investment made	-	80.02
ii) Ethan Energy India Private Limited		
Purchase of solar power	7.30	4.14
iii) KRKA Pharma Private Limited		
Investment made	105.35	-
Sale of land	90.65	-
b) Enterprise over which Key Management Personnel exercise significant influence		
i) Chemiasoft Private Limited		
Software maintenance	2.95	2.67
ii) Laurus Charitable Trust		
Donations	0.51	0.94
CSR expenditure	16.21	22.79
iii) Sterotherapeutics, LLC		
Sale of goods	-	0.04
iv) NSN Investments		
Rent	9.78	4.57
Reimbursement of expenses	0.94	1.00
Security Deposit	1.51	-
c) Key Management Personnel		
i) Dr. Satyanarayana Chava		
Remuneration	23.06	12.01
ii) Mr. V.V. Ravi Kumar		
Remuneration	6.13	4.04
Rent	0.03	0.11
iii) Dr. C.V. Lakshmana Rao		
Remuneration	4.06	2.71
iv) Mr. Krishna Chaitanya Chava		
Remuneration	1.90	1.96
v) Mrs. Soumya Chava		
Remuneration	1.24	0.77
Rent	0.06	0.22
vi) Mr. Chandrakanth Chereddi		
Independent directors fee	-	0.22
Sitting fee	-	0.05
vii) Mrs. Aruna Bhinge		
Independent directors fee	0.20	0.20
Sitting fee	0.12	0.11
viii) Dr. Rajesh Koshy Chandy		
Independent directors fee	0.34	0.33
Sitting fee	0.10	0.08

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Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
ix) Dr. Venugopala Rao Malempati		
Independent directors fee	0.03	0.20
Sitting fee	0.02	0.06
x) Dr. Ravindranath Kancherla		
Independent directors fee	0.20	0.20
Sitting fee	0.06	0.05
xi) Mr. Sekar Karnam		
Independent directors fee	0.19	-
Sitting fee	0.08	-
xii) Mr. Ramesh Subrahmanian		
Independent directors fee	0.14	-
Sitting fee	0.06	-
xiii) Mr. G.Venkateswar Reddy		
Remuneration	0.91	0.84
d) Relatives of Key Management Personnel		
i) Mr. Narasimha Rao Chava		
Salary	1.68	1.53

Closing balances (Unsecured)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Enterprise over which Key Management Personnel exercise significant influence		
i) Chemiasoft Private Limited		
Trade payables	-	0.11
ii) Sterotherapeutics, LLC		
Trade receivable	0.04	0.04
iii) NSN Investments		
Security Deposit	2.43	0.92
Trade payables	0.08	-
b) Key Management Personnel		
i) Dr. Satyanarayana Chava		
Remuneration payable	9.89	-
ii) Mr. V. V. Ravi Kumar		
Remuneration payable	1.66	-
Rent payable	-	0.01
iii) Dr. C. V. Lakshmana Rao		
Remuneration payable	1.11	-
iv) Mr. Krishna Chaitanya Chava		
Remuneration payable	0.31	0.32
v) Mrs. Soumya Chava		
Remuneration payable	0.23	0.15
Rent Payable	-	0.02
vi) Mr. Rajesh Chandy		
Independent directors fee payable	0.02	0.11
vii) Mr. Ramesh Subrahmanian		
Independent directors fee payable	0.02	-
viii) Mr. G. Venkateswar Reddy		
Remuneration payable	0.16	0.12

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for the year ended March 31, 2025

(All amounts in crores rupees except for share data or as otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
c) Relatives of Key Management Personnel		
i) Mr. Narasimha Rao Chava		
Salary payable	0.36	0.26

As the future liability for gratuity and leave encashment is provided on an actuarial basis for the Group as a whole, the amount pertaining to the Key Management personnel and their relatives is not ascertainable and, therefore, not included above.

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. Outstanding balances at the year-end are unsecured.

33. Significant accounting judgements, estimates and assumptions

The preparation of the Group's Consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are disclosed in notes to financial statements.

(i) Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimation requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The Black Scholes valuation model has been used by the Management for share-based payment transactions. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 29.

(ii) Defined employee benefit plans (Gratuity)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. Further details about gratuity obligations are given in Note 28.

(iii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow ('DCF') model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 34, 35 and 36 for further disclosures.

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(iv) Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives and residual values of all its property, plant and equipment estimated by the management. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, though these rates in certain cases are different from lives prescribed under Schedule II of the Companies Act, 2013.

(v) Impairment of goodwill

The Group estimates the value-in-use of the cash generating units (CGUs) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rates used for the CGUs represent the weighted average cost of capital based on the historical market returns of comparable companies.

(vi) Recognition and measurement of other provisions:

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the closing date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

(vii) Taxes - Refer Note (2(f))

(viii) Impairment of non-financial assets - Refer Note (2(l))

(ix) Inventories - Refer Note (2(k))

(x) Leases: whether an arrangement contains a lease; lease classification- Refer Note (2(i))

(xi) Contingent liabilities: Measurement and likelihood of occurrence of provisions and contingencies.- Refer Note (39(c))

(xii) Revenue and receivables - Refer Note (2 (e) and 2(p))

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34. Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying value		Fair value	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Financial assets at fair value through profit or loss:				
Investments	3.41	3.41	3.41	3.41
Derivative contracts	-	0.22	-	0.22
Financial assets at cost (net of share of loss):				
Investments	229.85	120.57	229.85	120.57
Financial assets at amortised cost:				
Loans	0.93	0.95	0.93	0.95
Other financial assets	54.52	56.20	54.52	56.20
Trade receivables	2,007.16	1,662.92	2,007.16	1,662.92
Cash and cash equivalents	99.54	138.94	99.54	138.94
Other balances with banks	44.67	2.71	44.67	2.71
Financial liabilities at amortised cost:				
Borrowings (Non-current and current)	2,693.08	2,507.05	2,693.08	2,507.05
Interest accrued	10.06	9.31	10.06	9.31
Trade payables	958.49	1,051.24	958.49	1,051.24
Capital creditors and others	327.16	129.45	327.16	129.45
Lease liabilities	70.65	70.35	70.65	70.35
Gross obligation liability to acquire Non-controlling interest	-	42.33	-	42.33
Financial liabilities/(assets) at fair value through profit and loss:				
Derivative contracts	0.39	-	0.39	-

The management assessed that cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Further, the management has assessed that fair value of borrowings approximate their carrying amounts largely since they are carried at floating rate of interest.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

35. Fair value hierarchy

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

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

Particulars	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets at fair value through profit and loss:					
Investments	March 31, 2025	3.41	-	-	3.41
Financial assets/(liability) at fair value through profit and loss:					
Derivative financial instruments	March 31, 2025	(0.39)	-	(0.39)	-

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Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at March 31, 2024:

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Financial assets at fair value through profit and loss:					
Investments	March 31, 2024	3.41	-	-	3.41
Financial assets at fair value through profit and loss:					
Derivative financial instruments	March 31, 2024	0.22	-	0.22	-

Measurement of fair value

Valuation techniques

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for assets and liabilities carried at fair value through profit or loss.

Type	Valuation technique
Assets measured at fair value:	
Investments	Discounted cash flow method
Derivative financial instruments	The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curve in reporting currency.

36. Financial risk management objectives and policies

Financial Risk Management Framework

The Group is exposed primarily to Credit risk, liquidity risk and market risk (fluctuations in foreign currency exchange rates and interest rate), which may adversely impact the fair value of its financial instruments. The Group assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Group.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Group result in material concentration of credit risk, except for trade receivables.

Trade receivables:

The customer credit risk is managed by the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on the individual credit limits are defined in accordance with this assessment and outstanding customer receivables are regularly monitored. Of the trade receivables balance, ₹ 648.96 in aggregate (as at March 31, 2024 ₹ 538.10) is due from the Group's customers individually representing more than 5% of the total trade receivables balance and accounted for approximately 32%(March 31, 2024: 26%) of all the receivables outstanding. The Group' receivables turnover is quick and historically, there was no significant defaults on account of those customer in the past. Ind AS requires an entity to recognise in profit or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised in accordance with Ind AS 109. The Group assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

Before accepting any new customer, the Group uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed on periodic basis. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix.

Consolidated Notes to Financial Statements
for the year ended March 31, 2025

(All amounts in crores rupees except for share data or as otherwise stated)

Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 2,007.16 and ₹ 1,662.92 as of March 31, 2025 and March 31, 2024 respectively, being the total of the carrying amount of balances with trade receivables. Other than trade receivables the Company has no significant class of financial assets that is past due but not impaired.

Liquidity risk

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

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

Particulars	Up to 1 Year	1 to 3 years	3 to 5 years	> 5 years	Total
March 31, 2025:					
Non-current borrowings (including current maturities)	332.50	517.00	128.58	-	978.08
Current borrowings	1,715.00	-	-	-	1,715.00
Interest accrued	10.06	-	-	-	10.06
Trade payables	958.49	-	-	-	958.49
Capital creditors and others	327.55	-		-	327.55
	3,343.60	**517.00**	**128.58**	**-**	**3,989.18**
March 31, 2024:					
Non-current borrowings (including current maturities)	319.52	613.08	155.16	30.00	1,117.76
Current borrowings	1,389.29	-	-	-	1,389.29
Interest accrued	9.31	-	-	-	9.31
Trade payables	1,051.24	-	-	-	1,051.24
Capital creditors and others	129.45	-		-	129.45
Gross obligation liability to acquire Non-controlling interest	-	42.33	-	-	42.33
	2,898.81	**655.41**	**155.16**	**30.00**	**3,739.38**

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

Market risk

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

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. In order to optimise the Group's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Interest rate sensitivity

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

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

(All amounts in crores rupees except for share data or as otherwise stated)

Particulars	Change in basis points		Effect on profit before tax	
	Increase	Decrease	Decrease	Increase
March 31, 2025				
Indian Rupees	0.50%	0.50%	(13.56)	13.56
US Dollars	0.50%	0.50%	(1.48)	1.48
March 31, 2024				
Indian Rupees	0.50%	0.50%	(9.26)	9.26
US Dollars	0.50%	0.50%	(1.88)	1.88

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

Foreign Currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the Statement of Profit and Loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar and EURO against the functional currencies of the Group. The Group, as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange. The Group evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies. The information on derivative instruments is as follows:

a) Forward contract (Derivatives):

Forward contract outstanding as at Balance Sheet date:

March 31, 2025 Sell US $ 2,09,65,652.76	Designated as fair value hedge - receivables
March 31, 2025 Sell ZAR 5,02,76,424	Designated as fair value hedge - receivables
March 31, 2025 Buy US $ 2,35,50,768.28	Designated as fair value hedge - Payables and Secured loans
March 31, 2024 Sell US $ 10,000,000	Designated as fair value hedge - receivables
March 31, 2024 Sell ZAR 2,74,87,587.24	Designated as fair value hedge - receivables

b) Details of Unhedged Foreign Currency Exposure:

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under:

Particulars	Currency	March 31, 2025			March 31, 2024		
		Amount in foreign currency	Amount in ₹	Conversion rate	Amount in foreign currency	Amount in ₹	Conversion rate
Secured loans	USD	15,050,469	128.80	85.58	32,207,468	268.53	83.37
Unsecured loans	USD	-	-	85.58	6,344,535	52.90	83.37
Interest accrued but not due on borrowings	USD	162,216	1.39	85.58	261,090	2.18	83.37
Trade payables	USD	16,222,553	138.83	85.58	26,401,421	220.12	83.37
	EURO	469,858	4.34	92.32	761,514	6.87	90.22
	GBP	-	-	110.74	28,917	0.30	105.29
	CAD	142,317	0.85	59.99	-	-	60.50
Capital creditors	USD	738,324	6.32	85.58	306	0.00	83.37
	EURO	143,335	1.32	92.32	44,808	0.40	90.22
Trade receivables	USD	91,194,438	780.45	85.58	70,793,674	590.23	83.37
	EURO	9,117,662	84.18	92.32	7,602,959	68.59	90.22
	GBP	-	-	110.74	67,207	0.71	105.29
	CAD	3,995,390	23.97	59.99	618,149	3.79	61.33
	ZAR	29,062,740	13.66	4.70	-	-	0.55
Cash and cash equivalents*	USD	418,112	3.58	85.58	5,077,586	42.33	83.37
	JPY	5,732	0.00	0.57	2,000	0.00	0.55
	EURO	110	0.00	92.32	-	-	90.22

* Amount less than Indian Rupees 100,000.

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for the year ended March 31, 2025

(All amounts in crores rupees except for share data or as otherwise stated)

c) **Foreign currency sensitivity:**

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EURO exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives. The Group's exposure to foreign currency changes for all other currencies is not material.

Particulars	Change in forex rate		Effect on profit before tax	
	Increase	Decrease	Increase/(Decrease)	
March 31, 2025				
USD	1.00%	1.00%	5.09	(5.09)
EURO	1.00%	1.00%	0.79	(0.79)
March 31, 2024				
USD	1.00%	1.00%	0.89	(0.89)
EURO	1.00%	1.00%	0.61	(0.61)

37. Group Information

Information about subsidiaries and associates

The consolidated financial statements of the Group includes subsidiaries, associates and joint venture listed in the table below:

Name	Principal activities	Country of incorporation	As at March 31, 2025	As at March 31, 2024
Sriam Labs Private Limited	Active Pharmaceutical Ingredients (APIs) and Intermediates	India	100%	100%
Laurus Synthesis Private Limited (Refer note 5)	Contract Development & Manufacturing Organisation (CDMO)	India	100%	100%
Laurus Bio Private Limited (Refer note 2)	Develops novel enzymatic solutions for Industrial Biotechnology and Animal Origin Free recombinant proteins and enzymes for Biopharma.	India	76.32%	91.14%
Laurus Holdings Limited	Business support services in the fields of pharmaceuticals	UK	100%	100%
Laurus Generics Inc.	Pharmaceutical and related services	USA	100%	100%
Laurus Generics GmbH	Pharmaceutical and related services	Germany	100%	100%
Laurus Generics SA (Pty) Ltd	Pharmaceutical and related services	South Africa	100%	100%
Laurus Specialty Chemicals Private Limited (Refer note 1)	Pharmaceutical and related services	India	100%	100%
Immunoadoptive Cell Therapy Private Limited (Refer note 3)	Advanced cell and gene therapy	India	34.89%	34.89%
Ethan Energy India Private Limited	Power generation	India	26.00%	26.00%
KRKA Pharma Private Limited (Refer note 4)	Manufacturing of Finished Dosage Form (FDF)	India	49.00%	-

1. During the year ended March 31, 2023, the Company incorporated wholly owned subsidiary, Laurus Specialty Chemicals Private Limited (LSCPL) in India on December 01, 2022. LSCPL has not commenced its operations and no share capital has been infused as at March 31, 2025.

2. During the year, Laurus Bio Private Limited ("Laurus Bio") entered into definitive agreement with Eight Roads Ventures India Healthcare IV, L.P. and F-Prime Capital Partners Life Sciences Fund VIII LP ("Investors"), Pursuant to this agreement Investors have together invested ₹ 120 crores into Laurus Bio. Accordingly, the Company's stake in Laurus Bio as on March 31, 2025 is 76.32% (as on March 31, 2024: 91.14%).

3. During the year ended March 31, 2024, Pursuant to investment agreement entered into by the Company with Immunoadoptive Cell Therapy Private Limited (ImmunoAct), the Company made further capital contribution towards Series B Compulsorily convertible preference shares (CCPS) amounting to ₹ 80.02 crores in ImmunoAct in terms of the aforesaid agreement. Consequent to additional acquisition, the total shareholding in ImmunoAct has increased from 27.57% to 34.89%.

Consolidated Notes to Financial Statements
for the year ended March 31, 2025

(All amounts in crores rupees except for share data or as otherwise stated)

4. Pursuant to the joint venture agreement entered into by the Company with KRKA Pharma Private Limited ("KRKA"), Capital contribution amounting to ₹ 105.35 have been made into KRKA in terms of the aforesaid agreement during the year for 49% stake in two tranches, ₹ 22.05 and ₹ 83.30 respectively. The Company has accounted for the investment in KRKA as joint venture w.e.f. October 03, 2024.

5. During the year ended March 31, 2024, the Company infused further equity into Laurus Synthesis Private Limited by subscribing to rights issue offered for acquiring 7,600 equity shares of ₹ 10 each for a consideration of ₹ 99.13 crores.

38. Capital management

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

The Group manages its capital structure in consideration to the changes in economic conditions and the requirements of the financial covenants. The Group monitors capital using a gearing ratio, which is net debt divided by total equity. The Group intends to keep the gearing ratio between 0.4 to 1.5.The Group includes within net debt, borrowings including interest accrued on borrowings, less cash and short-term deposits.

	As at March 31, 2025	As at March 31, 2024
Borrowings including interest accrued on borrowings (Note 13)	2,703.14	2,516.36
Less: Cash and Cash equivalents (Note 10A)	(144.21)	(141.65)
Net debt	**2,558.93**	**2,374.71**
Equity	107.85	107.79
Other equity	4,364.71	4,003.16
Total Equity	**4,472.56**	**4,110.95**
Gearing ratio (Net debt/ Total equity)	0.57	0.58

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2025.

39. Commitments and Contingencies

A. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Operating lease commitments - Group as lessee

The Group recognises right-of-use asset representing its right-to-use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-ofuse assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate.

Consolidated Notes to Financial Statements
for the year ended March 31, 2025

(All amounts in crores rupees except for share data or as otherwise stated)

The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Following are the changes in the carrying value of right-of-use assets for the year ended March 31, 2025 and March 31, 2024

Particulars	March 31, 2025	March 31, 2024
Opening Balance	178.32	133.43
Additions	26.06	56.56
Depreciation	(15.24)	(11.67)
Closing Balance	**189.14**	**178.32**

The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the statement of profit and loss

The following is the movement in lease liabilities during the year ended March 31, 2025 and March 31,2024

Particulars	March 31, 2025	March 31, 2024
Opening Balance	70.35	43.12
Additions	26.06	56.56
Finance cost accrued during the year	5.17	3.96
Payment of lease liabilities	(30.93)	(33.29)
Closing Balance	**70.65**	**70.35**

The following is the break-up of current and non-current lease liabilities as at March 31, 2025 and March 31, 2024

Particulars	March 31, 2025	March 31, 2024
Non-current lease liabilities	62.19	62.16
Current lease liabilities	8.46	8.19
Total	**70.65**	**70.35**

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2025 and March 31,2024 on undiscounted basis

Particulars	March 31, 2025	March 31, 2024
Within one year	25.49	22.77
After one year but not more than five years	83.20	78.57
More than five years	1,609.54	1,357.18

B. Commitments

Particulars	March 31, 2025	March 31, 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for	244.50	260.22

C. Contingent Liabilities

		March 31, 2025	March 31, 2024
(i)	Outstanding bank guarantees (excluding performance obligations)	339.22	70.78
(ii)	Claims arising from disputes not acknowledged as debts - direct taxes	16.27	16.02
(iii)	Claims arising from disputes not acknowledged as debts - indirect taxes	62.84	59.55
(iv)	On account of provident fund liability	7.57	7.57

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

(All amounts in crores rupees except for share data or as otherwise stated)

40. Other statutory information

i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

ii) The Group does not have any transactions with companies struck off.

iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

v) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

vi) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

   (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

   (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

vii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

   (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

   (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

viii) The Group does not have any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

Consolidated Notes to Financial Statements

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(All amounts in crores rupees except for share data or as otherwise stated)

41. Summary of net assets and profit and loss:

Name of the entity	Net Assets*				Share in Profit/ (Loss)				Share in other comprehensive income				Share in total comprehensive income			
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated profit/ (loss)	Amount	As % of consolidated profit/ (loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
	March 31, 2025		March 31, 2024		March 31, 2025		March 31, 2024		March 31, 2025		March 31, 2024		March 31, 2025		March 31, 2024	
A. Parent	99.16%	4,563.95	102.22%	4,207.05	106.15%	380.39	137.86%	223.70	20.82%	(0.76)	26.48%	(0.76)	107.03%	379.63	139.86%	222.94
B. Subsidiary incorporated in India																
Sriam Labs Private Limited	1.29%	59.39	1.35%	55.75	1.04%	3.71	6.02%	9.77	1.64%	(0.06)	1.39%	(0.04)	1.03%	3.65	6.10%	9.73
Laurus Synthesis Private Limited	2.60%	119.60	2.69%	110.87	2.60%	9.31	-17.80%	(28.89)	15.89%	(0.58)	1.74%	(0.05)	2.46%	8.73	-18.16%	(28.94)
Laurus Bio Private Limited	3.93%	181.07	1.28%	52.52	0.89%	3.20	2.71%	4.39	-0.82%	0.03	1.39%	(0.04)	0.91%	3.23	2.73%	4.35
Laurus Specialty Chemicals Private Limited	0.00%	0.09	0.00%	0.10	-	-	-	-	-	-	-	-	-	-	-	-
C. Subsidiary incorporated outside India																
Laurus Holdings Limited	-0.85%	(39.00)	-0.07%	(2.80)	-9.32%	(33.38)	-9.01%	(14.62)	-	-	-	-	-9.41%	(33.38)	-9.17%	(14.62)
Laurus Generics SA (Pty) Limited	0.04%	1.91	0.27%	10.72	-2.61%	(9.37)	-9.15%	(14.84)	-	-	-	-	-2.64%	(9.37)	-9.31%	(14.84)
Total	**106.18%**	**4,887.01**	**107.74%**	**4,434.21**	**98.75%**	**353.86**	**110.62%**	**179.51**	**37.53%**	**(1.37)**	**31.01%**	**(0.89)**	**99.38%**	**352.49**	**112.06%**	**178.62**
Non-controlling interest	2.82%	129.96	0.11%	4.62	0.01%	0.02	1.06%	1.72	-	-	-	-	0.01%	0.02	1.08%	1.72
D. Associates																
Immunoadoptive Cell Therapy Private Limited	N.A	N.A	N.A	N.A	1.00%	3.57	-3.26%	(5.29)	0.27%	(0.01)	-	-	-	-	-	-
Ethan Energy India Private Limited	N.A	N.A	N.A	N.A	0.30%	1.07	-0.40%	(0.65)								
E. Joint Venture																
KRKA Pharma Private Limited	-	-			-0.20%	(0.71)	-	-								
Consolidation adjustments	-9.00%	(414.45)	-7.85%	(323.26)	0.14%	0.53	-8.02%	(13.02)	62.20%	(2.27)	68.99%	(1.98)	0.61%	2.18	-13.14%	(20.94)
Net amount	**100.00%**	**4,602.52**	**100.00%**	**4,115.57**	**100.00%**	**358.34**	**100.00%**	**162.27**	**100.00%**	**(3.65)**	**100.00%**	**(2.87)**	**100.00%**	**354.69**	**100.00%**	**159.40**

* Net assets means total assets minus total liabilities.

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

(All amounts in crores rupees except for share data or as otherwise stated)

Note:

1) The disclosure as above represents separate information for each of the consolidated entities before elimination of inter-company transactions. The net impact on elimination of inter-company transactions/profits/consolidation adjustments have been disclosed separately. Based on the group structure, the management is of the view that the above disclosure is appropriate under requirements of the Companies Act, 2013.

2) Percentage below 0.01% have been disclosed as 0.00%

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

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

V. V. Ravi Kumar
Executive Director & Chief Financial Officer
DIN: 01424180

G. Venkateswar Reddy
Company Secretary
Membership No. F7016

Place: Hyderabad
Date: April 24, 2025

NOTICE

NOTICE is hereby given that the 20th Annual General Meeting of the Members of Laurus Labs Limited (the **"Company"**) will be held through Video Conferencing (VC) **at 3.00 p.m. on Thursday the 26th day of June 2025**, to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2025, the reports of Board of Directors and Auditors thereon.

2. To consider and adopt the audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2025 and report of Auditors thereon.

3. To approve and ratify the 1st interim dividend on equity shares @ ₹0.40 per share already paid for the Financial Year 2024-25.

4. To approve and ratify the 2nd interim dividend on equity shares @ ₹0.80 per share already paid for the Financial Year 2024-25.

5. To appoint a Director in place of Dr. Satyanarayana Chava (DIN: 00211921) who retires by rotation and, being eligible, offers himself, for re-appointment.

6. To appoint a Director in place of Dr. C.V. Lakshmana Rao (DIN: 06885453) who retires by rotation and, being eligible, offers herself, for re-appointment.

SPECIAL BUSINESS:

7. TO APPROVE THE REMUNERATION PAYABLE TO COST AUDITORS FOR THE FINANCIAL YEAR ENDING 2025-26:

To consider, and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Cost Auditors, M/s. Sagar & Associates, appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2025-26, be paid a remuneration of ₹5,50,000/- (Rupees Five lakh and Fifty thousand only) per annum and out of pocket & other expenses and GST at actuals."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, matters, deeds and things as may be necessary to give effect to the above resolution."

8. TO APPROVE THE APPOINTMENT OF SECRETARIAL AUDITORS OF THE COMPANY

To consider, and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT, pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time and Regulation 24A and 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 and amendments thereof, M/s. RPR & Associates, Practicing Company Secretaries, Hyderabad (a peer reviewed firm, represented by Mr. Y. Ravi Prasada Reddy, Proprietor of the firm having CP. No. 5360) as recommended by the Audit Committee and the Board of Directors of the Company, be and are hereby appointed as the Secretarial Auditors of the Company for a period of five consecutive financial years i.e. from 2025-26 to 2029-30 with a remuneration in the range of ₹2.5 lakhs to ₹3.5 lakhs and the Board is authorised to fix the remuneration from time to time.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be necessary, proper or expedient for the purpose of giving effect to this Resolution."

9. TO APPROVE RE-APPOINTMENT OF DR. SATYANARAYANA CHAVA (DIN: 00211921) AS AN EXECUTIVE DIRECTOR & CEO OF THE COMPANY:

To consider and, if thought fit, to pass the following resolution with or without modifications, as a Special Resolution:

"RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company and in accordance with sections 196, 197, 198, 203 and all other applicable provisions of the Companies Act 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V to the Act, as amended from time to time, and pursuant to Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015, the consent of the Company be and is hereby accorded for the re-appointment of Dr. Satyanarayana Chava, having DIN: 00211921, as Executive Director and Chief Executive Officer of the Company, whose office will be liable to determination by retirement by rotation, for a period of five (05) years with effect from April 01, 2025 and up to March 31, 2030 on the following terms and conditions:

(a) Salary:

The Executive Director's aggregate salary shall be ₹14,49,00,000/- (Rupees Fourteen Crores and Forty Nine lakhs only) per annum payable in 12 (twelve) monthly instalments (**"Annual Salary"**). The aforesaid salary shall be subject to deductions for income tax, contributions to provident fund, gratuity fund or superannuation fund and all other statutory deductions required to be made by the Company in accordance with applicable Laws.

(b) Business Expenses:

The Executive Director shall be reimbursed by the Company for all reasonable out of pocket expenses incurred pertaining to or in connection with the performance of his duties in line with the Company's expenses policy. In the event, the Executive Director is required to travel, whether within India or abroad in relation to the obligations imposed on the Executive Director, such travel shall be in accordance with the Company travel policy.

(c) Commission:

The Company shall pay the Executive Director a commission at the rate of 2% on the consolidated profit before tax of the Company.

(d) Leave entitlement:

During the Term, the Executive Director shall be entitled (in addition to the usual public and bank holidays) to 20 (twenty) calendar days' of paid leave in each year as per the Company policy.

(e) Benefits:

The Executive Director shall be entitled to participate, along with the other employees of the Company, in any of the employee benefit and compensation plans, whether statutory or otherwise, as may be generally available to employees of the Company including car, leave travel allowance, gratuity, medical and health insurance plans etc. but excluding employee stock option plans. The Executive Director shall be provided with one recognised club membership of his choice for himself and his family at Hyderabad."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

10. TO APPROVE RE-APPOINTMENT OF MR. V.V. RAVI KUMAR (DIN: 01424180) AS AN EXECUTIVE DIRECTOR & CFO OF THE COMPANY

To consider and, if thought fit, to pass the following resolution with or without modifications, as a Special Resolution:

"RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company and in accordance with sections 196, 197, 198, 203 and all other applicable provisions of the Companies Act 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V to the Act, as amended from time to time, and pursuant to Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015, the consent of the Company be and is hereby accorded for the re-appointment of Mr. V.V. Ravi Kumar, having DIN: 01424180, as Executive Director and Chief Financial Officer of the Company, whose office will be liable to determination by retirement by rotation, for a period of two (02) years with effect from April 01, 2025 up to March 31, 2027 on the following terms and conditions:

(a) Salary:

The Executive Director's aggregate salary shall be ₹4,83,00,000/- (Rupees Four crores and eighty three lakhs only) per annum payable in 12 (twelve) monthly instalments (**"Annual Salary"**). The aforesaid salary shall be subject to deductions for income tax, contributions to provident fund, gratuity fund or superannuation fund and all other statutory deductions required to be made by the Company in accordance with applicable Laws.

(b) Business Expenses:

The Executive Director shall be reimbursed by the Company for all reasonable out of pocket expenses incurred pertaining to or in connection with the performance of his duties in line with the Company's expenses policy. In the event, the Executive Director is required to travel, whether within India or abroad in relation to the obligations imposed on the Executive Director, such travel shall be in accordance with the Company travel policy.

(c) Commission:

The Company shall pay the Executive Director a commission at the rate of 0.5% on the consolidated profit before tax of the Company.

(d) Leave entitlement:

During the Term, the Executive Director shall be entitled (in addition to the usual public and bank holidays) to 20 (twenty) calendar days' of paid leave in each year as per the Company policy.

(e) Benefits:

The Executive Director shall be entitled to participate, along with the other employees of the Company, in any of the employee benefit and compensation plans, whether statutory or otherwise, as may be generally available to employees of the Company including car, leave travel allowance, gratuity, medical and health insurance plans etc. but excluding employee stock option plans. The Executive Director shall be provided with one recognised club membership of his choice for himself and his family at Hyderabad."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

NOTICE

11. **TO APPROVE MODIFICATION OF TERMS OF EMPLOYMENT CONTRACT OF DR. LAKSHMANA RAO CV, (DIN: 06885453) WHOLE-TIME DIRECTOR OF THE COMPANY:**

To consider and, if thought fit, to pass the following resolution with or without modifications, as a Special Resolution:

"RESOLVED THAT pursuant to Section 196, 197, 198 and Schedule V and all other applicable provisions, rules, schedules of the Companies Act, 2013 and subject to the approval of shareholders, the terms of employment of Dr. Lakshmana Rao CV, having DIN: 06885453, whole-time Director of the Company in respect of Salary and Annual Bonus, be and are hereby modified/replaced as follows with effect from April 01, 2025:

(a) Salary:

The Whole-time Director's aggregate salary shall be ₹3,22,00,000/- (Rupees Three crores and twenty-two lakhs only) per annum payable in 12 (twelve) monthly instalments (**"Annual Salary"**) for the remainder period of his term. The aforesaid salary shall be subject to deductions for income tax, contributions to provident fund, gratuity fund or superannuation fund and all other statutory deductions required to be made by the Company in accordance with applicable Laws.

(b) Commission:

The Company shall pay the Whole-time Director a commission at the rate of 0.5% on the consolidated profit before tax of the Company.

"RESOLVED FURTHER THAT the other terms and conditions of his existing employment will remain unchanged."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

12. **TO APPROVE MODIFICATION OF TERMS OF EMPLOYMENT CONTRACT OF MR. KRISHNA CHAITANYA CHAVA, (DIN: 06831883) WHOLE-TIME DIRECTOR OF THE COMPANY:**

To consider and, if thought fit, to pass the following resolution with or without modifications, as a Special Resolution:

"RESOLVED THAT pursuant to Section 196, 197, 198 and Schedule V and all other applicable provisions, rules, schedules of the Companies Act, 2013 and subject to the approval of shareholders, the terms of employment of Mr. Krishna Chaitanya Chava, having DIN: 06831883, Whole-time Director of the Company in respect of Salary and Annual Bonus, be and are hereby modified/replaced as follows with effect from April 01, 2025:

(a) Salary:

The Whole-time Director's aggregate salary shall be ₹1,76,00,000/- (Rupees One crores and seventy-six lakhs only) per annum payable in 12 (twelve) monthly instalments (**"Annual Salary"**) for the remainder period of his term. The aforesaid salary shall be subject to deductions for income tax, contributions to provident fund, gratuity fund or superannuation fund and all other statutory deductions required to be made by the Company in accordance with applicable Laws.

(b) Commission:

The Company shall pay the Whole-time Director a commission at the rate of 0.5% on the consolidated profit before tax of the Company.

"RESOLVED FURTHER THAT the other terms and conditions of his existing employment will remain unchanged."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

13. **TO APPROVE MODIFICATION OF TERMS OF EMPLOYMENT CONTRACT OF MRS. SOUMYA CHAVA, (DIN: 06831892) WHOLE-TIME DIRECTOR OF THE COMPANY:**

To consider and, if thought fit, to pass the following resolution with or without modifications, as a Special Resolution:

"RESOLVED THAT pursuant to Section 196, 197, 198 and Schedule V and all other applicable provisions, rules, schedules of the Companies Act, 2013 and subject to the approval of shareholders, the terms of employment of Mrs. Soumya Chava, having DIN: 06831892, Whole-time Director of the Company in respect of Salary and Annual Bonus, be and are hereby modified/replaced as follows with effect from April 01, 2025:

(a) Salary:

The Whole-time Director's aggregate salary shall be ₹1,14,00,000/- (Rupees One crores and fourteen lakhs only) per annum payable in 12 (twelve) monthly instalments (**"Annual Salary"**) for the remainder period of her term. The aforesaid salary shall be subject to deductions for income tax, contributions to provident fund, gratuity fund or superannuation fund and all other statutory deductions required to be made by the Company in accordance with applicable Laws.

(b) Commission:

The Company shall pay the Whole-time Director a commission at the rate of 0.5% on the consolidated profit before tax of the Company.

"RESOLVED FURTHER THAT the other terms and conditions of her existing employment will remain unchanged."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

By order of the Board
Laurus Labs Limited

G. Venkateswar Reddy
Company Secretary

Regd. Office:
Laurus Enclave, Plot Office 01,
E. Bonangi Village,
Parawada Mandal,
Anakapalli District – 531 021
E-mail: secretarial@lauruslabs.com

Place: Hyderabad
Date: May 15, 2025

Notes:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business set out above is annexed hereto and forms part of the Notice.
2. Brief resume of Directors proposed to be appointed/re-appointed, (in item nos. 5, 6, 9 & 10) nature of their expertise in specific functional areas, name of companies in which they hold directorships and membership/chairmanships of Board Committees and shareholding in the Company as stipulated under SEBI (LODR) Regulations, 2015 are provided as an Annexure to this notice and also in the Report on Corporate Governance forming part of the Annual Report.
3. In compliance with the MCA and SEBI Circulars to conduct Annual General Meetings on or before 30th September, 2025 through video conferencing (VC) or other Audio Visual Means (OAVMs), the 20th Annual General Meeting of the Company shall be conducted through Video Conferencing (VC) to be referred to as "e-AGM".
4. The Company has appointed M/s. National Securities Depository Limited (NSDL) to provide Video Conferencing facility for the e-AGM
5. In the e-AGM:
   a. Members can attend the meeting through log in credentials provided to them to connect to Video Conference. Physical attendance of the Members at the Meeting venue is not required.
   b. Appointment of proxy to attend and cast vote on behalf of the member is not available.
   c. Body Corporates are entitled to appoint authorised representatives to attend the e-AGM through VC and participate thereat and cast their votes through e-voting.
6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participants with whom they are maintaining their demat accounts.
7. Members are requested to note that the dividend remaining unclaimed for a continuous period of seven years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to the Investor Education and Protection Fund (IEPF). In addition, all equity shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to demat account of the IEPF authority within a period of thirty days of such equity shares becoming due to be transferred to the IEPF. In the event of transfer of equity shares and the unclaimed dividends to IEPF, Members are entitled to claim the same from IEPF authority by submitting an online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in Form IEPF-5. Members can file only one consolidated claim in a financial year as per the IEPF rules.
8. Pursuant to Rule 5(8) of Investor Education and Protection Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded details of unpaid and unclaimed amounts lying with the Company as on March 31, 2024 on its website at www.lauruslabs.com and also on the website of the Ministry of Corporate Affairs.
9. The Notice calling the e-AGM has been uploaded on the website of the Company at www.lauruslabs.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.
10. The Members can join the e-AGM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
11. Up to 1000 members will be able to join on a First Come First Serve basis to the e-AGM.

NOTICE

12. No restrictions on account of First Come First Serve basis entry into e-AGM in respect of large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.

13. The attendance of the Members (members' logins) attending the e-AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

14. **Remote e-Voting:** Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is providing facility of remote e-voting to its Members through e-Voting agency M/s. National Securities Depository Limited (NSDL).

15. Voting at the e-AGM: Members who could not vote through remote e-voting may avail the e-voting system provided in the e-AGM by M/s. National Securities Depository Limited (NSDL).

16. The Statutory Registers and the documents pertaining to the items of business to be transacted at the AGM are available for inspection in electronic mode. The shareholders may write an e-mail to secretarial@lauruslabs.com and the Company shall respond suitably.

Instructions for the Members for attending the e-AGM through Video Conference:

1. Pursuant to the General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs (MCA) and circular issued by SEBI vide circular no. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024 ("SEBI Circular") and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, companies are allowed to hold AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said Circulars, AGM shall be conducted through VC / OAVM.

2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, 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 to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. 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 Companies Act, 2013.

5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) the Secretarial Standards on General Meetings (SS-2) issued by the ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using remote e-voting system as well as e-voting on the date of the AGM will be provided by NSDL.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.lauruslabs.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Ltd. at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-voting facility) i.e. www.evoting.nsdl.com.

7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular issued from time to time

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:

The remote e-voting period begins on June 23, 2025 at 09:00 A.M. and ends on June 25, 2025 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. June 19, 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being June 19, 2025.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	(i) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. (ii) Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. (iii) If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp (iv) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. (v) Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the 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 your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

NOTICE

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      - If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

(i) After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

(ii) Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

(iii) Now you are ready for e-Voting as the Voting page opens.

(iv) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

(v) Upon confirmation, the message "Vote cast successfully" will be displayed.

(vi) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

(vii) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by e-mail to yravifcs@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to evoting@nsdl.com.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to secretarial@lauruslabs.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to secretarial@lauruslabs.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at secretarial@lauruslabs.com. The same will be replied by the company suitably.
6. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at secretarial@lauruslabs.com. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 7: To approve the remuneration payable to cost auditors for the financial year ending 2025-26

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. Sagar & Associates, Cost Accountants, as Cost Auditors at a remuneration of ₹5,50,000/- (Rupees Five lakhs and Fifty thousand only) per annum plus out of pocket expenses at actuals and GST, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2026.

In accordance with the provisions of the Section 148 of the Companies Act 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be approved by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No.7 of the Notice for approval of the remuneration payable to the Cost Auditors for the financial year ending 31 March 2026.

The Board recommends the resolution set forth in the Item No. 7 of the Notice for approval of the members.

None of the Directors or Key Managerial Personnel or relatives of Directors and Key Managerial Persons are, in any way, concerned or interested, financially or otherwise, in this resolution.

Item No. 8: To approve the appointment of Secretarial Auditors of the Company

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended from time to time, every listed public Company is required to annex with its Board's Report made out in terms of Section 134(3) of the Companies Act, 2013, a Secretarial Audit Report given by a Company Secretary in practice.

Mr. Ravi Prasada Reddy, Proprietor of M/s. RPR & Associates, Practicing Company Secretaries, Hyderabad (a peer reviewed firm) having CP. No. 5360, being eligible, has consented to act as Secretarial Auditors of the Company for a period of five consecutive financial years i.e., from 2025-26 to 2029-30 as required under Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015. Based on the profile and experience of M/s. RPR & Associates, the Audit Committee has recommended the appointment of M/s. RPR & Associates as the Secretarial Auditors of the Company for a period of five financial years i.e., from 2025-26 to 2029-30. The Board of Directors, based on the said recommendation of the Audit Committee, recommends resolution No. 8 for approval of members as set out in the Notice convening the annual general meeting.

None of the Directors and Key Managerial Personnel of the Company and their relatives is in any way concerned or interested, financially or otherwise in the resolution.

Item No. 9: To approve reappointment of Dr. Satyanarayana Chava as Executive Director & CEO of the Company

The Board has reappointed Dr. Satyanarayana Chava as the Executive Director & CEO of the Company for a period of five years from April 01, 2025 and up to March 31, 2030, upon the terms & conditions hereinafter indicated, subject to approval of the Members.

Brief resume of Dr. Satyanarayana Chava, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships / chairmanships of Board Committees and shareholding etc. as stipulated under the Listing Regulations, are provided as an Annexure to this notice.

The overall remuneration of all the Executive Directors of the Company, including Dr. Satyanarayana Chava, has been restructured by the Nomination and Remuneration Committee and the Board of Directors subject to approval of the members and the salient features of the said restructuring of remuneration are as follows:

- No increments will be provided to all the executive directors from April 01, 2026 onwards (which is 10% of the salary every year) for the remainder period of their respective terms, thereby the fixed remuneration remain fixed until the completion of the term of the each Executive Director.
- Delinking of variable pay, from fixed salary basis to profit share basis, as per industry practice.
- The variable pay shall be changed from Annual Bonus to Commission basis for all the executive directors and the same will result in directly linking with the performance of the Company i.e., as a percentage of consolidated profit before tax.
- In the case of Dr. Satyanarayana Chava, 2% of consolidated profit before tax is proposed to be considered as variable pay and in the case of all other executive directors the variable pay shall be 0.5% of consolidated profit before tax of the Company achieved for that financial year.

Overall remuneration: The aggregate of salary, allowances, commission and perquisites in any one financial year shall not exceed the limits prescribed under Section 197, 198 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act or any modifications or re-enactment for the time being in force.

Minimum remuneration: In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Executive Director & CEO, the payment of salary, commission, perquisites and other allowances shall be governed by the limits prescribed under Schedule V of the Companies Act, 2013 as may for the time being be in force.

Income-Tax in respect of the above remuneration will be deducted at source as per the applicable Income Tax Laws / Rules.

If at any time the Executive Director & CEO ceases to be a Director of the Company, for any reason whatsoever, he shall cease to be the Executive Director & CEO and his Agreement with the Company shall stand terminated forthwith.

The above may be treated as a written memorandum setting out the terms & conditions of appointment of Dr. Satyanarayana Chava under Section 190 of the Act.

The Nomination & Remuneration Committee and the Board of Directors are of the opinion that Dr. Satyanarayana Chava's vast knowledge and varied experience will be of great value to the Company and has recommended the Resolution at Item No.9 of this Notice relating to his re-appointment as Executive Director & CEO of the Company for a further period of five years w.e.f. 01st April, 2025 and up to 31st March, 2030 as a Special Resolution for your approval.

In compliance with the provisions of Sections 196, 197, 203 and other applicable provisions of the Act, read with Schedule V to the Act and SEBI (LODR) Regulations, 2015, the appointment including terms of remuneration specified above are now being placed before the Members for their approval.

Except, Dr. Satyanarayana Chava, Mr. Krishna Chaitanya Chava and Mrs. Soumya Chava, none of the other Directors, Key Managerial Personnel or the relatives of Directors and Key Managerial Persons are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 9 of the Notice. Dr. Satyanarayana Chava is not related to any other Director or KMP of the Company other than Mr. Krishna Chaitanya Chava and Mrs. Soumya Chava.

The Board of Directors recommends the resolution in relation to the re-appointment of Dr. Satyanarayana Chava as Executive Director & CEO of the Company as set out in Item No. 9 for approval of the Members by way of a Special Resolution.

Item No. 10: To approve re-appointment of Mr. V.V. Ravi Kumar as Executive Director & CFO of the Company

The Board has appointed Mr. V.V. Ravi Kumar as the Executive Director & CFO of the Company for a period of two years from April 01, 2025 and up to March 31, 2027, upon the terms & conditions hereinafter indicated, subject to approval of the Members.

Brief resume of Mr. V.V. Ravi Kumar, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships / chairmanships of Board Committees and shareholding etc. as stipulated under the Listing Regulations, are provided as an Annexure to this notice.

As explained in item no. 9 above, the overall remuneration of all executive directors has been restructured and as part of such restructuring, no increment in fixed salary will be considered from April 01, 2026 to Mr. V.V. Ravi Kumar during his term and his variable pay shall be considered as 0.5% of consolidated profit before tax of the Company.

Overall remuneration: The aggregate of salary, allowances, commission and perquisites in any one financial year shall not exceed the limits prescribed under Section 197, 198 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act or any modifications or re-enactment for the time being in force.

Minimum remuneration: In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Executive Director & CFO, the payment of salary, commission, perquisites and other allowances shall be governed

NOTICE

by the limits prescribed under Schedule V of the Companies Act, 2013 as may for the time being be in force.

Income-Tax in respect of the above remuneration will be deducted at source as per the applicable Income Tax Laws / Rules.

If at any time the Executive Director & CFO ceases to be a Director of the Company, for any reason whatsoever, he shall cease to be the Executive Director & CFO and his Agreement with the Company shall stand terminated forthwith.

The above may be treated as a written memorandum setting out the terms & conditions of appointment of Mr. V.V. Ravi Kumar under Section 190 of the Act.

The Nomination & Remuneration Committee and the Board of Directors are of the opinion that Mr. V.V. Ravi Kumar's vast knowledge and varied experience will be of great value to the Company and has recommended the Resolution at Item No. 10 of this Notice relating to his re- appointment as Executive Director & CFO of the Company for a further period of two years w.e.f. April 01, 2025 and up to March 31, 2027 as a Special Resolution for your approval.

In compliance with the provisions of Sections 196, 197, 203 and other applicable provisions of the Act, read with Schedule V to the Act and SEBI (LODR) Regulations, 2015, the terms of remuneration specified above are now being placed before the Members for their approval.

Except Mr. V.V. Ravi Kumar, none of the other Directors, Key Managerial Personnel or the relatives of Directors and Key Managerial Persons are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 10 of the Notice. Mr. V.V. Ravi Kumar is not related to any other Director or KMP of the Company.

The Board of Directors recommends the resolution in relation to the re-appointment of Mr. V.V. Ravi Kumar as Executive Director & CFO of the Company as set out in Item No. 10 for approval of the Members by way of a Special Resolution.

Item Nos. 11, 12 and 13: To approve modification of terms of employment of Dr. Lakshmana Rao Ch. V. (DIN: 06885453), Mr. Krishna Chaitanya Chava (DIN: 06831883) and Mrs. Soumya Chava (DIN: 06831892) Executive Directors of the Company

Dr. Lakshmana Rao C.V. has been the executive director of the Company from March 2018 and Mr. Krishna Chaitanya Chava and Mrs. Soumya Chava have been functioning as the executive directors of the Company since April 2024.

As explained in Item No. 9 above, the overall remuneration of all executive directors has been restructured and as part of such restructuring, no increment in fixed salary will be considered from April 01, 2026 to these respective executive directors during their remainder term and their variable pay shall be considered as 0.5% of consolidated profit before tax of the Company to each of the executive directors.

Accordingly, it is proposed to fix their fixed remuneration without any increment for the remainder period of each executive director under these item nos. 11 to 13 and to pay variable pay to these executive directors in the form of commission @0.5% on the consolidated profit before tax of the Company for each executive director.

However, the remuneration payable to all executive directors, including the commission and other benefits, shall be subject to Sections 197, 198 read with schedule V of the Companies Act, 2013.

These proposals were considered by the Nomination and Remuneration Committee, Audit Committee and recommended to the Board and Board of Directors of the Company approved these proposals and recommended to the Shareholders to approve the same.

In compliance with the provisions of Sections 196, 197, 203 and other applicable provisions of the Act, read with Schedule V to the Act and SEBI (LODR) Regulations, 2015, the terms of remuneration specified above are now being placed before the Members for their approval.

Dr. Lakshmana Rao Ch. V. is interested in item no. 11. Mr. Krishna Chaitanya Chava and Mrs. Soumya Chava, individually and being siblings, are interested in item nos. 12 and 13. Dr. Satyanarayana Chava, being father of Mr. Krishna Chaitanya and Mrs. Soumya Chava, is interested in item nos. 12 and 13.

Other than the above, none of the other Directors, Key Managerial Personnel or the relatives of Directors and Key Managerial Persons are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item Nos. 11, 12 and 13 of the Notice. Dr. Lakshmana Rao Ch. V. is not related to any other Director or KMP of the Company.

The Board of Directors recommends the resolutions in respect of item nos. 11, 12 and 13 for modification of terms of remuneration payable to Dr. Lakshmana Rao Ch. V., Mr. Krishna Chaitanya Chava and Mrs. Soumya Chava for approval of the Members by way of a Special Resolutions.

By order of the Board
Laurus Labs Limited

G. Venkateswar Reddy
Company Secretary

Regd. Office:
Laurus Enclave, Plot Office 01,
E. Bonangi Village,
Parawada Mandal,
Anakapalli District – 531 021
E-mail: secretarial@lauruslabs.com

Place: Hyderabad
Date: May 15, 2025

Annexure

Details of Directors seeking appointment/re-appointment at the 20th Annual General Meeting of the Company to be held on June 26, 2025

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of the Director	Dr. Satyanarayana Chava	Mr. V.V. Ravi Kumar	Dr. C.V. Lakshmana Rao
Date of Birth	10-03-1961	01-07-1965	01-08-1962
Age	64 Years	59 Years	62 Years
Date of Appointment	21-01-2006	30-11-2006	08-03-2018
Relationship with Directors and Key Managerial Personnel	Father of Mr. Krishna Chaitanya Chava and Mrs. Soumya Chava, Executive Directors of the Company	No Relationship	No Relationship
Expertise in specific functional area*	Pharmaceuticals, Quality, Effective Strategy and Corporate Governance	Finance, IT, SCM and HR	Quality Control, Quality Assurance and Regulatory Affairs
Qualifications	M.Sc., Ph.D., Executive MBA (PGPMAX)	M.Com., FCMA	M.Sc., Ph.D.
Names of Listed Entities from which the Director has resigned in the past three years	NIL	NIL	NIL
Board Membership of other companies as on the date of Notice	Director of: a) Laurus Bio Private Limited; b) Immuno-adaptive cell therapy Pvt. Ltd. c) Chemiasoft Private Limited d) KRKA Pharma Private Limited	Director of: a) Laurus Bio Private Limited b) KRKA Pharma Private Limited	Director of: a) Sriam Labs Private Limited
Committees Membership of other companies as on the date of Notice	-	-	- Chairman of CSR Committee of Sriam Labs Private Limited
Number of equity shares held in the Company as on the date of Notice	12,41,26,740 Equity Shares representing as Managing partner on behalf of NSN Holdings (Partnership Firm) and 15,70,000 equity shares held on his individual name	77,05,000 Equity Shares (67,05,000 shares held by his Partnership Firm M/s. Leven Holdings and he is representing as a Managing Partner of the Partnership Firm and 10,00,000 shares on his individual name)	1,43,10,765

* For additional details on skills, expertise, knowledge and competencies of Directors, please refer to Corporate Governance Report forming part of the Annual Report.

Note:

1. Information pertaining to remuneration paid to the Directors who are being appointed/ re-appointed and the number of Board Meetings attended by them during the year 2024-25 have been provided in the Corporate Governance Report forming part of the Annual Report.

Unit-wise KPIs

Unit-wise KPIs	Key performance indicators	Unit 1	Unit 2	Unit 3	Unit 4
Energy Consumed (Values in GJ)	Non-renewable	1,90,566	4,63,991	13,63,963	11,20,140
	Renewable	27,215	10,443	63,787	12,436
GHG Emissions (Values in tCO_2)	Scope 1	3,902	39,395	1,45,982	1,19,908
	Scope 2	35,882	30,226	46,811	35,298
	Scope 3				
Water (Values in m^3) Consumption	Withdrawal	2,62,926	2,18,817	5,91,489	3,79,334
	Discharged	2,07,310	29,623	2,33,167	34,656
Hazardous waste (Values in tons)	HW - Landfillable	815	1.82	527	2,720
	HW - Incinerable	5.29	0	393.44	19.72
	HW - Recyclable	3,412	-	11,436	9,548
	HW - Utilisable	1,121	135	1,701	872
	Bio-medical waste	0.00	4	3	2.45
	E-waste				
	Non-HW				
Materials (tonnes/annum)	Total Recycled Input material	40,021.96	7,234.33	65,688.71	21,595.53
	Raw Materials used	250.40	16,227.41	61,285.21	49,582.11
	Associated Materials used	4.94	0.25	16.19	2.56
	Semi-manufactured Materials used	40,825.98	5,607.65	53,264.41	32,400.62
	Packaging Materials used	326.93	2,649.76	512.67	177.39
Air Emissions (PPM)	Particulate Matter	0.03	59.80	21.00	37.10
	SO_2	0.00	223.15	126.00	209.10
	NOx	1.00	71.71	41.00	98.40
	Others (Including Hazardous Air Emissions, POP, and VOC)	110	49.9	74	37.3
Workplace safety	Fatality	0	0	0	0
	Near miss incidents	18	3	15	8
	Absenteeism rate	0	0	0	0
	LTIFR	0	0	0	0
Ethics and Compliance (No.)	Complaints received	0	0	0	0
	Grievances reported	0	0	0	0
	Whistle blower cases	0	0	0	0
	Corruption cases	0	0	0	0
	IT related incidents/ Data breach	0	0	0	0
	POSH related complaints	0	0	0	0
	Human rights violations	0	0	0	0
Workforce	Permanent Employee Count	1,083	1,141	1,211	755
	Temporary Workforce	1,459	846	1,791	1,216

Unit 5	Unit 6	(R&D)	RO	HO	Unit 8	Total
59,984	1,06,111	37,557	1,451	1,276	3,333	33,48,372
-	-	643	-	-	-	1,14,524
4,208	1,380	438	-	-	245	3,15,457
7,155	19,341	6,353	293	258	285	1,81,901
						91,787
42,591	49,907	23,930	0	0	0	15,68,994
17,339	30,316	17,480	0	0	0	5,69,891
94	2,630	0	0	0	0	6,788
8.3	1.87	3.89	0	0	0	433
1,645.76	4,286	2.59	0	0	0	30,331
165	790		0	0	0	4,783
0	2.26	0	0	0	0	12.01
						11,388
195.31	9,131.85	0.00	0	0	0	1,43,868
1,141.93	212.74	75.40	0	0	0	1,28,775.20
1.26	3.03	2.51	0	0	0	30.75
2,047.72	26,268.06	20.90	0	0	0	1,60,435.34
8.09	98.88	1.55	0	0	0	3,775.28
14.00	0.20	0.05	0	0	0	132.18
32.00	0.00	0.03	0	0	0	590.29
16.00	1.00	0.04	0	0	0	229.15
26	56	29	0	0	0	382.20
0	0	0	0	0	0	0
10	15	0	0	0	0	69
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
228	415	1,100	54	172	8	6,167
207	515	192	45	29		6,300

GRI Index

Statement of use	[Name of organization] has reported the information cited in this GRI content index for the period [reporting period start and end dates] with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

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	2-10 Nomination and selection of the highest governance body	About the board	82-85
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	3-2 List of material topics	Materiality	46-49
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	201-2 Financial implications and other risks and opportunities due to climate change	Risk Management	89-91
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GRI 202: Market Presence	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	BRSR	157
	202-2 Proportion of senior management hired from the local community	BRSR	167
GRI 204: Procurement Practices	204-1 Proportion of spending on local suppliers	BRSR	167

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Corporate Information

Board of Directors

Dr. Ravindranath Kancherla
Non-Executive Chairman and Independent Director

Dr. Satyanarayana Chava
Executive Director and CEO

Mr. V.V. Ravi Kumar
Executive Director and CFO

Dr. C.V. Lakshmana Rao
Executive Director

Mr. Krishna Chaitanya Chava
Executive Director

Ms. Soumya Chava
Executive Director

Mrs. Aruna Bhinge
Independent Director

Dr. Rajesh Koshy Chandy
Independent Director

Mr. Karnam Sekar
Independent Director

Mr. Ramesh Subrahmanian
Independent Director

Auditors

M/s. Deloitte Haskins & Sells LLP

Chartered Accountants
Meenakshi Pride Rock Tower III
[Block – M], 8th & 9th floors, Survey No. 23, Gachibowli Serilingampally Municipality Ranga Reddy District Hyderabad-500032 Telangana, India

Bankers

State Bank of India

Bank of Bahrain & Kuwait B.S.C.

CITI Bank NA

HDFC Bank Limited

Hongkong and Shanghai Banking Corporation (HSBC)

J.P. Morgan Chase Bank N.A.

RBL Bank Limited

Axis Bank Limited

MUFG Bank Limited

Export Import Bank of India

Registered Office

Laurus Enclave, Plot Office 01, Edulapakabonangi Village, Parawada Mandal, Visakhapatnam, Anakapalli, Andhra Pradesh, 531021

Corporate Office

2nd Floor, Serene Chambers, Road No. 7, Banjara Hills, Hyderabad, Telangana, 500034

Manufacturing Facilities

Unit 1
Plot No 21, J N Pharma City, Parawada Village and Mandal, JN Pharma city, Parawada Industrial Area, Anakapalli, Andhra Pradesh, 531021

Unit 2
APSEZ, Unit-2, Plot No 19, 20 and 21, Gurajapalem Village, Rambilli Mandal, Atchutapuram APSEZ, Anakapalli, Andhra Pradesh, 531011

Unit 3
Plot No 18, J N Pharma City, Parawada Village and Mandal, JN Pharmacity, Parawada Industrial Area, Anakapalli, Andhra Pradesh, 531021

Unit 4
Plot No 25, 25A To 25 K, APSEZ Denotified Area, Lalamkoduru Village, Rambilli Mandal, Atchutapuram APSEZ, Anakapalli, Andhra Pradesh, 531011

Unit 5
Plot No 102 and 103, Visakha Pharmacity Limited SEZ, Lemarthi Village, Parawada Industrial Area, Anakapalli, Andhra Pradesh, 531019

Unit 6
Plot No 22 D and 22 E, Denotified Area APSEZ, Gurajapalem and Lalamkodur Villages, Rambilli Mandal, Atchutapuram APSEZ, Anakapalli, Andhra Pradesh, 531011

Unit 8
Plot No. 18B, APSEZ De-Notified Area, Moturupalem, Pudi and Gurajapalem Villages, Rambilli Mandal, Anakapalli – 531 011 Andhra Pradesh, India.

Research & Development Centre (R&D)
Plot No.DS 1&2, IKP Knowledge Park, Genome Valley, Shamirpet Mandal, Turkapally, Medchal- Malkajgiri , Telangana, 500101

Subsidiaries

Laurus Bio Private Limited Registered Office and R1 Facility:
Plot No-204 & 237, Bommasandra-Jigani Link Road, KIADB Industrial Area, Bangalore-560105 Karnataka, India

R2 Facility:
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Unit-2:
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Unit-4:
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Research & Development Centre (R&D)
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Laurus Generics GmbH
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Registered Office:
CM-05, SINE Office, 3rd Floor, CSRE Building, IIT Bombay, Powai, Mumbai City, Maharashtra, India, 400076

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