

Shilpa Medicare Limited

Corporate & Admin Office:

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CIN: L85110KA1987PLC008739

Date: 26.08.2025

To,

Corporate Relationship Department,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai-400 001

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No.C/1, G Block
Bandra Kurla Complex, Bandra (E)
Mumbai-400 051

Stock Code: NSE: SHILPAMED/BSE-530549

Dear Madam/Sir,

Sub: Annual Report for the Financial Year 2024-25 and Notice of the 38th Annual General Meeting (AGM)

Ref: Disclosure under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is to inform that 38th Annual General Meeting ("AGM") of the Company is scheduled to be held on Tuesday, September 23, 2025 at 11.00 AM (IST) at the Registered office of the Company through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM"), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India.

Pursuant to Regulation 34 (1) (a) of SEBI (LODR) Regulations, 2015, please find attached a copy of Annual Report for the financial year 2024-25 along with the Notice convening the 38th Annual General Meeting (AGM) sent to the members through electronic mode is attached.

The said Annual Report is also available in the website of the Company at <https://vbshilpa.com/annual-reports.php>

This is for your information and records.

Thanking you
For **Shilpa Medicare Limited**

Ritu Tiwary
Company Secretary & Compliance Officer



Innovating for
affordable healthcare

Shilpa Medicare Limited

Pioneering Innovation **Delivering Excellence**



38th Annual Report
2024-25

A Year of Transformative Innovation

As we reflect on the FY25, Shilpa Medicare has demonstrated remarkable progress across our core business verticals of APIs, Formulations, and Biosimilars, driven by our unwavering commitment to scientific innovation and excellence.

API DIVISION: PIONEERING COMPLEX MOLECULES AND ADVANCED SYNTHESIS

Our API division, the foundation of our business, continues to break new ground in developing high-value molecules. We are making significant strides with development of complex APIs in Oncology along with developing new technologies like GLP-1, Peptide and Polymers. Our R&D pipeline remains future-focussed with ongoing development of GLP-1 blockbusters like Liraglutide and Semaglutide. The division has further strengthened its peptide capabilities, evidenced by recent CEP approvals for Desmopressin and Octreotide. Our state-of-the-art synthesis technologies span Solid-Phase Peptide Synthesis, Liquid-Phase Peptide Synthesis, and innovative Hybrid and Microwave-assisted techniques. Complementing these achievements, our Polymers division provides unique advantages through dedicated research labs and GMP facilities capable of scaling novel polymeric materials from gram to tonne quantities.



FORMULATIONS DIVISION: REVOLUTIONISING PATIENT CARE THROUGH INNOVATION

The Formulations division has redefined treatment paradigms with several first-to-market innovations. We developed Ready-to-Use Oncology product for US market with Pemetrexed, followed by approval for Bortezomib in RTU subcutaneous formulation – both eliminating complex reconstitution processes to enhance patient convenience. A significant milestone was achieved with the approval (through our JV company) of our first oral fluid formulation, Imatinib, which improves medication adherence, particularly for paediatric and geriatric populations. In our home market, post successful conclusion of Phase III trials for NorUDCA, we received CDSCO nod for marketing approval. These advancements underscore our commitment to developing patient-centric solutions that address real-world healthcare challenges.

Shilpa Medicare's strategic expansion into Rest of World (ROW) markets underscores its commitment to bringing high-quality, affordable pharmaceuticals to patients worldwide. By strengthening our footprint in emerging markets, the company is not only diversifying its revenue streams but also reinforcing its reputation as a trusted partner, which aligns with Shilpa's mission to deliver operational excellence, innovation, and patient-centric solutions.



CDMO: ADVANCING GLOBAL BIOPHARMA THROUGH END-TO-END CDMO EXCELLENCE

Shilpa offers One-Stop-Solution for CDMO encompassing various verticals like API, Biologics and Formulations, having robust R&D and manufacturing capabilities. Shilpa's Biologics CDMO Business offers Clone-to-Vial capabilities for manufacturing of monoclonal antibodies, biosimilars, and advanced therapies, supported by globally compliant facilities. In a strategic move, the company partnered with mAbTree to integrate with its CDMO expertise, accelerating innovative biologics development for oncology and immunology. On the other hand, CDMO partnership with Unicycive Therapeutics highlights our R&D expertise in end-to-end drug development and manufacturing. These collaborations underscores Shilpa's role as a trusted CDMO partner for innovative biopharma companies.

BIOSIMILARS DIVISION: EXPANDING ACCESS AND ADVANCING NOVEL THERAPIES

Our Biosimilars business continues to gain momentum, with Adalimumab demonstrating strong market performance and growing share post-launch. The division has taken a major step forward with the initiation of Phase III clinical trials for our second biosimilar product, Aflibercept. A landmark achievement was our strategic partnership with Orion Corporation for the European commercialization of Recombinant Human for therapeutic use (rHA). With Phase III studies planned for EU and India in FY26, and positive feedback from EU regulatory consultations, we are well-positioned for global expansion. The filing of US DMF for excipient-grade rHA has generated significant international interest, prompting us to initiate sample sharing and strengthen our business development teams in key markets.

LOOKING AHEAD: SUSTAINING INNOVATION AND GLOBAL GROWTH

Shilpa Medicare remains committed to driving sustainable growth through continuous R&D investment, technological advancement, and strategic partnerships. Our unified quality framework ensures consistent excellence across all products and markets. As we expand our global footprint in the US, Europe, and emerging markets, we remain focused on delivering innovative, cost-effective healthcare solutions that improve patient outcomes worldwide.

This year's achievements stand as testament to the dedication of our talented team, the trust of our global partners, and our steadfast commitment to addressing unmet medical needs through scientific innovation. We enter the new fiscal year with confidence in our ability to shape the future of healthcare through groundbreaking therapies and patient-focused solutions.



Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe", "plan", "anticipate", "continue", "estimate", "expect", "may", "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

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Annual Report Formats

This annual report
is available in the
following formats:



PRINT



ONLINE



SMARTPHONES

Pioneering Innovation

Delivering Excellence

As we reflect on the fiscal year 2024-25, Shilpa Medicare is pioneering transformative advancements across all its business verticals backed by commitment to innovation, quality, and global excellence.

To start with, in our largest vertical by revenue, the API division, we are developing complex molecules with significant market potential. Our R&D team continuously invests in developing new molecules while improving the yields of existing molecules through process improvements.

The R&D efforts were seen in the development of challenging molecules such as Methotrexate (an import substitute), and Nilotinib (non-infringing route). At Shilpa, we remain future-ready with ongoing development of GLP-1 blockbuster products viz. Liraglutide and Semaglutide. In the peptide space, we have secured CEPs for Desmopressin and Octreotide, validating our R&D strengths in the new-age peptide space. Our Synthesis capabilities include solid-phase peptide synthesis (SPPS), Liquid-Phase Peptide Synthesis (LPPS), Microwave-assisted synthesis and Hybrid Synthesis (SPPS + LPPS). Our Polymers division gives us a unique advantage with dedicated research labs, pilot scale & GMP facilities capable of producing polymeric materials from gram scale to Kg to Tonne scale using novel polymerisation techniques.

In the Formulation division, we are revolutionising patient care with first-in-class innovations. Our Ready to Use Oncology Product – Pemetrexed was the first RTU in US market, we also received approval for Bortezomib for RTU Subcutaneous. These ready to use solution eliminates the need for complex reconstitution thereby reducing complexity in dosing and improving patient adherence. Besides these, we also received approval for our first oral fluid formulations - Imatinib, it significantly improves patient compliance, especially in paediatric and geriatric populations.

In Biosimilars, Adalimumab continues to see robust response with improved market share after 1 year of launch, we have made remarkable progress with our 2nd Biosimilar product - Aflibercept, with the initiation of Phase III clinical trials.

For Recombinant human albumin (rHA), we have entered into a strategic partnership with Orion Corporation for commercialisation of the product in Europe. Under this agreement Orion Corporation will be our exclusive partner for distribution, marketing and sales. We will be conducting our Phase 3 studies in EU and India in





FY26. We are also working on global launch viability of the product, we have got positive feedback from the EU Scientific advice filed for Phase III assessment, similarly, we will be filing for US scientific advice in 1H FY26. The excipient grade US DMF of rHA was filed, post which we have received enquiries from global clients, to take the launch process further we have initiated sample sharing and appointed global Business Development Managers in key region of EU & US. We remain confident of our patented process for developing therapeutic rHA, we look forward to successfully completing the clinical trials in India.

We offer integrated CDMO services, providing one-stop solution to customers by offering both Drug Product and Drug Substance capabilities for small and large molecules. Shilpa Medicare remains one of the very few companies in India with capabilities to service both small and large molecules client requirements. During the year, our end-to-end CDMO capabilities were demonstrated through the successful filing of oxylanthanum carbonate with our partner Unicycive Therapeutics.

During FY25, we signed a strategic agreement with mAbTree Biologics for development and manufacturing of a Novel MAB in the field of Oncology. This programme aims to develop a fully human monoclonal antibody against a novel immune checkpoint

protein that enables T cell activation and generation of strong immune responses against tumours akin to the well-established PD-1/PD-L1 blockade.

As we present Shilpa Medicare's Annual Report for FY25, we reaffirm our dedication to driving sustainable growth, fostering innovation, and upholding the highest standards of quality and compliance. This year's achievements reflect the collective efforts of our talented team, the trust of our global partners, and our unwavering focus on addressing unmet medical needs.

Going forward, we remain committed to investments in R&D, expanding our global footprint, and leveraging cutting-edge technologies.

Shilpa Medicare's unified quality framework ensures consistent product excellence across global markets. We continue to expand our footprint in Europe, US, and the Rest of the World markets, delivering best-in-class healthcare solutions that balance innovation with cost effectiveness to achieve better patient outcomes.

We deliver uniform, high-standard API, formulations, and biologics globally, reinforcing our commitment to pioneering innovation and delivering excellence.



ABOUT US

Shaping the Future of Healthcare

Founded in 1987, Shilpa Medicare has evolved into an innovative healthcare partner dedicated to ensuring the availability of affordable medicine for everyone in need. Over the last 35+ years, we have created a niche for ourselves in the highly competitive and quality-conscious pharmaceutical manufacturing industry through our commitment to innovation and excellence in delivery.



Existing Business Segments



API

(Active Pharmaceutical Ingredient)

- Shilpa Pharma Lifesciences
- Oncology
- Non-Oncology
- Payloads and Linkers
- Peptides
- Polymers
- CDMO

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Finished Dosage Formulations

- Shilpa Medicare
- Shilpa Therapeutics
- FTF Pharma
- Tablets/Capsules
- Liquid Injectables
- Oral Dissolving Films (ODFs)
- Transdermal patches
- CDMO

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CDMO

(Contract Development and Manufacturing Organisation)

- HpAPI
- Peptide
- Fermentation
- Small molecule manufacturing
- Monoclonal antibodies and recombinant technology

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Biosimilars

- Shilpa Biologicals
- Shilpa Biocare
- NBE
- Microbials Products
- Mammalian Products
- GLP-1 (Glucagon like peptide)
- CDMO
- ADCs

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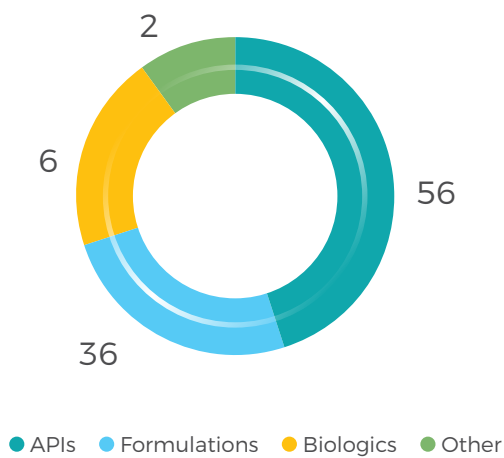
EMERGING BUSINESSES

NDDS
(Novel drug
delivery
system)

ADC
(Antibody drug
conjugate)

RHA
(Recombinant
Human
Albumin)

Segment-wise revenue breakup FY25 (%)



HIGHLIGHTS

₹ 1,30,956 Lakhs **₹ 34,021 Lakhs**

Our revenue
▲ 13%

EBITDA
▲ 35%

10+
Regulatory-approved
manufacturing and
R&D facilities

400+
R&D personnel

500+
Regulatory filings
across the world

50+ Countries
Worldwide presence

GEOGRAPHICAL PRESENCE MAP



MESSAGE FROM THE CHAIRMAN

Expanding Horizons



Mr. Omprakash Inani
Chairman

Dear Shareholders,

I am delighted to present Shilpa Medicare's performance for FY25, a year of remarkable progress that exemplified our commitment to sustainable growth, operational excellence and strategic innovation. We navigated the complexities of the global economic landscape and seized opportunities to balance growth with responsibility, positioning ourselves for long-term success.



Our strategic approach of cultivating multiple revenue streams has proven effective in mitigating risks while capturing pharmaceutical opportunities across value chain. In the year FY25, Shilpa reinforced its legacy of excellence in the pharmaceutical and CDMO space. Our financial performance remained robust, with 13% revenue growth coupled with strong margins. This was driven by strong niche product launches in FDF segment. We are also in the process of gaining ground in CDMO segment and building capacity for our flagship business of APIs. More importantly, we have fortified our presence in high-growth therapeutic areas while maintaining stringent quality and compliance standards.

LEADERSHIP & GOVERNANCE: A PILLAR OF STRENGTH

At Shilpa Medicare, we believe that strong corporate governance and exceptional leadership are the bedrock of long-term success. Over the past year, we have strategically integrated dynamic leaders into key verticals, empowering them with autonomy and accountability necessary to drive results. These accomplished professionals bring in fresh perspectives, deep industry expertise and agile decision-making capabilities to our organisation. By fostering a culture of mentorship and innovation, we are building a robust leadership pipeline

that blends experience with modern expertise, enabling us in identifying new opportunities in the pharmaceutical sector.

SUSTAINABILITY & INNOVATION

Our dedication to sustainability remains fundamental to our business success. From green chemistry initiatives to responsible manufacturing, we are integrating ESG (Environmental, Social, and Governance) principles into our core operations.

Innovation continues to be at the heart of our growth strategy, with increased investments in R&D and digital transformation to enhance efficiency and competitiveness.

As we advance to the next phase in our journey, we remain committed to our mission of improving healthcare through affordable, high-quality pharmaceutical solutions. We will continue to invest in innovation, expand our product portfolio, and explore new markets to drive sustainable growth.

Our roadmap includes continued expansion in high-growth therapeutic segments, enhanced CDMO capabilities, and strengthened API manufacturing capacity. We are particularly focussed on leveraging our diversified business model to capture opportunities in both domestic and international markets. As we step into the next financial year, our focus remains on sustainable expansion, operational excellence, and leadership-driven innovation to cement our position as a global pharmaceutical powerhouse.

In closing, I extend my heartfelt gratitude to our shareholders, customers, employees, and partners for their unwavering trust and support. The journey ahead is filled with immense possibilities, and with our professional leadership team guiding the way, I am confident that Shilpa Medicare will continue to scale new heights, delivering value to all stakeholders.

Thank you for your support, and I look forward to an exciting future ahead.

Warm regards,

Mr. Omprakash Inani
Chairman

MESSAGE FROM THE MD

Positioned for Accelerated Growth



Mr. Vishnukant Chaturbhuj Bhutada
Managing Director

Dear Shareholders,

Over the years, Shilpa Medicare has evolved from humble beginnings to a globally recognised pharmaceutical leader. Our commitment to innovation, quality, and patient-centric solutions has been the cornerstone of our success. Today, we proudly serve as a trusted partner in the global healthcare ecosystem, delivering high-quality active pharmaceutical ingredients (APIs), formulations and Biologics to over 50 countries worldwide.

As we reflect on FY25, it is with immense pride and gratitude that I present to you the performance and progress of Shilpa Medicare Limited. This year has been a testament to our unwavering

commitment to innovation, quality, and sustainable growth.

STRATEGIC ACHIEVEMENTS

This year, we witnessed initial success of our long-term investments in complex generics, specialty APIs, Biologicals and NDDS platform, driving not just revenue growth, but also stronger margins. Our commitment to R&D and differentiated technologies continues to set us apart, reinforcing our strength in the global pharmaceutical landscape.

Our CDMO & API offerings encompass end-to-end services, from drug development to commercial-scale manufacturing, catering to both small molecules and biologics, making us a One-Stop Solution provider for pharma companies. Our hybrid

CDMO model offers end-to-end solutions for the development and manufacturing of Drug Substance (DS) and Drug Product (DP) across preclinical, clinical, and commercial stages. Our collaboration with Unicycive Therapeutics further enhances our capabilities in delivering high-quality, scalable solutions across the pharmaceutical value chain.

BREAKTHROUGHS THAT DEFINE EXCELLENCE

One of our most significant milestones was the out-licensing of our flagship product, Recombinant Human Albumin, in partnership with Orion Corporation, Europe for commercialisation in the EU for therapeutic use. This achievement demonstrates our scientific excellence and our ability to forge strategic alliances that amplify our



global reach.

In a moment of immense pride, Shilpa has received historic approval for NorUDCA, India's first-in-class therapy for NAFLD – making Shilpa the first company globally to obtain approval for treatment NAFLD. This breakthrough therapy will bring hope to millions suffering from non-alcoholic fatty liver disease (NAFLD) – a milestone that underscores our commitment to addressing unmet medical needs.

Adding to this success, our partner has successfully launched first generic of Nilotinib in EU region, developed through a non-infringing route. Our partner also achieved a significant milestone in US market with the launch of two NDAs in Ready-to-Use Oncology segment – both eliminating complex reconstitution processes to enhance patient convenience. Our commitment to niche and complex molecules was demonstrated by developing US FDA approved first Oral liquid form of Imatinib (through our JV company). Besides this, we look forward to introducing niche products such as SMLTDP08, SMLTOP09, SMLODF010, and SMLINJ11 in various global markets.

FINANCIAL PERFORMANCE

Our financial performance mirrors this progress. During the fiscal year 2025, our revenue increased to ₹ 1,30,957 Lakhs from ₹ 1,15,977 Lakhs in FY24. The performance was driven by strong contributions from our Formulations and Biologics business which grew by 37% and 115% respectively. Our focus on profitability led to a significant increase in EBITDA from ₹ 25,267 Lakhs to ₹ 34,021 Lakhs in FY25, registering 35% year-on-year growth. Our margins improved from 22% to 26% during the same time.

We reduced our interest burden by a significant 17%, leveraging

on a successful QIP issue of ₹ 50,000 Lakhs with participation from marquee investors, reposing their faith and confidence in our business model. These proceeds, combined with our strategic refinancing initiatives, enabled the full pre-repayment of our outstanding Non-Convertible Debentures (NCDs), which amounted to ₹ 45,000 lakhs. This has resulted in debt reduction with net debt now at ₹ 55,770 Lakhs as against ₹ 90,386 Lakhs in FY24. Moreover, we have also reduced tax outgo from ~40% in FY24 to ~36% in FY25 and remain focussed on maintaining an efficient tax structure in the years ahead.

GROWTH STRATEGY

Looking ahead, our strategic roadmap for FY26 focusses on four key pillars:

First, capacity expansion and operational excellence, especially in our API vertical – scaling up production for high-demand products like UDCA and Tranexamic acid while investing in emerging areas such as peptides and ADCs. We have also rationalised product portfolio towards higher margin offerings.

Second, accelerated R&D and innovation – deepening our pipeline in complex generics, biosimilars, and novel drug delivery systems, with a particular focus on FDF, CDMO and biologics.

Third, sustainability and efficiency – Implementing Green Chemistry initiatives such as reducing environmental impact through sustainable manufacturing. We, at Shilpa, drive Operational Efficiencies by leveraging digital transformation (AI/ML) for cost savings and product identification.

And fourth, financial discipline – ensuring prudent capital allocation while mitigating

risks through supply chain diversification.

Shilpa's growth strategy revolves around innovation, global expansion, and operational excellence, positioning the company as a preferred partner in the pharmaceutical value chain.

FUTURE OUTLOOK

Shilpa Medicare's future outlook is designed to drive long-term sustainable value creation while maintaining our commitment to quality, compliance, and patient-centric innovation. By leveraging our strong R&D capabilities, expanding global reach, and embracing operational excellence, we are well-positioned to capitalise on emerging opportunities and deliver sustainable growth for our stakeholders.

THANK YOU

To conclude, FY25 was the year driven by strategic focus on profitability-led growth, business diversification and monetisation of high-value assets. We stand at an inflexion point, ready to leverage our R&D capabilities, cultivate strategic partnerships and maintain customer-centric approach to solidify our position as a trusted leader in affordable healthcare.

I am confident that our optimised business mix, cost discipline, and strengthened balance sheet position us for sustained growth and profitability. I extend my sincere appreciation to our shareholders, employees, partners and all other stakeholders for their continued trust and support.

Yours Sincerely

Mr. Vishnukant Chaturbhuj Bhutada

Managing Director

LEADERSHIP MESSAGE

Leading with Resilience. Growing with Purpose.



Mr. Keshav Bhutada

ED & CEO of Shilpa Pharma Lifesciences Limited

Dear Shareholders,

It is both an honour and a privilege to share my maiden address to our esteemed shareholders, partners and colleagues. The year FY25 has been one where we didn't just navigate challenges – we transformed them into opportunities, strengthening our leadership position in API molecules.

FY25 Progress

This year we have demonstrated the resilience of our robust business model by adding new products to our API suite, acquiring new

clients and opening new markets, these achievements helped us mitigate the external challenges related to pricing environment and customer concentration risks.

Our CDMO segment continues to flourish, driven by long-term partnerships with some of the world's most innovative pharmaceutical companies. We are adding nearly 1 new customer every quarter, bringing the total number of active projects over 20, with three of these advancing to late stage Phase III trials. In our emerging businesses of Peptide and Polymers, we continue to win new contracts with large

global companies. During the year, we received European CEPs for 2 Peptide products and secured a significant value contract in Polymers category. These represent initial steps in developing a niche specialty portfolio that will contribute meaningfully in coming years.

On the operational front, we have taken significant strides forward by enhancing capacities for our key large-volume API products, enabling us to service regulated and non-regulated markets effectively. Our regulatory performance was also exemplary, with our API units successfully clearing the



US FDA and other important audits, ensuring continued supplies of quality materials to our clients.

Innovation remains at the heart of everything we do. This year saw us launch several new APIs, including complex molecules like Nilotinib Base that address niche and limited competition opportunities. Our R&D team continues to strive for improvement in processes not only for older products but also developing new complex product pipeline that keeps us ahead of the curve.

Sustainability has evolved from being an initiative to becoming integral to our operations. Through renewable energy adoption and process optimisation, we've achieved significant reductions in our carbon footprint. Simultaneously, our digital transformation journey has accelerated, with AI and predictive analytics now driving smarter manufacturing decisions and creating more resilient supply chains.

WAY FORWARD

As we look ahead, our strategic priorities are clear. We will continue to strengthen our capabilities in high-growth segments such as Onco API, peptides and polymers while expanding our global footprint, with particular focus on regulated markets. Our growth will be powered by three key drivers:

1. Scaled production capacities for critical products including UDCA, Tranexamic Acid, and Ambroxol, ensuring reliable supply to meet growing demand.
2. Innovative oncology launches developed through non-infringing routes, creating new opportunities in specialty therapeutics.
3. Strong momentum in newer divisions, with peptides and polymers already building a robust order pipeline.

This multi-pronged approach positions us for sustainable, diversified growth in the years to come.

We remain confident of growing on the current base business coupled with increased commitments towards our captive supplies as well.

Building on this multi-dimensional approach, we see multiple growth vectors converging:

- Our base business continues to show robust growth, further strengthened by increasing captive supply commitments
- The CDMO division is gaining significant momentum, with expanding clientele spanning global pharma leaders and innovative biotech firms
- We anticipate the commercial launch of a Phase III molecule in FY26/27, marking a major milestone

- Benefiting from strong industry tailwinds, we're seeing growing RFQ flow from international biotech companies

With our world-class infrastructure, proven execution capabilities, and relentless focus on innovation, we are exceptionally well-positioned to deliver sustainable, high-quality growth. I extend my deepest gratitude to our dedicated team, partners, and stakeholders for their relentless efforts and trust in our vision.

LEADERSHIP MESSAGE

Accelerating Growth through Differentiated Formulations



Dr. Jayant Karajgi
COO Formulations

Dear Shareholders,

It gives me immense pride to reflect on our journey through FY25 – a year that tested our resilience, celebrated our successes, and reinforced our commitment to excellence. Despite a challenging global regulatory and economic landscape, Shilpa Medicare's Formulations business operations demonstrated remarkable agility, achieving significant milestones while laying a strong foundation for sustainable growth.

Let me begin with our significant achievements.

Market Expansion & Revenue Growth

- We successfully expanded our footprint in Emerging Markets, registering over 300% growth over last year, driven by key partnerships and demand for high-quality, affordable medicines
- Our European business achieved significant growth of 40% YoY driven by first generic launch of Nilotinib capsules in the region, strengthening our position in this critical market and marking our capability to bring complex generics to stringent markets

Operational Excellence

- We optimised production capacities across facilities, reducing lead times and improving cost efficiencies
- Investments in automation and digitalisation began yielding results, enhancing productivity and compliance readiness for regulatory requirements

REGULATORY SUCCESSES & CHALLENGES

I am happy to share that during the year, we secured US FDA and EMA certification for Unit VI at Dabaspet, Karnataka, a key unit manufacturing ODF & Transdermal patches in Dabaspet, Karnataka, enabling us to commercialise high-value products in regulated markets. Our recent US certification marks a transformative milestone, unlocking significant commercialisation opportunities for our Oral Dissolving Film (ODF) and Transdermal Patch product portfolio. This regulatory achievement positions us to capitalise on these differentiated drug delivery platforms and create new revenue streams in the US market.

The Unit VII at Hyderabad, continues to secure and maintain major regulatory accreditations (USFDA and Europe) while contributing towards the business operations of Shilpa Medicare Limited.

Despite the Import Alert, Unit IV at Jadcherla, has reported increased productivity and increased revenue, as the site has approvals for leading global agencies such as EU GMP, ANVISA, COFEPRIS, TGA, WHO-GMP, SHAPRA, Health Canada. In the meanwhile, revocation of Import Alert remains our topmost priority, as this will unlock new opportunities and restore full business potential for the US market.

Roadmap for FY26 & Beyond - As we step into FY26, I am confident that with our collective focus on compliance, innovation, and execution, we will achieve even greater heights. Our top priorities remain on the following:

Differentiated 505 (b)(2) pipeline –

We have successfully launched two New Drug Applications (NDAs) in the US market through our strategic partner – Pemetrexed and Bortezomib. Both products are well-positioned to gain sustainable market share over the long term, supported by their strong clinical profiles and growing demand.

Novel launch – To launch of NorUDCA in India and RoW markets. Launch of Nilotinib only first generic in EU market through strategic partner.

Productivity & Cost Leadership

– Continuous improvement in operational efficiency to drive margins and competitiveness.

Pipeline Acceleration – Targeting 2-3 new product launches annually, with a focus on complex generics. Investing in creating a niche pipeline covering critical complex products in Oncology and Injectable space.

Infrastructure & Capacity Expansion

– Scaling up capabilities to meet growing demand from Emerging Markets.

Sustainability & Digital Transformation

– Embedding ESG principles and advanced analytics into our operations for future-ready growth.



LEADERSHIP MESSAGE

Advancing Global Biosimilar Leadership

**Dr. Sridevi Khambhampaty**

CEO Shilpa Biologicals Private limited

Dear Shareholders,

It is with great pride that I present the annual performance and progress of Shilpa Medicare's Biosimilars business – a key growth driver in our mission to deliver high-quality, affordable biologics to patients worldwide.

FY25 PROGRESS

Over the past year, our Biosimilars division has achieved significant milestones, reinforcing our position as an innovative global player in biopharmaceuticals. We have expanded our portfolio, advanced our pipeline, and strengthened our regulatory footprint across emerging and developed markets. Our commitment to innovation, compliance, and patient-centric solutions has enabled us to secure new approvals and partnerships, further solidifying our reputation for excellence.

Our flagship product Adalimumab has gained stronger recognition, additional indications and expanded its market share in India, through valuable partnerships. We have initiated registration procedures in over 15 distinct geographical regions.

Over the past year, we have initiated Phase III trials for our second biosimilar product, Aflibercept, which addresses critical eye conditions such as neovascular age-related macular degeneration (AMD) and diabetic macular edema (DME). The global market for this product exceeds USD 9 billion, underscoring its significant potential.

Additionally, we have identified a strong pipeline of high-value biosimilars, including Nivolumab, Pembrolizumab, Daratumumab, Dupilumab, and Trastuzumab, collectively representing an average global market opportunity of over USD 30 billion. This diverse portfolio highlights Shilpa's expertise in developing complex biologics across multiple therapeutic areas. We plan to commence clinical trials and PCT filings for all these products in FY26.

We have diversified our portfolio through a strategic partnership with a Swiss company, mAbTree, adding a novel Biologic in the immune-oncology space. On the regulatory front, we achieved a major operational milestone with our state-of-the-art drug product vial filling line receiving European regulatory certification. This accreditation places Shilpa among the select few companies in India

with this distinction, reinforcing our commitment to quality and scalable growth across international markets.

I would also like to emphasise our strong manufacturing capabilities, anchored by our state-of-the-art facility in Dharwad, Karnataka, having EU GMP approval. This world-class facility is equipped with both microbial and mammalian expression systems, making it one of the few integrated biologics manufacturing sites in India and globally.

With multiple single-use bioreactors ranging from 50L to 2,000L, we offer flexible and scalable production solutions. This integrated platform not only supports our internal pipeline but also positions us as a key player in the Biologics CDMO space. We have already secured several Biologics CDMO partnerships and commenced deliveries, demonstrating our ability to meet global quality and compliance standard.

WAY FORWARD

We plan to introduce many of our pipeline products in India and the RoW markets, covering a broad range of therapeutic areas. Additionally, for most of these products, we will initiate clinical trials and regulatory filings in developed markets as they approach patent expiration. Looking ahead, we remain focussed on strategic collaborations, pipeline acceleration, and market expansion. With a robust portfolio of biosimilars, novel formulations and innovative biologics, in various stages of development, we are well-poised to address unmet medical needs while driving sustainable growth.

I extend my deepest gratitude to our dedicated team, partners, and stakeholders for their relentless efforts and trust in our vision. Together, we are shaping a future where advanced biologic therapies are within reach for patients globally.

LEADERSHIP MESSAGE

Powering a New Era in Biologics



Mr. Madhav Bhutada

MD, Shilpa Biocare Private Limited

Dear Shareholders,

This year marked a defining inflection point for our Biologics division, heralding a new chapter of innovation and global impact.

Harnessing the power of our next-generation, fully automated microbial fermentation facility, we are propelling our recombinant albumin program to new heights – pioneering a bold leap in biomanufacturing excellence. These strides are not just milestones; they are testaments to years of meticulous groundwork, unwavering commitment, and the collective brilliance of Team Shilpa.

FY25: A YEAR OF STRATEGIC PROGRESS

Our **integrated approach** – powered by cutting-edge science, empowered talent, and customer-centric execution – has unlocked substantial value in India's rapidly evolving biopharma landscape.

- **Commercial success:** We secured multiple high-value Biologics CDMO contracts with global pharma companies, reinforcing their trust in our capabilities.
- **Biosimilars milestones:** We achieved a landmark success with the launch of Adalimumab in India – a launch distinguished by zero quality complaints and rapid market penetration. This exemplifies our relentless focus on delivering safe, affordable, and world-class biologics to patients.
- **Scientific progress:** We advanced key complex programs into clinical phases, a validation of our team's technical prowess and execution discipline.

A landmark achievement was our strategic partnership with Orion Corporation, Europe to commercialise our proprietary Recombinant Human Albumin (rHA) for therapeutic use. This collaboration combines Shilpa's

biomanufacturing capabilities with Orion's global commercial reach, creating a vertically integrated platform for this critical biologic. Under the agreement, Orion holds exclusive rights for rHA distribution in EU markets. The strategic tie-up provides a global validation wherein Orion's expertise in biotherapeutics and established commercial infrastructure will accelerate the global reach of our rHA platform, particularly in regulated markets like the EU. Unlike plasma-derived albumin, our recombinant albumin offers superior purity, scalability, and safety – making it ideal for high-value applications in cell/gene therapies, vaccines, and advanced drug formulations.

We also forged pivotal alliance with mAbTree Biologics to co-develop our first New Biological Entity (NBE). This strategic leap underscores our long-term vision: to build a balanced portfolio spanning biosimilars, next-generation therapies, and innovative biologics.

WAY FORWARD

As we look to the future, our ambition is clear: to create a differentiated, technology-driven CDMO ecosystem for biological products. Whether it's biosimilars, antibody-drug conjugates (ADCs), or novel biologics, Shilpa is committed to being the partner of choice – where scale, reliability, and innovation converge under one roof.



FINANCIAL PERFORMANCE

Solid Progress

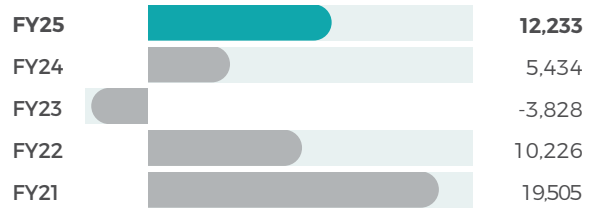
OPERATING REVENUE

(₹ in Lakhs)



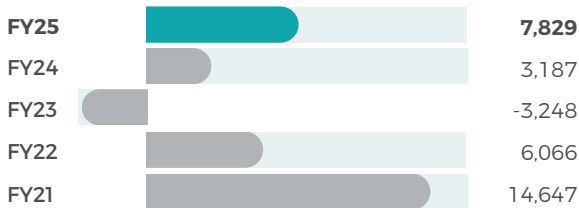
PBT

(₹ in Lakhs)



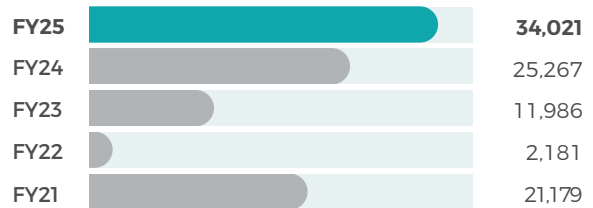
PAT

(₹ in Lakhs)

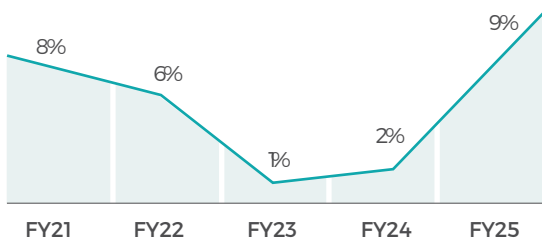


EBITDA

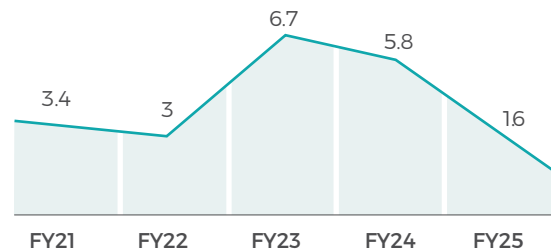
(₹ in Lakhs)



ROCE



NET DEBT TO EBITDA (x)



BUSINESS PROFILE

Pillars of Progress

At Shilpa Medicare, we offer comprehensive Contract Development and Manufacturing services tailored to researchers' needs. We deliver high-quality intermediate and final API products at competitive prices to support innovative research projects. Our expertise spans from simple compounds to complex, multi-step synthesis sequences customised to client specifications. We recently launched a new full-service 'hybrid' CDMO, which will enable us to serve both, small and large molecules customers as well as peptides, with oncology as a particular therapeutic specialty.





Active Pharma Ingredients

- Niche player in high-potency oncology and select non-oncology products
 - Investing in peptides and high-end polymers
-



Finished Dosage Formulations

- Differentiated portfolio focussed on improved patient comfort & compliance
 - NDDS platforms of Oral Disintegrating Films (ODF) and Transdermal Systems (TDS)
-



Contract Development and Manufacturing Organisation – One-Stop Solution provider

- Integrated, one-stop CMC solutions for the development and manufacturing of preclinical, clinical, and commercial drug substances
 - Servicing to various global biotech companies, including 10+ big pharma clients
-



Biosimilars

- Select high-value, low-competition molecules
 - World-class developmental and manufacturing capabilities
-



Active Pharma Ingredients

Shilpa's wholly-owned subsidiary, Shilpa Pharma Lifesciences, spearheads our API business. It encompasses the production of APIs (oncology and non-oncology), intermediates and the provision of CDMO services. Additionally, we have made strategic investments in building capabilities for the manufacturing of peptides and bio-polymers. With a focus on introducing generic molecules that face significant entry barriers, we specialise in complex API processes for both oncology and non-oncology molecules.

MANUFACTURING INFRASTRUCTURE

Shilpa's API business is supported by its state-of-the-art manufacturing facilities at Raichur. These facilities are cGMP compliant and approved by numerous national and international regulatory bodies including USFDA, EU, COFEPRIS, PMDA, KFDA, TPD, TGA & ANVISA.

We operate over 20 API's and intermediate manufacturing blocks with strict segregation between oncology and non-oncology production facilities. Oncology products are manufactured and handled with high level of containment, ensuring people and environment safety. Our oncology blocks are designed to accommodate small scale, medium scale and high-volume production, handling different levels of Batch size ranging from 125 gm to 350 kg and non-oncology batch sizes range from 4 kg to 2,000 kg.





ONCOLOGY EXCELLENCE

Over the years, Oncology has served as the bedrock to Shilpa's success in the API segment. Shilpa was one of the first companies in India to invest in high containment technologies for manufacturing of oncology drug substances in a controlled environment. We introduced advanced technologies like the Bipolar system from Japan to ensure sustainable manufacturing process with reduced consumption of natural resources and enhanced operational safety. Such innovative technologies provide us with validated and commercialised sustainable processes, creating tremendous opportunities to strengthen our competitive position in the marketplace while attracting business opportunities from environmentally conscious markets. We have a comprehensive product portfolio covering most cancer types and a promising pipeline of upcoming molecules poised to capitalise on expiring patents.

Our Non-oncology vertical, initiated in early 2000s, is designed with a focus on product selection that encourages differentiation through difficult chemistry, import substitution, cost leadership and enhanced potential to capture a larger market share. This approach has enabled us to develop a robust portfolio across various therapeutic areas, including respiratory, CNS, urology, nutraceuticals and anti-infectives. The non-oncology remains a key growth driver having key products such as Ursodeoxycholic Acid (UDCA), Tranexamic Acid, and Ambroxol Hydrochloride to name a few.

EMERGING GROWTH AREAS

In the recent past, we have started focussing on developing molecules in high-growth therapeutic areas, including GLP-1, peptides, and specialty polymers, with several key products anticipated to commercialise in FY26/FY27.

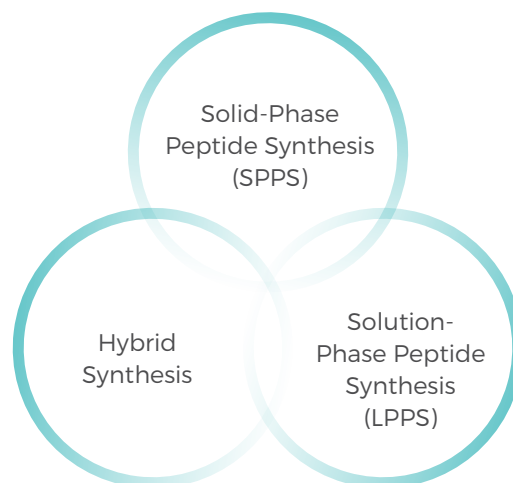
GLP-1 PORTFOLIO

On the GLP-1 front, we have filed US DMF for Liraglutide and Semaglutide DMF is expected to be filed in FY26.

PEPTIDE CAPABILITIES

Shilpa has built robust infrastructure and scientific expertise in peptide API and finished dosage development, positioning itself as a competitive player in the global peptide therapeutic market. We provide end-to-end capabilities from research to commercialisation, catering to both, innovator and generic peptide programs.

The peptide capabilities encompass from:



POLYMER API

Shilpa Pharma Lifesciences is among the select few companies in India with a dedicated Polymer Research and Technology (PR&T) department comprising in-house R&D labs, pilot-scale infrastructure, and GMP manufacturing capabilities. The PR&T division operates through a robust collaboration model and has established long-term strategic partnerships with several multinational corporations (MNCs) and leading domestic organisations. These alliances enable the co-development of advanced polymer technologies, scale-up to manufacturing level, and support commercial and clinical supply. The Polymer vertical offers high-growth potential with its focus on innovation and customer-centric solutions.

FY25 PERFORMANCE REVIEW

The year FY25 has been one where we transformed challenges into opportunities, reinforcing our leadership position in API molecules.

Our API division experienced a temporary softness, primarily due to prioritised capacity allocation into attractive business opportunities, reduced volume offtake from key customers, and continued price erosion impacting the overall performance.

Looking ahead at FY26 and beyond, while pricing pressures persist across generic markets, the broader outlook for our API division remains positive. This view is supported by higher capacity for key products available for commercial production, improved customer mix and increased contribution from regulated markets. In order to navigate pricing pressure in the market, we continue to focus on cost efficiency and operational excellence. Additionally, we maintain a robust pipeline of complex products in oncology segment, which will be launched in multiple markets depending on the patent expiration.

CAPACITY EXPANSION HIGHLIGHTS

We have increased capacities for our key products, these newly-added capacities are available for commercial sales.

300 MT

Tranexamic capacity
increased from 180 MT in FY24

150 MT

UDCA capacity increased
from 100 MT in FY24

Revenue (₹ Lakhs)

Oncology

(₹ in Lakhs)



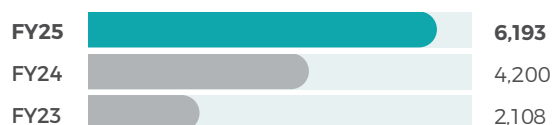
Non-Oncology

(₹ in Lakhs)



CDMO

(₹ in Lakhs)



Polymer

(₹ in Lakhs)



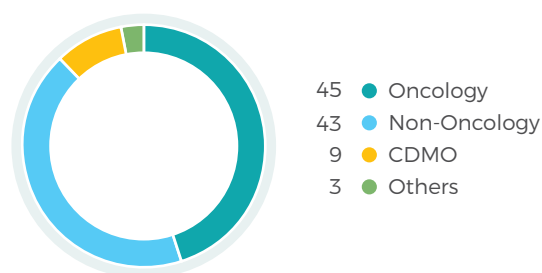
Others

(₹ in Lakhs)

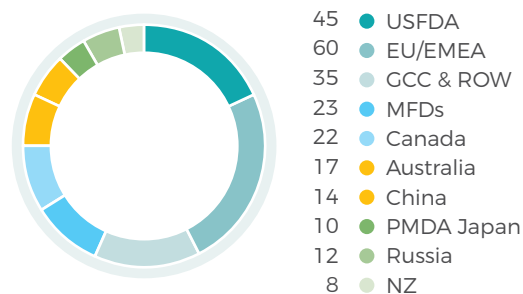


Segmental break-up

(%)



Total DMF filed region-wise





REGULATORY FILINGS (API RAICHUR UNIT-1 & UNIT-2) FY25

Particulars	Cumulative Filed	Status
US DMF	45 DMF	29 DMF was Approved 3 DMF was under review 13 DMF's CA listed
CEP-EDQM	29 CEP	26 CEP Approved 3 CEPs under review
EDMF	30 ASMF	24 ASMF was Approved 6 ASMF under review

Regulatory Inspections and approvals (API units)

Inspection By Regulatory Authorities	Plant
USFDA	API Unit-1
USFDA	API Unit-2
COFEPRIS – Mexico	API Unit-1
COFEPRIS – Mexico	API Unit-2 (EOU)
PMDA Japan	API Unit- 2
ANVISA – Brazil	API Unit-2 (EOU)

API Patent details as on March'25

213

Total Patents Filed

46

Total Patents Granted

Manufacturing Capacities:

11 mfg. blocks

(4 onco and 7 non-onco)

489 KL

Total reactor capacity

10 mfg. blocks

(5 onco and 5 non-onco)

522 KL

Total reactor capacity



Finished Dosage Formulations

Shilpa Medicare Limited is a vertically integrated, specialist drug delivery company with a diversified portfolio spanning injectables (liquid, lyophilised, and dry powder), oral solids (tablets and hard-gelatin capsules), oral films (ODFs), and transdermal patches. We operate across the US, EU, and key emerging markets, leveraging our advanced manufacturing capabilities and regulatory expertise to deliver high-quality, innovative therapies. Our domestic business specialises in manufacturing oncology formulations for cancer treatment facilities across India, while our global operations focus on development, manufacturing, and licensing for pharmaceutical organisations worldwide. Having specialised in oncology, we are expanding into high-growth therapeutic areas such as Neurology & Dermatology, supported by cutting-edge R&D in complex formulations, drug-device combinations, and novel delivery systems.

Areas of Expertise - Our R&D strengths lie in:

Complex Injectables	Drug-Device Combinations	Novel Drug Delivery Systems	Oncology & Adjuvant Therapies	Emerging Therapies
Peptides, liposomes, nanoparticles, and ready-to-use injectables.	Pen injectors for precision delivery.	Hot melt extrusion technology, oral thin films (ODFs), and transdermal patches.	Including supportive care products like anti-emetics.	Neuro and Derma





KEY PIPELINE ADVANCEMENTS IN FY25

Our robust development pipeline continues to demonstrate Shilpa's leadership in complex drug delivery systems:

<p>1 Neurology & Dermatology:</p> <ul style="list-style-type: none"> ○ SMLTDP08 (Rotigotine) (Parkinson's Transdermal Patch): On track for EU launch in FY26 with US clinical studies will be completed in 2025-26. ○ SMLTOP09 (Androgenic Alopecia Lotion): Phase II completed in India with data submitted to regulators; Phase III preparations underway following positive EU scientific advice on clinical development plan 	<p>2 Specialty Formulations:</p> <ul style="list-style-type: none"> ○ Tadalafil Film ODF: Anticipated European market launch in FY26 ○ SMLINJ011 (Long-acting CINV Injection): Global market potential of over USD900mn (IQVIA MAT March 2024); Phase III trials ongoing in India with EU scientific advice and US Pre-IND feedback incorporated 	<p>3 Near-term Launches:</p> <ul style="list-style-type: none"> ○ SMLNUD07 (nor UDCA): Phase III trials completed with CDSCO recommendation for market authorisation; launch planned for FY26 	<p>4 Next-generation Transdermal Technologies:</p> <ul style="list-style-type: none"> ○ Two novel transdermal patches in early clinical development ○ Filed for EU scientific advice on clinical development plans ○ These hybrid products represent first-to-market opportunities with no generic competition
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These pipeline assets underscore our strategic focus on:



FY25 – THE YEAR GONE BY

The past year marked significant progress for Shilpa Medicare's formulations business, reinforcing our commitment to regulatory excellence, product innovation, and strategic market expansion.

PRODUCT LAUNCHES:

FY25 witnessed the successful European launch of our key oncology product – Nilotinib Capsules, via our partner – marking a milestone in our expansion within the EU market. This launch not only reinforced our presence in specialised oncology therapeutics but also showcased our ability to navigate complex regulatory pathways while delivering high-quality, affordable generics to patients in need being the first generic in the European markets.

In collaboration with our partner, we successfully launched two New Drug Applications (NDAs) in the US market, for ready-to-use (RTU) oncology injectables – Pemetrexed and Bortezomib. These innovative formulations enhance patient compliance and ease of administration, eliminating the need for complex reconstitution while reducing medication errors.

By focussing on differentiated and complex drug delivery formats, we have secured a competitive edge in a limited-competition landscape, reinforcing our position as a niche player in high-value oncology therapeutics, further diversifying our US portfolio and strengthening our long-term growth prospects in the specialty pharmaceuticals space.

EMERGING MARKETS EXPANSION:

Recognising the growing demand for specialised medicines in underserved regions, we intensified our focus on Middle East, Africa, Latin America (LATAM), and Asia. By tailoring our portfolio to address unmet needs in these markets – ranging from oncology to chronic therapies – we strengthened partnerships with local distributors and regulators. This strategic push not only diversified our revenue streams but also aligned with our mission to improve global access to high-quality medicines.

FY25 was a year of resilience and strategic execution, laying a strong foundation for future growth in both regulated and emerging markets. Through regulatory diligence, successful product commercialisation, and pipeline momentum, we reinforced Shilpa's reputation as a trusted partner in complex generics and specialty pharmaceuticals.

REGULATORY PROGRESS:

Our Dabaspert facility in Karnataka, that specialises in manufacturing of ODF & TD patches, received accreditation from US FDA, EDQM having EU GMP status, along with UK MHRA, SFDA – Saudi Arabia, TGA Australia and WHO – GMP status.

GLOBAL MARKETS WE CATER TO

Our products are approved and commercialised in:

- **Regulated Markets:** US, EU, Canada, Australia, Saudi Arabia.
- **Emerging Markets:** Brazil, South Africa, Russia, Gulf, Argentina, Kenya, Kazakhstan, Philippines, and others.

Europe remains a core focus, complemented by strategic expansions in high-potential emerging markets.

OPERATIONAL FOUNDATIONS FOR GROWTH

Our manufacturing capabilities continue to be a competitive advantage, with optimised operations across our specialised facilities. The OEL-4 containment capacity at Jadcherla supports high-value potent products, while our dedicated Dabaspert facility – with annual capacities of 50 Million oral films and 30 Million transdermal patches – stands ready to meet growing global demand. These state-of-the-art facilities, approved by stringent regulatory agencies including EUGMP, TGA-Australia, SFDA-Saudi Arabia, WHO-GMP and UK MHRA, provide the foundation for our expansion in complex generics and specialty pharmaceuticals.

LICENSING INCOME A KEY SEGMENT

Shilpa Medicare partners with global pharmaceutical companies to licence out its high-quality generic formulations (finished drugs) for commercialisation in international markets.



KEY ADVANTAGE

Shilpa's innovative & patient-centric R&D efforts allows partners to provide high-quality, niche/value-added generic products helping them expand their portfolio and reach.

What We Offer 1

- Ready-to-market generic drugs (oral solids, injectables, etc.) with approvals in key markets (US, EU, etc.). We also offer products which are under development and expected to be launched post patent expiration
- Specialty products in oncology, CNS, Gastro and other complex therapies.

The Licensing Model 2

- Partner Selection:** Shilpa identifies companies with strong distribution in target regions (e.g., US, Europe, emerging markets).
- Regulatory Support:** Provides support for ANDA/NDA/dossier filings and secure local approvals.
- Revenue Streams:** Earns upfront fees, milestone payments, supply revenues & profit share in select cases.

Why It's a Growth Driver 3

- Low-Capital, High-Margin:** No need for Shilpa to invest in RoW marketing/distribution.
- Faster Market Access:** Partners leverage existing networks to commercialise products quickly.
- Partner selection:** Market-specific partner selection helps in leveraging different partners' strengths in respective markets and therapeutic category.

Recent Successes 4

- Launched Pemetrexed & Bortezomib (cancer drugs) in the US via partner and Nilotinib in EU.

MANUFACTURING AND REGULATORY

Jadcherla Facility

Approved by EUGMP, ANVISA, TGA, and others; specialises in potent oncology products (tablets, capsules, injectables) with OEL-4 containment.

Dabaspert Facility

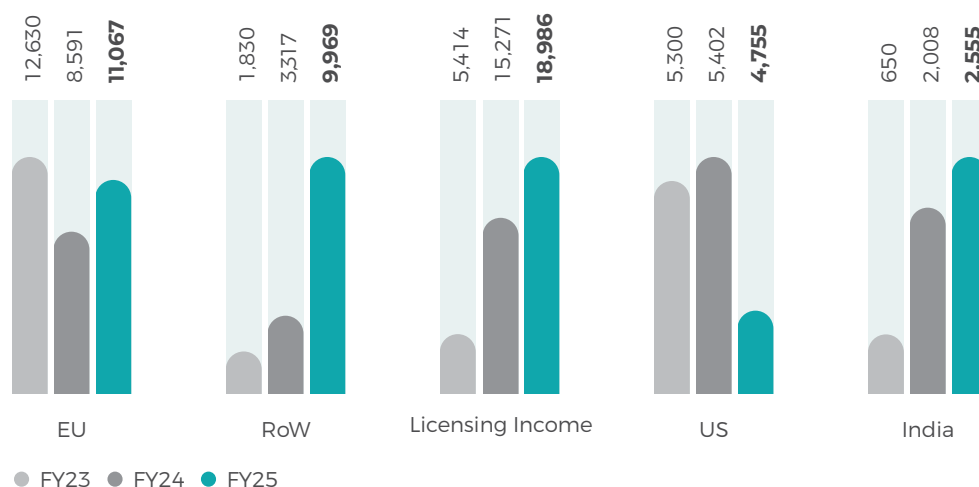
US FDA, EUGMP, WHO-GMP and UK MHRA-approved; dedicated to transdermal patches and ODFs – a rare capability globally.

Capacities:

- Injectables: 12.6M liquid, 2.32M lyophilised, 0.67M dry powder vials/year.
- Oral Solids: 33.5M tablets, 27M capsules/year.
- Novel Delivery: 50M ODFs, 30M patches/year.

Shilpa's robust regulatory footprint and remediation efforts underscore our commitment to delivering safe, effective therapies worldwide.

Geographical Revenue split (₹ Lakhs)



Our Finished Dosage Formulations (FDF) revenue growth was primarily driven by over 300% growth in RoW business led by opening up newer markets and successful product launches. Beside this, the EU market also grew meaningfully by ~38% on the back of successful launch of our partner-commercialised generic Nilotinib.

REGULATORY FILINGS

FY25 Regulatory Filings			
Markets	Approved	Pending for Approval	Total
US ANDA & NDA	16	14	30
EU	73	8	81
Canada	6	4	10
RoW	285	267	552
Total Filings	673		

REGULATORY STATUS

Jadcherla	EUGMP - AGES-Austria, Brazil-ANVISA, SAHPRA-South Africa, ANAMT-Argentina, TGA-Australia, GHC-Gulf Health Council, MOH-Russia, Health Canada, Ukraine, Eurasia, MOH-Kenya, MOH-Kazakhstan, MOH-Tanzania, DOH-Philippines, PDCD-Qatar.
Dabaspert	WHO-GMP, UK-MHRA, EU GMP, US FDA, TGA-Australia, SFDA-Saudi Arabia.
Unit VII (QC lab)	US FDA, ANVISA, UK MHRA, EU GMP, CDSCO, DCA, DSIR & NABL, SM&DC-Ukraine, Eurasian Economic Union (EAEU) – Belarus.
Unit VII (Bio-analytical lab) - GCP accreditations	US FDA, EMA-EU, CDSCO, DSIR.



Formulation Patent data as on March'25

213

Total Patents Filed

46

Total Patents Granted

OUTLOOK: POSITIONING FOR TRANSFORMATIVE GROWTH IN FY26

FY26 represents a transformative period for Shilpa Medicare as we capitalise on emerging opportunities across global markets. Our innovative pipeline is poised for significant milestones, with the anticipated novel product launch of SMLN007 in India, European launch of Tadalafil Film ODF and the Parkinson's transdermal patch (SMLTDP08), along with advancing late-stage programmes including our long-acting injection (SMLINJ011) and alopecia treatment candidate (SMLTOP09).

These differentiated therapies in niche therapeutic areas position us strongly in markets with limited competition and high growth potential. Besides these upcoming launches, we also expect our partners to gain further market share in NDAs launched in the US region.

The increasing global demand for patient-centric dosage forms continues to drive adoption of our oral films and transdermal patches across European and emerging markets. With our first-to-market hybrid transdermal technologies in development, we are reinforcing our leadership in complex drug delivery systems.

As we execute this multi-faceted strategy, Shilpa Medicare remains committed to sustainable growth through continued R&D investment, regulatory excellence, and strategic partnerships that enhance our global market access and product offerings.





Contract Development and Manufacturing Organisation – One-Stop Solution provider

At Shilpa Medicare, we take pride in being a leading global Contract Development and Manufacturing Organisation (CDMO), committed to accelerating the journey of life-saving therapies from lab to market. With decades of expertise, we provide end-to-end solutions for the development and manufacturing of both small and large molecules, supporting our partners across preclinical, clinical, and commercial stages. Our collaborative approach enables biotech innovators and pharmaceutical companies to bring novel treatments to patients faster and more efficiently.

One of our most significant milestones this year was the successful completion of Phase III trials for Oxylanthanum Carbonate (OLC), a potential best-in-class treatment for hyperphosphatemia, developed in partnership with Unicycive Therapeutics under the FDA's 505(b)(2) pathway. This achievement underscores our ability to support complex drug

development programs from early stages through commercialisation. As we move closer to regulatory approval, Shilpa is poised to continue receiving milestone-based revenues and will serve as the exclusive manufacturer post-approval – a testament to our reliability and technical excellence.





Shilpa is actively engaged in over 25 active programs, with three candidates in Phase III. Our diverse portfolio spans over New Chemical Entities (NCEs) and New Biological Entities (NBEs), reflecting our adaptability and expertise across multiple modalities. By combining scientific rigour with operational excellence, we have established ourselves as a trusted partner for companies looking to navigate the complexities of drug development and commercialisation.

EXPANDING EXPERTISE IN BIOLOGICS CDMO

Shilpa has successfully extended its CDMO capabilities for small molecules to Biologics, securing over five projects across different development phases. Notably, we have completed the first phase of a key biologics CDMO project and are progressing towards delivering Phase II quantities, serving as an exclusive manufacturing partner for this program at this stage. This milestone underscores our growing expertise in large-molecule development and cGMP-compliant biologics manufacturing.

In addition, we expanded our footprint in biologics by entering into a strategic collaboration with mABtree, a Swiss biotech company, to develop a novel immune-oncology biologic. This partnership highlights our growing capabilities in large molecules and reinforces our commitment to advancing cutting-edge therapies in high-growth therapeutic areas.

STATE-OF-THE-ART FACILITIES & REGULATORY EXCELLENCE

Our CDMO operations are supported by cutting-edge API manufacturing facilities in Raichur, India, and Biologics manufacturing facilities in Dharwad, Karnataka, both backed by a highly skilled teams independent teams across R&D, Production, Engineering, Quality Control, Quality Assurance, and Regulatory Affairs. Our different facilities are cGMP-compliant and approved by leading global regulatory agencies, including USFDA, EU-GMP, COFEPRIS (Mexico), PMDA (Japan), KFDA (South Korea), TPD Canada, TGA (Australia), and ANVISA (Brazil). This robust infrastructure ensures seamless scale-up from lab to commercial production while maintaining the highest quality standards.

FY25 PERFORMANCE HIGHLIGHTS

In FY25, the CDMO segment contributed ~8% to Shilpa's API revenue, growing at an impressive 47% YoY to ₹ 6,193 Lakhs. Additionally, our Biologics CDMO division has gained momentum, contributing to the overall biologics revenue.

FUTURE GROWTH OUTLOOK

Shilpa is strategically positioned to capitalise on the expanding global CDMO market, driven by increasing outsourcing trends in pharma and biotech. Our focus includes:

Capacity Expansion

Scaling up multi-site capabilities to support diverse modalities, including complex small molecules and biologics.

Technology Advancements

Investing in next-gen manufacturing technologies to enhance efficiency and flexibility in drug development.

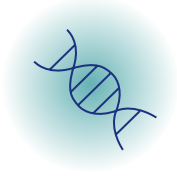
Global Regulatory Footprint

Strengthening approvals in international markets to attract more international clients.

Strategic Partnerships

Collaborating with innovators to co-develop high-potential NCEs, NBEs and biosimilars.

With a strong pipeline, regulatory-compliant infrastructure, and a customer-centric approach, Shilpa is poised to emerge as a top-tier global CDMO player in the coming years.



Biologics

Shilpa Biologicals Pvt Ltd (SBPL) continues to solidify its position in biologics development and manufacturing, driven by scientific excellence and a commitment to delivering affordable, high-quality therapies. Our cutting-edge R&D and manufacturing facility in Dharwad, Karnataka, is equipped with advanced microbial fermenters ranging from 100 L to 55,000 L and multi-product mammalian production suites supporting single-use systems from 200 L to 2,000 L. With a dedicated team of scientists and professionals, we focus on pioneering biologics, including monoclonal antibodies, microbial, and complex recombinant proteins, catering to critical therapeutic areas such as immunology, haematology, ophthalmic and oncology.





Leveraging the Shilpa Group's proven expertise in oncology, SBPL is expanding its biologics portfolio to address unmet needs in autoimmune diseases and cancer. Among our key biosimilar programs, Aflibercept has entered Phase III clinical trials, with a Market Authorization Application (MAA) targeted for FY26. Pembrolizumab and Nivolumab biosimilars are progressing through PCT studies, while Daratumumab and Dupilumab are in early-stage cell line development, positioning them for first-wave launches. Additionally, our Trastuzumab biosimilar program is advancing with plans for Antibody-Drug Conjugate (ADC) development, including preclinical studies slated for FY26. These initiatives underscore our commitment to making advanced therapies accessible in India and globally, with regulatory filings underway in multiple markets and EMA/FDA submissions planned.

ORIADALI® - MARKET SUCCESS

SBPL successfully launched Oriadali®, our biosimilar to Humira®, in India in FY24, marking a significant milestone for the organisation. SBPL's Adalimumab is distinguished as one of the very few biosimilar versions of the innovator's high-concentration product (100mg/mL), offering a cost-effective alternative without compromising quality or efficacy. Expanding the use of Oriadali® for different indications represents a strategic opportunity for SBPL to further capitalise on its investment in biologics development. By leveraging Oriadali®'s proven efficacy and safety profile, SBPL can explore additional therapeutic areas. Furthermore, expanding Oriadali®'s indication portfolio aligns with SBPL's commitment to innovation and addressing unmet medical needs positioning it as a key player in the biopharmaceutical industry.

REGULATORY EXCELLENCE

Regulatory compliance remains a cornerstone of our operations, as demonstrated by successful inspections from global health authorities. We have achieved EMA approval for our drug product line and quality systems, Oman's Ministry of Health clearance for Adalimumab (covering both drug substance and product), and CDSCO certification for Emerging Markets submissions. These milestones validate our adherence to international standards and enhance our credibility as a trusted biologics manufacturer.

STRATEGIC COLLABORATIONS AND EXPANDED OFFERINGS

In a strategic expansion of our innovation pipeline, SBPL has entered into a partnership with mAbTree Biologics, a Swiss startup, to co-develop a novel immune-oncology monoclonal antibody. This promising candidate has shown significant efficacy in preclinical tumour models and has the potential to redefine treatment in the immune checkpoint inhibitor space. Technology transfer is currently underway, with clinical batch production and first-in-human studies anticipated in FY26. Beyond biosimilars, we continue to explore novel biologics opportunities, ensuring a diversified and future-ready portfolio.

Beyond our Biosimilar programs, we are strategically leveraging our manufacturing and R&D strengths by offering CDMO services for Biologics. Currently we are providing a hybrid CDMO model where SBPL seamlessly integrates in-house biologics development with contract manufacturing services for global partners. This dual approach not only ensures sustainable growth but also keeps us at the forefront of biotechnological advancements. Our latest offering in ADC development, coupled with plans to establish ADC manufacturing capabilities this fiscal year, distinguishes us as one of the few global CDMOs with end-to-end expertise in this specialised segment.

As we look ahead, SBPL remains focussed on advancing high-impact therapies, strengthening regulatory pathways, and forging strategic collaborations to bring innovative biologics to patients worldwide. Our mission - to deliver affordable, life-changing treatments - continues to drive our progress, positioning us for sustained success in both emerging and regulated markets. With a strong foundation in science, compliance, and execution, we are poised to make a lasting difference in global healthcare.

RECOMBINANT HUMAN ALBUMIN

Recombinant human albumin technology represents a major breakthrough in biotechnology, delivering a versatile solution for various medical and industrial applications. Shilpa's proprietary sRbumin® produces recombinant human albumin that meets both therapeutic and excipient-grade standards. The product has already achieved several milestones, including the recognition as a New Biological Entity (NBE) in India and securing process patents in the United States and the European Union.

BROAD SPECTRUM OF USES

Therapeutics



As a potential treatment for various medical conditions

Vaccine ingredient



Enhancing vaccine stability and efficacy medical conditions

Drug delivery



Facilitating the delivery of drugs within the body

Medical devices



Improving the performance of medical devices

Media ingredients



Optimising cell culture media for research and biotechnology

Diagnostics



Playing a role in diagnostic tests

Cryopreservation and biologics



Supporting the preservation of biological materials

Over the years we have established a large-scale fermentation facility at Kadachur, Karnataka, in the initial investment phase we have created capacity of over 200 KL, with the capacities ranging from 5 KL to 50 KL for product vessels and 5 KL to 15 KL for buffer vessels.

Recently, we entered into a strategic partnership with Orion Corporation for commercialisation of Recombinant Albumin for Therapeutic usage in Europe region. Under this agreement, Orion will serve as the exclusive partner for the distribution, marketing, and sales of Shilpa's Recombinant Human Albumin in Europe. Shilpa is entitled to receive from Orion certain development and regulatory milestone payments along with supply arrangements in future.

Following the successful completion of Phase I clinical trials in India for the therapeutic application of recombinant albumin, we have received approval to initiate Phase III clinical trials. These trials are expected to begin in FY26 for India and EU markets. Additionally, an excipient grade Drug Master File (DMF) has been filed in the USA. The company is also simultaneously working with EU regulators and US regulators and have sought their scientific advice. We remain confident on the process development and the huge market opportunity that the product offers.





FY25 PERFORMANCE OVERVIEW

Our Biologics division reported a robust revenue growth of over 100% YoY at ₹ 7,571 Lakhs. The growth was driven not only by market expansion of Adalimumab, but also by strong customer traction in CDMO biologics, coupled with licensing income.

Looking ahead for FY26 and beyond, we continue to focus on building a strong portfolio of Mammalian and Microbial products with high value and complex products, going off patent in various regulated markets. Given the robust infrastructure and R&D skill sets, we remain highly optimistic on our Hybrid CDMO Biologics offerings.

REVENUE

(₹ in Lakhs)

FY25	<div><div></div></div>	7,571
FY24	<div><div></div></div>	3,091



R&D CAPABILITIES

Innovating for Healthier Tomorrow

At Shilpa Medicare, we take immense pride in our robust R&D capabilities, which form the backbone of our business strategy. Our commitment to innovation enables us to continuously develop new products through cutting-edge R&D and technological advancement ensuring a sustainable competitive advantage in the global pharmaceutical landscape.

In FY25, our dedicated R&D teams focussed on developing high-value complex generics, specialty APIs, novel drug delivery systems, and complex biosimilar products reinforcing our commitment to addressing unmet medical needs.

Our state-of-the-art R&D centres spread across 5 locations in India are well equipped with advanced analytical labs, facilitating the development of niche products in small and large molecules along with specialty & bio polymers.

To achieve self-reliance, we are strategically reducing dependence on imported intermediates by developing key starting materials (KSMs) in-house. Our R&D team synthesises critical impurities for regulatory compliance, supporting global Drug Master File (DMF) submissions.

Some significant milestones this year were:

- o successful completion of Phase III trials of our novel product NorUDCA
- o securing approval for an ODF product in regulated market and
- o launching new NDA in the US market.
- o continuous process optimisation leading to enhanced yield, sustainability, and cost efficiency

Strategic collaborations with global companies have further enriched our innovation pipeline. Investments in biosimilars and NBEs underscore our forward-looking approach. With a robust IP portfolio and a culture of scientific excellence, Shilpa is poised to deliver breakthrough therapies, ensuring sustainable growth.



REGULATORY ACCREDITATION OF OUR R&D AND QC LABS

Unit	Regulatory Accreditation
Unit VII (QC lab)	US FDA, ANVISA, UK MHRA, EU GMP, CDSCO, DCA, DSIR & NABL, SM&DC-Ukraine, Eurasian Economic Union (EAEU) – Belarus
Unit VII (Bio-analytical lab) - GCP accreditation	US FDA, EMA-EU, CDSCO, DSIR
R&D Lab in Bangalore	Testing lab for Extractables & Leachables US FDA



INTELLECTUAL PROPERTY MANAGEMENT (IPM)

Strategic Management for Sustainable Growth

The Intellectual Property Rights (IPR) Department at Shilpa Medicare plays a pivotal role in safeguarding the company's innovations and creative assets. Our specialised team focusses on managing and protecting our patents, trademarks, copyrights, trade secrets, and other intellectual property assets. Through these efforts, we maintain our competitive edge and uphold our brand integrity. Our IPR Department collaborates closely with R&D, legal, and marketing teams to formulate strategies that align with our business objectives and support our growth.

KEY RESPONSIBILITIES:

Patent Management:

Supervising the filing and maintenance of patents to protect our technological advancements.

Trademark Protection:

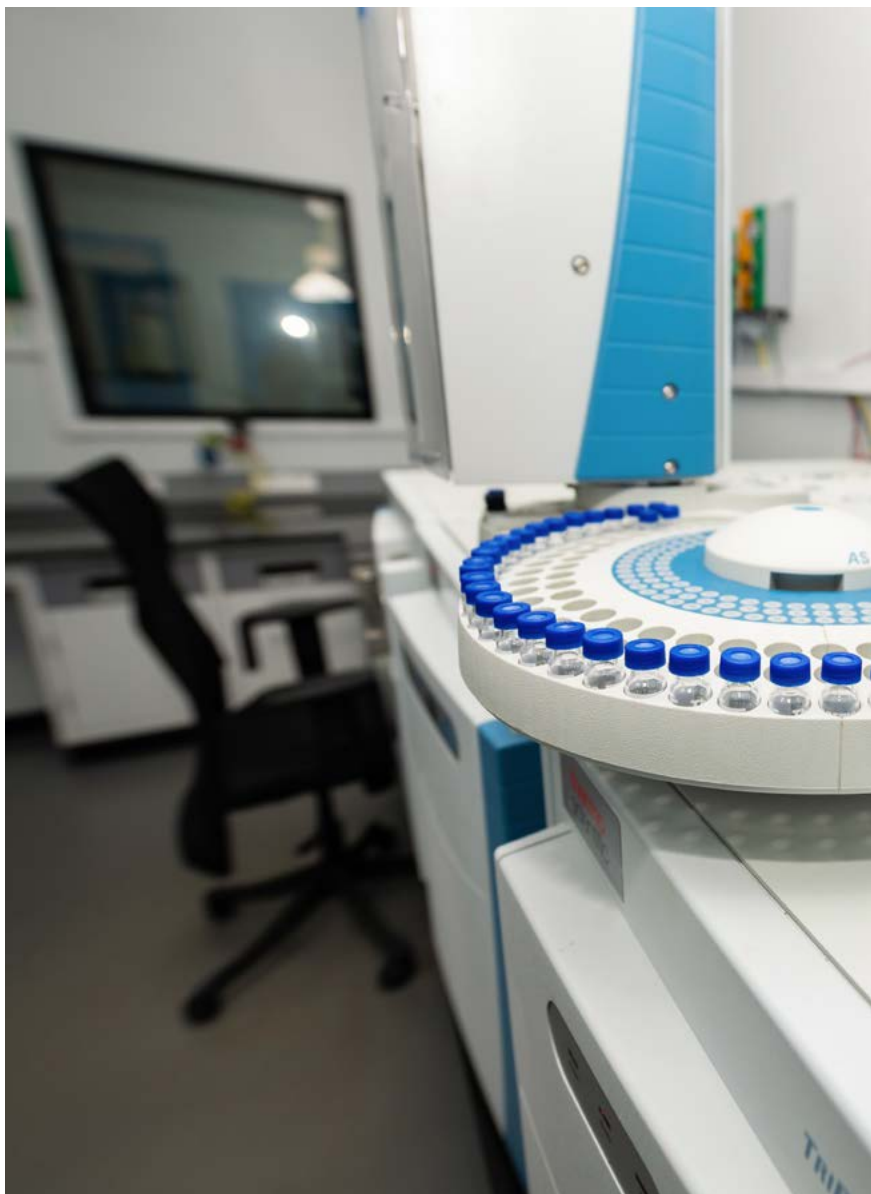
Ensuring our brand identifiers are registered and defended against infringement.

IP Litigation:

Handling disputes and litigation to defend our intellectual property rights and challenging innovation based on our non-infringing development.

IP Strategy Development:

Formulating policies and strategies to maximise the value of our IP portfolio.



**HIGHLIGHTS AND ACHIEVEMENTS FY25:****Enhanced Patent Portfolio:**

We successfully filed for 22 new patents, taking the cumulative total to about 585 patents and pending applications across India and other countries. Shilpa received grant of 8 patents in India and other countries including the US, Europe among others, expanding our global reach and protection.

Trademark Registrations:

Filed 15 new trademark applications and obtained registrations for 7 trademarks from Indian trademark office, strengthening our brand presence in the domestic market.

Looking Ahead:

Moving forward, the IPR Department remains committed to enhancing our IP management capabilities and supporting the company's strategic goals through carefully curated IP strategy to maximise the potential of our portfolio. We will continue to focus on expanding our IP portfolio, leveraging our assets through strategic partnerships, and maintaining rigorous enforcement of our rights. Our ongoing initiatives will ensure that Shilpa Medicare and its group of companies remain at the forefront of innovation and market leadership.

**Cumulative patents filed in various division****213**

API

39

Films and Topicals

14

Biologicals


319


Formulations


585

Total patents filed



Environment Read more on  44

Social Read more on  46

Governance Read more on  50



INTRODUCTION TO ESG

Advancing sustainability

Guided by “Sustainability” begins with principle-based approach of doing business, at Shilpa Medicare, sustainability is imbibed in our corporate philosophy. Our ESG strategy aligns with global frameworks like National Guidelines for Responsible Business Conduct (NGRBC) and United Nations Global Compact (UNGC) principles ensuring ethical, transparent and responsible practices across our operations and value chain.

ESG GOVERNANCE STRATEGY

We have established a comprehensive ESG governance framework to drive sustainability across all levels of organisation. Our structured approach ensures accountability, strategic alignment and measurable progress toward our ESG objectives. The key components of our governance structure are:

1	2	3	4
Board of Directors: Provides strategic leadership, commitment and guidance on ESG and sustainability initiatives ensuring alignment with the company's long-term vision	ESG & sustainability committee: Oversees the development and implementation of ESG strategies, policies and Cross-functional. The committee sets ambitious sustainability goals, monitors progress and drives the ESG agenda at organisational level	Site-level ESG and sustainability organisation: Implements ESG strategies, policies and programmes at individual sites. The team integrates sustainability into operational workflows, reviews progress against goals and ensures consistent ESG performance across facilities	Department-level ESG & sustainability teams: Cross-functional teams execute ESG policies and programmes at departmental level. These teams collaborate to achieve sustainability targets, embedding ESG principles into day-to-day operations

KEY FEATURES OF ESG GOVERNANCE STRATEGY

ESG integration: Our key business processes are aligned with the NGRBC and UNGC Principles to promote ethical and responsible business practices in operations and value chain to support environmental sustainability and social sustainability. These principles are implemented through relevant policies and processes at the unit level by the unit ESG teams comprising Site Leadership, Functional Heads, Health

& Safety Committee and Social Performance Teams under the guidance of the Subject Matter Experts to embed ESG Goals across all functions and levels in the organisation.

Board-Level oversight: A Risk Management Committee – compliant with SEBI regulations – monitors ESG-related risks and opportunities.

Policies and reporting: We adhere to global ESG standards and frameworks including –

ISO 14001
(Environmental
Management)



ISO 50001
(Energy
Management)



ISO 45001
(Occupational
Health & Safety
Management)



SA8000 (Social
Accountability
Standards)



Ethical Governance: We have implemented a comprehensive Business Code of Conduct and Supplier Code of Conduct encompassing labour rights, human rights, environment anti-bribery, anti-corruption, and ethical practices, applicable to all management and non-management employees, contractors and suppliers.

Training and Compliance: We provide regular training on ESG topics, safety, compliance, and risk mitigation is provided across all employee levels, ensuring adherence to best practices.

Social Accountability: We are committed to upholding human rights, fair labour practices, and inclusive workplace policies. Regular audits, grievance redressal mechanisms, and worker engagement initiatives ensure ethical and responsible business practices throughout the value chain.

Supply Chain Management: ESG assessments are conducted for vendors and third-party suppliers. Regular audits and capability-building programmes ensure ethical sourcing, fair labour practices, and environmental responsibility across the supply chain.

Workplace Safety & Health: We have put in place safety performance indicators and hazard control systems to maintain a safe working environment. We regularly conduct incident analysis, including near-misses and root cause investigations, and promotes continuous improvement in occupational health and employee well-being.

By embedding ESG principles into our core operations and governance structure, we are committed to driving long-term sustainable growth for all stakeholders.

Our ESG targets

Net zero

Net-zero greenhouse gas (GHG) emissions by **2050**.

Science-based targets

As a signatory to the Science Based Targets initiative (SBTi), we are committed to reducing greenhouse gas emissions in line with climate science.

Energy and emissions

We aim for continuous reduction in carbon footprint through use of renewable/cleaner fuels, renewable electricity and energy-efficient operations.

Waste and water

We achieved 100% Zero Liquid Discharge (ZLD) across facilities and maximising solvent recovery.

Workplace safety

There were zero workplace accidents achieved through rigorous safety protocols, audits, and behavioural safety programmes.

Responsible sourcing

We strengthened ESG compliance across the entire supply chain by enhancing transparency, traceability, and engagement with key suppliers.

Social accountability

We promote inclusive growth, uphold international labour standards, ensure non-discrimination, support gender diversity, and maintain accessible grievance redressal systems to protect the rights and dignity of all workers and stakeholders.

ENVIRONMENT

Environmental stewardship

At Shilpa Medicare, we are committed to reducing our environmental footprint through innovative practices, renewable energy adoption, and robust waste and water management systems. Our initiative align with SBTi, ISO 14001:2015, ISO 50001:2018, as we work towards the goal of Net Zero by 2050.

Green energy transition

Initiative: We transitioned to renewable and cleaner energy sources, utilising 80% biomass for thermal energy needs and replacing fossil fuel (Furnace oil) with CNG for high temperature applications.

Validation: Biomass-fired boiler is registered under the UNFCCC Clean Development Mechanism (CDM), reflecting their commitment to reducing carbon emissions.

Impact

22,000 tCO₂e per annum

Reduction in Scope 1 GHG emissions due to Biomass utilisation

620 tCO₂e per annum

Reduction in Scope 1 GHG emissions due to CNG





Renewable energy usage

Initiative: Leveraged wind power and other renewable sources to meet electricity demand.

Impact

70%

Renewable energy consumption

21,758 tCO₂e

Reduction in Scope 1 emissions

Energy conservation activities

Initiative: implemented advanced energy saving technologies including replacing conventional centrifugal blowers with energy-efficient EC fans, upgrading motor to IE3 high-efficiency models, installing a 350kVAR APFC panel to optimise power factor and optimising lighting systems. We achieved electrical energy savings enhancing operational efficiency while reducing emissions.

Impact

6,69,663 kWh

Electrical energy savings

Water recycling and zero liquid discharge (ZLD) system

Initiative: Implemented a 100% wastewater treatment and reuse system through ZLD technology.

Impact

48,711 KL

Recycled effluent

Waste management

Initiative: Adopted optimal waste segregation, disposal and recovery strategies to enhance waste management practices.

Impact

79.5%

Water reuse

Solvent recovery systems

Initiative: We installed fractional distillation columns to recover and purify solvents used in operations.

Impact

We strengthened circular economy practices by reducing hazardous waste and promoted resource efficiency.

Shilpa's environmental commitment is validated through adherence to globally recognised standards.

- **ISO 14001:2015** – Environmental Management System
- **ISO 50001:2018** – Energy Management System
- **ISO 45001:2018** – Occupational Health & Safety Management System
- **SA8000:2014** – Social Accountability Standards

These compliance certifications reflect our systematic approach to achieving verifiable improvements in environmental and social performance related to ESG & Sustainability.

Sustainability Ratings

Initiative: Participation in leading ESG performance and disclosure platforms of EcoVadis, UNGC and SBTi.

Impact

Enhances transparency, drives continuous improvement, and strengthens supplier sustainability credentials across the global supply chain.

Our commitment to environmental stewardship ensures that we operate responsibly today while building a resilient and sustainable future.

SOCIAL - PEOPLE

Our people

At Shilpa Medicare, we realise that people are our greatest asset. We are deeply invested in creating a workplace that prioritises employee well-being, inclusivity, continuous development and ensuring our team is ready for the future.

2,495
Total employees



EMPLOYEE WELL-BEING INITIATIVES

We run comprehensive health and wellness programmes for our employees. We promote work-life balance with team sports like cricket, volleyball and badminton, leading to camaraderie and well-being.

EMPLOYEE RETENTION

In addition to paying industry-level remuneration to our employees, we run employee recognition programmes like "star performer of the month" and long service awards. We also declare performance-based recognition and reward programmes. We have opened open-door policy and a structured grievance address mechanism within the organisation. We stress on transparent communication channels, including town halls, HR connect sessions and feedback loops.





DIVERSITY AND INCLUSION

Diversity and inclusion are at the heart of our culture. We are an equal opportunity employer and conduct sensitisation programmes and encourage diverse representation across all levels to create an inclusive workplace where every voice matters.

GENDER RATIO

We are monitoring our gender ratio closely and enhancing the representation of women in strategic and managerial leadership roles.



TRAINING AND DEVELOPMENT

Aligned with good manufacturing practices, our training programmes encompass onboarding, periodic refreshers and hybrid learning modules for continuous upskilling. Functional and cross-functional skill development, alongside technical and safety-focused sessions for shop floor and lab personnel ensure compliance, quality and expertise across the operation.

WORKPLACE SAFETY

We have implemented exposure controls and hazard identification systems, Incident tracking, including near-miss analysis and root cause investigations, continuous improvement in occupational health standards, employee wellness, and emergency preparedness to offer safe working conditions to our people. As a result of these initiatives, we achieved Zero Fatalities and significantly reduced Lost Time Injury Frequency Rate (LTIFR).



SOCIAL - COMMUNITIES

Our community

We are deeply committed to creating meaningful impact on communities we serve, guided by our core values of compassion, sustainability and empowerment. Our CSR initiatives are strategically aligned to our mission of promoting inclusive growth and sustainable development. Through transformative programmes and partnerships, Shilpa Medicare continues to drive transformative changes ensuring brighter, healthier and more sustainable future for all.

KEY FOCUS AREAS

Healthcare
and
medical aid

Education
and skill
development

Environmental
sustainability

Rural
community
development



HEALTHCARE AND MEDICAL AID

We have prioritised accessible healthcare, delivering impactful initiatives to underserved communities. Our main initiatives during the year are:

- Collaborated with Tata Trusts to conduct awareness and screening camps, benefiting over 500 individuals, 85% of them women
- Donated vitamin films to improve immunity among tuberculosis patients, particularly those below poverty line
- Organised a blood donation camp in partnership with District Government Hospital, Raichur, with significant community participation
- Contributed a Dual Channel BERA (Brainstem Evoked Response Audiometry) diagnostic system to the ENT section of RIMS Hospital,



enabling critical Auditory Brainstem Response (ABR) tests for cochlear implant surgeries

- Donated a new ambulance to enhance emergency healthcare delivery, significantly improving the hospital's capacity to respond to medical emergencies and support patient care



EDUCATION AND SKILL DEVELOPMENT

Our efforts in the realm of education aim to empower youth and create opportunities for growth.



- Donated desks to five government schools, improving learning environment for 385 students (207 girls and 178 girls)
- Provided scholarships to support students in pursuing their educational aspirations
- Partnered with Kottala Basaveshwara Bhartiya Shikshana Samiti, a community-focussed organisation dedicated to uplifting rural society through education, culture and health initiatives. The Samiti promotes educational opportunities for rural youth and conducts health awareness drives to educate communities on hygiene, disease prevention and wellness

RURAL COMMUNITY DEVELOPMENT

- Our initiative focus on holistic development to uplift rural communities
- Water conservation: Implemented the "Jalsamwardhana" project, increasing water storage capacity by 2,242 Million litres, directly benefiting 5,688 farmers and enhancing agricultural sustainability.
- Animal welfare: Constructed 8,000 sq ft cow shelter with a capacity to house 200 cows, promoting animal welfare and supporting local livelihood.
- Sports and cultural activities: Supported sports initiatives to encourage participation at district and international level fostering physical fitness and community engagement.

Promoted women's empowerment through partnerships with organisations like Mahila



Shakti Sanchaya Samiti in Raichur, driving social and economic inclusion.

Through these diverse and impactful CSR initiatives, Shilpa continues to strengthen its commitment to sustainable development, community welfare and environmental stewardship, thereby creating lasting value for the society.

GOVERNANCE

Ensuring Integrity and Accountability

At Shilpa Medicare, we believe, good governance is a fundamental necessity for continued success and sustainability. Our governance framework is designed to cultivate integrity, ethical decision-making and stakeholder trust while supporting our strategic objectives in the dynamic world of pharmaceuticals

Our diverse board of directors includes eminent industry leaders with expertise across pharmaceutical innovation, global markets, financial stewardship and regulatory affairs. The Board maintains an optimum balance of executive, non-executive and independent directors ensuring comprehensive oversight while promoting agile decision-making. The Board ensures that our governance practices are aligned with the best industry standards and regulatory requirements. These practices

are continuously reviewed to adapt to the evolving business landscape, driving our long-term sustainability and success.

The company endeavours to ensure that the highest standards of ethical conduct are maintained throughout the organisation. The company complies with the requirements of corporate governance in accordance with applicable Regulations of SEBI (LODR) regulations, 2015



Mr. Omprakash Inani

Chairman

Mr. Omprakash Inani has more than 36+ years of business experience. He monitors business and functional aspects of the Company along with the operations of all the plants. He is also a Council Member in "Academy of Medical Education, Dental College & V.L. College of Pharmacy", "Taranath Shikshana Samsthe, Raichur" and a trustee in "Akhil Bhartiya Maheshwari Education Trust, Pune". He is also Managing Committee Member of "Karnataka State Cotton Association".



Mr. Vishnukant Chaturbhuj Bhutada

Managing Director

Mr. Vishnukant C. Bhutada holds Bachelor's Degree in Pharmacy and has 36+ years of experience in the Pharmaceutical Industry. He is one of the founder member of Shilpa Medicare Limited and the main guiding force behind the progress of Shilpa Medicare Limited. His analytical vision and splendid knowledge of not only domestic but also international medicare market made this Company one of the biggest exporter of specialised medical ingredients and medicines. Meteoric rise of this Company and success is hugely attributed to him.



Mr. Sharath Reddy Kalakota

Whole Time Director

Kalakota Sharath Reddy is a PG in Pharmacy from BITS, Pilani. He obtained his bachelor's degree from Raichur, Gulbarga University. He joined Shilpa Medicare Limited in 1991 and is having an enriched experience in API manufacturing, operations & execution of greenfield & brownfield projects.

**Mr. Hetal Madhukant Gandhi**

Independent Director

Mr. Hetal Gandhi has over 39+ years of experience in the financial services industry that encompasses private equity investments, credit markets, investment banking and turnaround situations. He is a certified member of the Institute of Chartered Accountants of India. He has been on the Board of companies, both listed and private, actively contributing to their strategy, organisation, building and execution, and helped them scale up significantly.

**Dr. Anita Bandyopadhyay**

Independent Director

Dr. Anita Bandyopadhyay holds Doctorate degree in Applied Psychology from Kolkata University and Executive MBA from SP Jain Institute of Management & Research, Mumbai. She is an acclaimed HR consultant with extensive expertise in Leadership Development, Talent Management, Performance Management, HR Processes and Corporate Succession Planning. She has an amalgamation of strong conceptual knowledge with result-oriented application practice. She has serviced Pharmaceuticals, Glass Packaging, Education, Adhesives, Textile & Apparels Industries and has exposure to Manufacturing, Education, FMCG, Retail and B2B business sectors.

**Dr. Kamal K Sharma**

Independent Director

Dr. Sharma has over four decades of experience in the pharmaceutical and chemical industries, having held a variety of senior management positions managing operations, corporate development and executive management within the pharmaceuticals and chemicals industries. Dr. Sharma is a chemical engineer from Indian Institute of Technology (IIT), Kanpur, with a post-graduate diploma in industrial management from Jamnalal Bajaj Institute of Management Studies, Mumbai, and a Ph.D. in economics from IIT, Mumbai. He also holds an advanced management degree from the Harvard Business School, Boston. Dr. Sharma also served as the President and Chief Executive of the life sciences and specialty group and member of the management board at RPG Enterprises Ltd, Mumbai.

**Mr. Ashraf Loutfy Abdelhamid Allam**

Additional Independent Director

Mr. Ashraf aged 65 yrs is a graduate from Faculty of Pharmacy, University of Tanta and holds a Bachelor degree in Pharmaceutical Sciences. He has overall 30+ years of experience in the field of pharma / biotech / medical devices and consumer health industries. He has been on the board as leader & partner with experience in start-ups, driving top/ bottom-line growth, managing P&L. He has worked as CEO, Managing Director / Regional VP positions, reported directly to company boards and CEO's, built first-class teams, delivered profitable top line growth.

CORPORATE INFORMATION

Board of Directors

BOARD OF DIRECTORS

Mr. Omprakash Inani

Chairman

Mr. Vishnukant C. Bhutada

Managing Director

Mr. Kalakota Sharath Reddy

Whole Time Director

Mr. Hetal Madhukant Gandhi

Independent Director

Mr. Arvind Vasudeva

Independent Director*

*Ceased to be a Director w.e.f. September 17, 2024

Dr. Kamal K Sharma

Independent Director

Dr. Anita Bandyopadhyay

Independent Woman Director

Mr. Ashraf Loutfy

Abdelhamid Allam

Additional Independent Director
(w.e.f. August 13, 2025)

BOARD COMMITTEES

Audit Committee

Mr. Hetal Madhukant Gandhi

Chairman

Mr. Omprakash Inani

Member

Mr. Kamal Kishore Sharma

Member[#]

Dr. Anita Bandyopadhyay

Member[§]

Mr. Arvind Vasudeva

Member*

*Ceased to be a member w.e.f. September 17, 2024

[#]Appointed as member w.e.f. August 08, 2024

[§]Appointed as member w.e.f. November 13, 2024

Nomination and Remuneration Committee

Dr. Anita Bandyopadhyay

Chairperson[#]

Mr. Omprakash Inani

Member

Mr. Arvind Vasudeva

Chairman*

Mr. Hetal Madhukant Gandhi

Member

#Re-designated as Chairperson w.e.f.
August 08, 2024

*Ceased to be a chairperson w.e.f. August 08, 2024

Stakeholders' Relationship Committee

Mr. Omprakash Inani

Chairman

Mr. Vishnukant C. Bhutada

Member

Dr. Kamal K Sharma

Member

Corporate Social Responsibility Committee

Dr. Anita Bandyopadhyay

Chairman

Mr. Vishnukant C Bhutada

Member

Mr. Kalakota Sharath Reddy

Member

Risk Management Committee

Mr. Vishnukant C. Bhutada

Chairman

Mr. Kalakota Sharath Reddy

Member

Mr. Arvind Vasudeva

Member*

Dr. Kamal K Sharma

Member

*Ceased to be a member w.e.f.
September 17, 2024

Chief Financial Officer

Mr. Alpesh M Dalal

Company Secretary & Compliance Officer

Ms. Ritu Tiwary

Secretarial Auditors

Mr. D S Rao

Company Secretary

6-3-347-22/2, Flat No. 10, 4th Floor, Iswarya
Nilayam, Dwarakapuri Colony, Punjagutta,
Hyderabad - 500 082
Telangana, India

Statutory Auditors

B N P S and Associates, LLP

(formerly Bohara Bhandari Bung and
Associates LLP)

Chartered Accountants

#12-10-89/1, Anagha Complex

2nd Floor, above Canara Bank,

Sath Kacheri Road, Raichur 584101

Karnataka India

Internal Auditors

M/s. BDO India LLP

1101/B, Manjeera Trinity Corporate,

JNTU-Hitech City Road,

Kukatpally, Hyderabad - 500072

Telangana, India.

Cost Auditors

V.J. Talati & Co

602, Silver Matrurabha Building, Cama

Lane Kiroi Road, Ghatkopar (West),

Mumbai, Maharashtra India

Bankers

Axis Bank Ltd

ICICI Bank Limited

Registrar and Share Transfer Agent

M/s. Kfin Technologies Limited

(Formerly known as M/s. Karvy

Computershare Private Limited),

Karvy Selenium Tower B, Plot No. 31

& 32 Gachibowli, Financial District,

Nanakramguda, Serilingampally,

Hyderabad, Telangana, India - 500 032

Registered Office - Raichur

12-6-214/A-1, Shilpa House

Hyderabad Road

Raichur - 584 135 Karnataka, India

Phone: 08532-238704

Fax: 08532-238876

Email: info@vbsilpa.com

Web: www.vbsilpa.com

**Works****DTA – Raichur****Shilpa Pharma Lifesciences Limited**

Plot Nos. 1A, 1B, 2, 2A, 3A to 3E & 4A to 4C, 5A, 5B, Deosugur Industrial Area, Deosugur - 584 170, Raichur District, Karnataka, India

100% Export-Oriented Unit - Raichur

Shilpa Pharma Lifesciences Limited
33-33A, 40-47, Raichur Industrial Growth Center, Wadloor Road, Chicksugur - 584 134, Raichur District, Karnataka, India

SEZ Unit - Jadcherla

Plot No. S-20 to S-26, Pharma SEZ TSIIIC Green Industrial Park, Pollepally Village, Jadcherla Mandal, Dist. - Mahbubnagar - 509 301, Telangana, India

Manufacturing Unit - Bengaluru

Plot No. 29 A5, 4th Phase (Avverahalli) Sompura, Industrial Area, Honnenahalli Village, Dobbaspeth, Nelamangala, Bangalore Rural - 562 111, Karnataka, India

Biologicals Unit: Dharwad**Shilpa Biologicals Private Limited**

Plot No. 531, 532 (A), KIADB, Belur Industrial Area, Dharwad - 580011, Karnataka, India

Therapeutics Unit: Hyderabad**Shilpa Therapeutics Private Limited**

12-6-214/A-1, Shilpa House Hyderabad Road Raichur - 584 135 Karnataka, India

Unit under Construction: Kadechur**Shilpa Biocare Private Limited**

Plot No. 286, 287 & 288, Kadechur Industrial Area, Yadgir, Kadechur - 585221, Karnataka India.

R&D Units**Raichur R&D**

Plot Nos. 33-33A, 40 to 47, Raichur Industrial Growth Centre, Wadloor Road, Chicksugur Cross, Chiksugur-584134, Raichur Karnataka India

Bangalore R&D

Plot No. 29 A5, 4th Phase (Avverahalli) Sompura, Industrial Area, Honnenahalli Village, Dobbaspeth, Nelamangala, Bangalore Rural - 562 111, Karnataka, India

Hyderabad R&D

Plot No. 79, Road No. 15, Survey No. 125, IDA Mallapur, Nacharam, Uppal Mandal Medchal, Malkajgiri Dist. - 500 076, Hyderabad, Telangana, India

Ahmedabad R&D

FTF Pharma Private Limited Block No. 193(Part) + 211 (Part), Xcelon Industrial Park, Chak-de India Weigh Bridge Road, Vasana Chacharwadi, Tal: Sanand, Ahmedabad, Gujarat - 382213, India

Sravathi Advance Process Technologies Private Limited R&D

Plot No. 63-B, Ground Floor, Bommasandra Industrial Area, Attibele Hobli, Anekal Taluk, Bengaluru - 560099 Karnataka, India

Shilpa Biologicals Private Limited R&D

Plot No. 531, 532 (A), KIADB, Belur Industrial Area, Dharwad - 580011, Karnataka India

Indian Subsidiaries

Shilpa Biologicals Private Limited

Shilpa Biocare Private Limited

Shilpa Therapeutics Private Limited

Shilpa Pharma Lifesciences Limited (Formerly Known as Shilpa Corporate Holdings Private Limited)

Shilpa Lifesciences Private Limited (Step-Down Subsidiary)

INM Technologies Private Limited (merged as per NCLT order at June 18, 2025)

INM Nuvent Paints Private Limited (Step-Down Subsidiary) (Struck off w.e.f. May 01, 2025)

Samptra Corporate Holdings Private Limited (Formerly Vegil Labs Private Limited)

FTF Pharma Private Limited

Foreign Subsidiaries

Shilpa Pharma Inc., U.S.A

Koanaa Healthcare Limited, UK

Koanna Healthcare GmbH, Austria

Koanna Healthcare Canada Inc.

Koanaa International FZ LLC, Dubai Koanna Healthcare, Spain

Makindus Inc, USA

Indo Biotech SDN BHD, Malaysia

Pilnova Pharma Inc, USA

Joint Ventures:

Reva Medicare Private Limited

Sravathi Advance Process Private Limited

Sravathi AI Technology Private Limited

Associate Companies & Investment Entity

Maia Pharmaceuticals Inc.

Management Discussion & Analysis

GLOBAL INDUSTRY OVERVIEW

Global Pharmaceutical Industry

The global pharmaceutical industry has demonstrated a growth of 5.0% from 2018 to 2023, with projections indicating an accelerated growth rate of 6.2% from 2023 to 2028. This expansion is primarily driven by the increasing prevalence of chronic diseases, an ageing population, and elevated healthcare expenditures.

Innovations in biologics, personalised medicine, and RNA interference (RNAi) therapies are enhancing the effectiveness of treatments. Furthermore, expedited regulatory pathways and a growing demand for patient-centered solutions are factors contributing to market expansion. Technological advancements in drug delivery systems and improved healthcare access in emerging economies also play a crucial role in shaping a promising future for the industry.

Despite encountering challenges within this evolving landscape, the pharmaceutical sector has demonstrated exceptional adaptability, delivering groundbreaking innovations, particularly during the COVID-19 pandemic, which has allowed for sustained growth.

In terms of modality, the global pharma market comprises two key categories of drugs i.e. small-molecule drugs and large-molecule drugs or biologics. The small molecule drugs dominates the market with 65% revenue share. Although, the dominance of small molecules is expected to maintain, due to ongoing research and development (R&D) efforts in modulating RNA splicing, stimulating specific types of stem cells, and developing drugs with antibody or peptide conjugates etc., the large molecules or biologics segment is expected to grow faster due to efficacy and targeted action.

The small-molecule segment has grown from USD 844 Billion in 2018 to USD 970.6 Billion in 2023, achieving a CAGR of 2.8%. For the same period, the biologics segment has grown from USD 291.9 Billion to USD 480.0 Billion in 2023, achieving a CAGR of 10.5%.

In the next five years i.e. period between 2023 and 2028, the small molecule segment is expected to grow at CAGR of 4.4% to reach USD 1,203.5 Billion in 2028, while the Biologics segment is expected to grow at CAGR of 9.4% to reach USD 752.1 Billion in 2028.





Global API market

As per Mordor Intelligence report, the global API market is valued at USD 232.13 Billion in 2025, and is expected to reach USD 328.94 Billion by 2030, at a CAGR of 7.22%. The sustained growth stems from the pharmaceutical sector's pivot toward specialised, higher-value molecules, rising demand for targeted therapies, and greater reliance on outsourcing. North America retains leadership on account of stringent regulatory oversight and an established manufacturing base, while Asia is capturing incremental volumes by offering cost-competitive, technologically sophisticated capacity. Strategic reshoring in the United States and Europe, growing adoption of continuous manufacturing, and accelerated development of mRNA platforms are reshaping competitive dynamics. Capital inflows into high-potency and biologic APIs, together with heightened emphasis on supply-chain resilience, are creating further expansion opportunities for companies that combine quality systems with advanced process know-how.

Global CDMO market

The Global Contract Development and Manufacturing Organisation (CDMO) industry has rapidly emerged as a critical segment in the pharmaceutical and biotechnology sectors. Driven by rising drug development costs and the need for specialised manufacturing capabilities, CDMOs offer essential services ranging from drug formulation to large-scale production. Their flexibility allows clients to expedite time-to-market for innovative therapeutics. As the demand for personalised medicine and biologics grows, CDMOs are increasingly investing in advanced technologies and quality controls. This evolution is fostering strategic collaborations and reshaping the landscape of drug manufacturing, enabling companies to remain competitive in a complex global market.

The global CDMO industry has grown from USD 86 Billion in 2018 to USD 120 Billion, representing a CAGR of 6.9%, and expected to reach to USD 176 Billion by 2028, representing a faster CAGR of 7.9%. Within global CDMO place India, which currently contributes a meagre 2-3% of the market is expected to grow at a much faster rate and capture about 8-10% of the global market by 2035, backed by its strong scientific capabilities and low cost-high quality manufacturing advantage.

COMPANY OVERVIEW

Shilpa Medicare Limited (the Company) is a prominent player in the global pharmaceutical industry. Established in 1987 in Raichur, Karnataka, the Company has grown into a renowned brand known for its affordable active pharmaceutical ingredients (APIs) and formulations distributed across Indian and various International markets.

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The Company conducts its API business through its wholly-owned subsidiary, Shilpa Pharma Lifesciences. It operates two manufacturing facilities for APIs located in Raichur, Karnataka, with a total installed capacity of over 1,000 KL per annum.

With operations in four key business areas – APIs, formulations, CDMO (Contract Development and Manufacturing Organization), and biologics – the Company utilises a network of subsidiaries and six advanced manufacturing plants that serve clients in 65 countries. Its two API facilities are based in Raichur, while its formulation plants are situated in Jadcherla, Hyderabad and Dabaspur, whereas the Biologics unit is situated at Dharwad.

Driven by a commitment to innovation and quality, the Company operates five R&D centers in key Indian cities, supported by a team of over 400 scientists. These facilities propel the product pipeline and patent management, leading to the filing of over 550 patent applications for APIs, formulations, and biologics, underscoring its vital role in advancing global healthcare.

Active Pharma Ingredients (APIs)

The Company conducts its API business through its wholly-owned subsidiary, Shilpa Pharma Lifesciences. It operates two manufacturing facilities for APIs located in Raichur, Karnataka, with a total installed capacity of over 1,000 KL per annum. The Company is engaged in the production of oncology and non-oncology APIs, intermediates, peptides, and bio-polymers, and it also provides Contract Development and Manufacturing Organization (CDMO) services.

Throughout the years, the Company has established a significant leadership position in the global API industry by supplying products across various international markets. It has obtained regulatory accreditations from all major international regulatory agencies, including the USFDA, EUGMP, TGA, PMFDA, KFDA, and WHO-GMP.

Performance in FY25

During the year, the Company's API segment recorded a revenue of ₹ 73,605 Lakhs in FY25 compared to ₹ 77,222 Lakhs in FY24. The API CDMO segment demonstrated healthy growth by revenues increasing to ₹ 6,193 Lakhs in FY25 from ₹ 4,200 Lakhs in FY24, a growth of 47.5%. The Oncology API revenue stood at ₹ 32,778 Lakhs in FY25 as against ₹ 35,535 Lakhs in FY24, whereas Non-Oncology API revenue came in at ₹ 31,764 Lakhs in FY25 compared to ₹ 34,786 Lakhs in FY24.

Looking ahead to FY26 and beyond, while pricing pressures persist across generic markets, we maintain a positive outlook for our API division, driven by several strategic advantages. The commercial availability of expanded capacity for key products – including UDCA, Tranexamic Acid, and Ambroxol – positions us to meet growing demand efficiently. At the same time, we expect stronger contributions from our Peptides and Polymer segments, reflecting our focus on high-value specialty APIs. Our efforts to optimise the customer mix and increase penetration in regulated markets are yielding tangible benefits, enhancing both revenue stability and margins. Furthermore, the planned launch of new products in oncology and non-oncology segments will diversify our portfolio and support sustainable, long-term growth.

Formulations

The Company product offerings includes various dosage forms like Tablets/Capsules, Injectables, Oral Dissolving Films, and Transdermal Patches.

It operates three manufacturing plants in Jadcherla, Hyderabad and Bengaluru. The Jadcherla plant produces ~ 25 Million OSD tablets, ~ 4 Million capsules, ~ 3 Million injectables, and ~2 Million vials of liquid lyophilisation annually, holding accreditations from multiple regulatory bodies including EU GMP, ANVISA, COFEPRIS, TGA, WHO-GMP, SHAPRA, and Health Canada. The Bengaluru plant is fully automated having capabilities to manufacture Oral Dissolving Films (ODF) and Transdermal Patches, having capacity of ~50 Million ODF units and ~30 Million TDF units annually, with major accreditations from US FDA, TGA, WHO-GMP, UK-MHRA, and EU GMP.

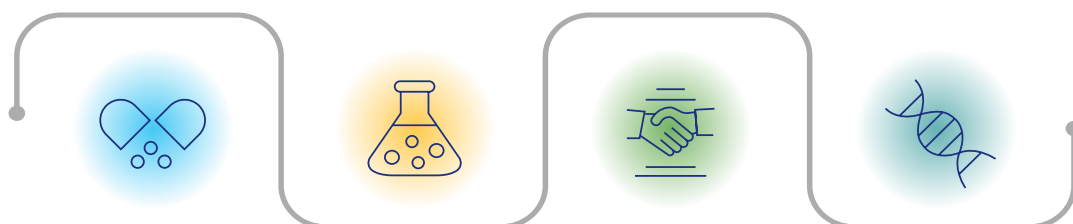
Performance in FY25

In FY25, our formulations segment delivered robust performance, achieving revenue growth of ~37% to reach ₹ 47,377 Lakhs, up from ₹ 34,589 Lakhs in FY24. This growth was propelled by successful new product launches, including the first generic Nilotinib in the EU, reinforcing our position as a key player in differentiated generics.

Licensing Income forms a substantial portion of formulations business, the Licensing Income in FY25 stood at ₹ 18,986 Lakhs as against ₹ 15,271 Lakhs in FY24. Over the years, Shilpa has invested in creating its own IP, which the company leverages its expertise in high-quality generic formulations to partner with global pharmaceutical companies, licensing out advanced development/ready-to-market molecules (including oncology and CNS therapies) for commercialisation in key markets like the US and EU. Through its licensing model, Shilpa Medicare selects partners with strong regional distribution, provides regulatory support, and earns revenue via upfront fees, milestones, supply agreements, and profit share. This low-capital, high-margin strategy accelerates market access while allowing partners to expand their portfolios with niche generics.

Amongst the revenue from regulated markets in FY25, EU region formulations revenue came in at ₹ 11,067 Lakhs compared to ₹ 8,591 Lakhs in FY24, whereas US region revenue in FY25 stood at ₹ 4,755 Lakhs compared to ₹ 5,402 Lakhs in FY24. On the emerging markets front, revenue came in at ₹ 9,969 Lakhs in FY25 compared to ₹ 3,317 Lakhs in FY24, whereas India formulations revenue stood at ₹ 2,555 Lakhs in FY25 as against ₹ 2,008 Lakhs in FY24.

Looking ahead, we expect continued momentum from high-value niche launches, including NorUDCA in India and Bortezomib RTU in US, as well as market share expansion for Pemetrexed in US. Additionally, the planned introduction of a transdermal product in the EU will further strengthen our portfolio in specialised delivery formats. With a strong pipeline and execution focus, we are well-positioned to sustain this growth trajectory in the coming years.





Biologics

The Company navigates its Biologics business through two wholly-owned subsidiaries: Shilpa Biologicals and Shilpa Biocare. This dynamic segment encompasses a diverse array of focus areas, including New Biological Entities (NBE), Microbial Products, Mammalian Products, and the innovative services of Contract Development and Manufacturing Organization (CDMO). With remarkable capabilities, the Company is positioned to design and develop complex biologics with unmatched speed, exceptional quality, and pioneering innovation.

At its biologics facility situated in Dharwad, the Company offers an all-encompassing suite of services, guiding each product from initial development to commercial manufacturing of both microbial and mammalian-based drug substances and products. This facility is equipped with an installed capacity of 4,000 litres for upstream processes, 1,000 litres for the microbial suite, and a throughput of 80 units per minute for pre-filled syringes (PFS). Proudly recognised with approval from the EU GMP, the facility excels in advanced technological specialisations such as Antibody-Drug Conjugates (ADC), and conjugated proteins.

Recombinant Human Albumin

Recombinant Human Albumin is a laboratory-produced version of human albumin, a protein typically found in human blood plasma. Albumin plays a vital role in maintaining blood volume and pressure

by exerting osmotic pressure, which helps retain fluid in the bloodstream and prevents it from leaking into other tissues.

This year, the company filed its first Drug Master File for a 20% Recombinant Human Albumin (Excipient grade) with the US FDA. This innovative recombinant product has been developed through a patented, environmentally friendly process, ensuring consistent high quality, scalability for large production volumes, and cost competitiveness. The 20% recombinant Human Albumin aims to meet the growing demand for human serum albumin in the market. Notably, the company became the first Indian company to complete Phase 1 clinical trials for Recombinant Human Albumin (rHA) 20%.

To bring BioCare products to life, the Company boasts a cutting-edge, fully automated integrated facility. This state-of-the-art establishment features an advanced Distributed Control System (DCS) that meticulously manages operations, complemented by a sophisticated filtration system for efficient protein separation. The facility is designed with an impressive fermentation capacity exceeding 200 kilolitres per annum, and its versatile product vessel capacities range from 5 KL to 50 KL, while buffer vessels accommodate between 5 KL and 15 KL.

Performance in FY25

In FY25, our Biologics segment demonstrated robust performance, more than doubling its revenue to

~₹ 7,571 Lakhs, up from ₹ 3,091 Lakhs in FY24. This growth was driven by market share gains in Adalimumab and increasing contributions from our Biologics CDMO business.

Looking ahead, we are well-positioned to sustain this momentum through strategic new product launches, including Aflibercept, and expanding Adalimumab into new markets. Additionally, we continue to strengthen our long-term pipeline with ongoing investments in biosimilars and Phase III trials for Recombinant Human Albumin (rHA) in India and the EU. With a robust commercial portfolio and a promising development pipeline, we are confident in the segment's ability to drive sustained, high-value growth in the years to come.

FINANCIAL OVERVIEW (CONSOLIDATED)

In FY25, the operating revenue of the Company increased by 12% to ₹ 1,28,641 Lakhs from ₹ 1,15,160 Lakhs in FY24. The net profit increased by 158% to

₹ 7,599 Lakhs from ₹ 2,950 Lakhs during the previous year. The other income of the Company increased to ₹ 2,315 Lakhs in FY25 from ₹ 817 Lakhs in FY24.

The cost of the raw materials which included purchasing the goods and changes in the stock of finished goods and work-in-progress for the reported year was ₹ 41,037 Lakhs, representing 32% of the operating revenue whereas, in FY24, the cost was ₹ 40,804 Lakhs, representing 35% of the revenue. In addition to this, employee costs increased by 4% to ₹ 29,271 Lakhs in FY25 from ₹ 28,139 Lakhs in FY24. The finance cost incurred by the Company was ₹ 7,553 Lakhs in FY25 in comparison to ₹ 9,180 Lakhs in FY24, reflecting a change of -18%. The depreciation and the amortisation amount for the Company in FY25 was ₹ 11,299 Lakhs, reflecting a growth of 5%. Also, the other expenses of the Company in FY25 were ₹ 26,628 Lakhs, which increased by 22% from ₹ 21,769 Lakhs in FY24.

Key Financials (Consolidated)

(₹ in Lakhs)

Particulars	FY25	FY24
Revenue from Operations	1,28,641	1,15,160
EBITDA	34,021	25,267
Profit before tax (PBT)	12,233	5,434
Profit after tax (PAT)	7,829	3,187

Product-mix analysis of operating revenue is as follows:

(₹ in Lakhs)

Category	FY25	FY24	Change
A. Products			
API	67,410.75	73,019.69	-7.68%
Formulations	28,480.29	18,668.48	52.56%
Other Products	1,863.86	1,212.98	53.60%
Total Products	97,754.90	92,901.15	5.2%
B. Services			
CDMO / Licence fees	30,886.51	22,259.15	38.76%
Total Services	30,886.51	22,259.15	38.76%
Total Operating Revenue (A+B)	1,28,641.40	1,15,160.30	11.71%



Key Standalone Ratios

S. No.	Ratio	Numerator	Denominator	UOM	FY25	FY24
1	Current Ratio	Current Assets	Current Denominator	Times	2.10	1.77
2	Debt Equity Ratio	Total Debt	Shareholder Equity	Times	0.04	0.07
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	Times	18.58	0.71
4	Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	Times	0.93	0.86
5	Return on Equity	Net Profit after Taxes	Average Shareholders Equity	%	2.88	1.26
6	Trade Receivable Turnover Ratio	Revenue	Average Trade Receivables	Times	2.86	2.42
7	Trade Payable Turnover Ratio	Purchase of Trade and Services	Average Working Capital	Times	6.76	4.25
8	Net Capital Turnover Ratio	Revenue	Average Working Capital	Times	2.30	1.12
9	Net Profit Ratio	Net Profit	Revenue	%	12.09	6.34
10	EBITDA Margin	Earning Before Interest and Tax	Revenue	%	25.98	21.79
11	Return on Capital Employed	Earning Before Interest and Tax	Capital Employed	Times	8.34	5.74



HUMAN RESOURCE

The Company views human resources as a crucial strategic factor in fostering a productive, inclusive, and engaged workforce. It emphasises talent management and development, alongside cultivating a strong organisational culture. Valuing its employees as its greatest asset and key drivers of growth and success, the Company regularly provides skill enhancement and training programmes, empowering its workforce to meet the Company's business objectives. It nurtures a meritocratic environment while motivating employees through various recreational activities and recognition initiatives.

Understanding the significance of a strong human resources function in promoting organisational success, the Company continuously seeks ways to enhance employee satisfaction. Its initiatives are focussed on aligning talent strategies with business objectives to ensure sustainable growth. A well-structured HR policy has been established to foster a collaborative, transparent, and positive work culture, promoting alignment between employee aspirations and the organisation's long-term vision.

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The Company views human resources as a crucial strategic factor in fostering a productive, inclusive, and engaged workforce. It emphasises talent management and development, alongside cultivating a strong organisational culture.

Risk & Mitigation

Risk Category	Risk Description	Mitigation
Regulatory Compliance Risk	New or updated laws and regulations can pose risks if the firm fails to adapt its processes accordingly. This includes local, national, and international guidelines.	Regularly monitor changes in regulations and industry standards. Also, engage with all concerned regulatory bodies on consistent basis to understand and ensure all compliances.
Competition Risk	Any intense competition in the industry could lead to pricing pressures and could impact profitability.	Company stays competitive by innovation, quality assurance and strong delivery capability.
Intellectual Property Risk	API manufacturers need to ensure they respect existing patents and copyrights to avoid infringement claims that can lead to costly legal battles.	A dedicated team is engaged to manage IP portfolio.
Supply Chain Disruptions	Company's production process is dependent on various raw material sourced from international markets, also the goods are sold in various international geographies. Any disruptions in any geography could impact the business.	The Company always endeavours to diversify the geographical and product risk. Also, strong pool of suppliers mitigate risks to great extent.
Product Liability & Safety Risk	The Company's products are used for making medicines for various types of diseases. Any manufacturing defect or safety mismanagement could lead to liabilities.	The Company deploys best-in-class quality control measures using technology and processes.
Economic & Political Instability	The Company imports raw materials and exports its products to various international markets. Any economic disruption or change in political scenarios could impact the business adversely.	The diversified client base reduces the risk, also the Company monitors all the socio-economic developments in the client or supplier countries.
Technological Advancements & Innovations	In the event of the Company's failure to adapt latest technology or lack of innovation, it could impact the competitiveness of the Company in the industry.	The Company invests heavily in R&D facilities to stay ahead of the curve and lead the industry innovations.



INTERNAL CONTROL SYSTEM AND ADEQUACY

The Company has established a robust internal control system that ensures reliable financial reporting, provides timely operational feedback, and facilitates compliance with relevant laws and regulations. The implementation of SAP has significantly strengthened our financial reporting, introducing effective measures that decisively prevent any financial irregularities.

We have confidently deployed advanced monitoring software and developed comprehensive control systems across our production, materials, and marketing departments. Regular internal audits affirm the effectiveness of these controls, enabling our audit team to proactively identify potential risks. We continuously refine and enhance these systems to maximise both efficiency and effectiveness, reflecting our commitment to excellence.

CAUTIONARY STATEMENT

This document presents forward-looking statements concerning the anticipated future events, financial performance, and operational outcomes of the Company. These statements are based on specific assumptions and are subject to inherent risks and uncertainties. Therefore, it is important to recognise that the accuracy of these predictions cannot be guaranteed. We advise readers to approach these forward-looking statements with caution, as various factors may lead to significant differences between the anticipated results and actual future outcomes.

Directors' Report

To,
The Members,

Your Directors have pleasure in presenting their Report on the business and operations of the Company along with the Standalone and Consolidated Audited Financial Statements for the year ended March 31, 2025.

FINANCIAL SUMMARY

(₹ All figures are in Rupees in Lakhs)

Particulars	Financial Year 2024-25		Financial Year 2023-24	
	Standalone	Consolidated	Standalone	Consolidated
Continued Operations:				
Operating revenue	47,734.21	1,28,641.40	30,978.67	1,15,160.30
Other Income	8,383.35	2,315.34	8,911.60	817.05
Profit before interest, depreciation, tax and after exceptional Items from continuing operations	16,269.71	31,212.36	10,495.66	25,897.83
Interest	660.37	7,553.29	1,725.66	9,180.94
Depreciation & Amortisation	4,885.55	11,299.25	4,961.09	10,786.99
Net profit/(loss) before tax from continuing operations	10,723.79	12,359.82	3808.91	5,911.90
Provision for Taxes				
a. Current Tax/(credit)	4,707.76	7,334.90	1,128.65	4,529.50
b. Deferred Tax/(credit) (Net of MAT credit)	-964.27	-2,931.29	-13.48	-2,290.95
Profit after tax from continuing operations	6,980.30	7,956.21	2,693.74	3,673.35
Profit for the year from continuing and discontinued operations	6,980.30	7,956.21	2,693.74	3,673.35
Share of profit/(Loss) in Associates/ Joint Ventures	-	-126.53	-	-477.84
Share of profit/(Loss) in Non-Controlling interest	-	-0.38	-	-8.09
Other comprehensive incomes (expenses)	-194.31	-230.08	-165.63	-237.06
(Continued and Discontinued operations)				
Total Comprehensive Income/(expenses)	6,785.99	7,599.22	2,528.11	2,950.36

REVIEW OF OPERATIONS:

During the year under review, the Company reported standalone operating revenues of ₹ 47,734.21 Lakhs as against ₹ 30,978.67 Lakhs and Total Comprehensive Income of ₹ 6,785.99 Lakhs as against ₹ 2,528.11 Lakhs in the previous year, consolidated gross revenues for the year review were reported at ₹ 1,28,641.40 Lakhs as against ₹ 1,15,160.30 Lakhs and Total Comprehensive Income of ₹ 7,599.22 Lakhs as against ₹ 2,950.36 Lakhs in the previous year.



DURING THE YEAR UNDER REVIEW

Shilpa Medicare has demonstrated remarkable progress across our core business verticals of APIs, Formulations, and Biosimilars, driven by our unwavering commitment to scientific innovation and excellence with a brief snapshot hereunder:-

API Segment

- Completed capacity expansion for key products viz. UDCA, Tranexamic Acid, Azacitidine, Palbociclib and Nilotinib.
- Added new clients in various geographies
- Received CEP from EDQM for Teriflunomide, Desmopressin, Octreotide and UDCA
- Commercial manufacturing started of large polymer project received from a US MNC for non-pharma applications. Shilpa is the sole supplier from India, with order value expected to increase going forward.
- Filed US DMF for Liraglutide
- CDMO - Added 2 new customers, taking the total count to 20+
 - New dedicated block for OLC expected to be commercialized in FY26
- Successfully concluded US FDA inspection and received EIR for Unit 1
- Unit 2 audit with US FDA was completed with Zero observations

Formulations Segment

- Launched our 2nd NDA viz. Bortezomib RTU Subcutaneous in US, scale up expected in FY26
- Received EU approval for Tadalafil ODF in EU region
- All 3 approved NDAs have limited competition
- Launched first generic of Nilotinib capsules via a partner
- SMLNUD07 – successfully completed Phase III trials in India, awaiting marketing approval
- Unit VI at Dabaspet, Karnataka specialized in manufacturing ODF & TD patches received US FDA and EU GMP approval
- Submitted remediation work with the US FDA for re-inspection of Jadcherla Unit

Biologics

- Entered into strategic partnership with Orion Corporation for marketing and distribution of Novel Biologic – Recombinant Human Albumin
- Signed strategic partnership with a Swiss company, mABtree, adding a novel Biologic in the immune-oncology space
- High concentration Adalimumab continues to gain market share
- Initiated phase III trials for Aflibercept in India
- In process of building differentiated capacities in ADCs - Building bioconjugation suite for Drug Substance, Leveraging our HpAPI for Linker and Payload.
- Biologics site at Dharwad received EU GMP approval and GMP certification approval from Oman MoH

R&D

- Successfully filed 22 new patents, taking the cumulative total to about 585 patents and pending applications in India and other countries. Shilpa received grant of 8 patents in India and other countries including the US, Europe etc, expanding our global reach and protection
- Filed 15 new trademark applications and obtained registrations for 7 trademarks from Indian trademark office, enhancing our brand presence in Indian domestic market.
- Unit VII, at Nacharam, Hyderabad, has US FDA, EU GMP, CDSCO and DSIR accreditation

Other highlights

- Your Company has invested ₹ 21900 Lakhs during the year on its ongoing expansion program along with maintenance capex to better position itself for achieving future goals.

STANDALONE AND CONSOLIDATED FINANCIAL STATEMENTS:

The Standalone and Consolidated Financial Statements of your Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended.

Further, a statement containing the salient features of the Financial Statements of our subsidiaries pursuant to subsection 3 of Section 129 of the Companies Act, 2013 in the prescribed form AOC-1 is appended as **Annexure-1** to the Board's Report. The Statement also provides the details of performance and financial position of each of the subsidiaries.

SUBSIDIARIES, ASSOCIATES & JOINT VENTURES

The Company has direct and step down subsidiaries in India and overseas. Consolidated financial statements have been prepared by the Company in accordance with the requirements of Ind AS 27 issued by Institute of Chartered Accountants of India (ICAI) and as per the provisions of the Companies Act, 2013 ("the Act").

As per the provisions of Section 136 of the Act, separate audited financial statements of subsidiaries are placed by the Company on its website at www.vbshilpa.com. Statement containing the salient features of the financial statement of subsidiaries and associate Companies for the year ending March 31, 2025 in Form AOC-1 and a Copy of the audited financial statement of it's subsidiaries will be provided to the shareholders upon their request.

CHANGE IN THE NATURE OF BUSINESS

During the year under review, there was no change in the nature of business carried out by your Company.

UTILISATION OF FUNDS RAISED THROUGH QUALIFIED INSTITUTIONAL PLACEMENT (QIP):

During the financial year 2024-25, the Company successfully raised a sum of ₹ 500 Crores through a Qualified Institutional Placement (QIP) of equity shares, in accordance with the provisions of Chapter VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

The proceeds from the QIP were intended to be utilized for the following objects as stated in the placement document dated April 8, 2024:

1. Repayment or prepayment of full or in part of certain outstanding borrowings availed by our Company and our subsidiaries namely, Shilpa Pharma Lifesciences Ltd & Shilpa Biologicals Pvt Ltd
2. General corporate purposes.

The Board of Directors is pleased to inform that the entire proceeds from the QIP have been fully utilized during the year in alignment with the stated objectives. A summary of the utilization of funds is as follows:

Purpose	Amount Allocated (₹ in Crores)	Amount Utilized (₹ in Crores)
Repayment or prepayment of full or in part of certain outstanding borrowings availed by our Company and our subsidiaries namely, Shilpa Pharma Lifesciences Ltd & Shilpa Biologicals Pvt Ltd	438.17	438.17
General corporate purposes	50.00	50.11
Issue related expenses	11.83	11.72
Total	500.00	500.00

The utilization of QIP proceeds has been reviewed and noted by the Audit Committee from time to time. There has been no deviation or variation in the use of funds as compared to the objects stated in the QIP offer document.

The Company has complied with all applicable laws and regulations pertaining to the issue and utilization of funds.

DIVIDEND:

Your Directors recommended a dividend of ₹ 1/- per equity share of ₹ 1/- each (i.e. 100%) for the FY25, absorbing an amount of ₹977.91 Lakhs from the profits of the FY25. The Dividend Distribution Policy of the Company is set out as **Annexure-2** and the same is uploaded on the Company's website at https://www.vbshilpa.com/pdf/Dividend%20Distribution%20Policy_Update.pdf

SHARE CAPITAL:

The paid up share capital of your Company is ₹ 9,77,90,908/- (Rupees Nine Crore Seventy Seven Lakhs Ninety Thousand Nine hundred and Eight) divided into 9,77,90,908 equity shares of ₹ 1/- each.

Pursuant to the provisions of section 124 (5) of the Companies Act, 2013 read with the IEPF Rules, the Company has transferred 16,662 shares, belonging to the shareholders who did not continuously claim dividend for seven years from the financial year 2016-17 to IEPF Account, the details of which are placed on the website of the Company.

LISTING OF EQUITY SHARES:

The securities of the Company are listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). Further, the Company has no equity shares carrying differential rights.

**TRANSFER TO RESERVES:**

During the financial year under review, your Company has not transferred any amount to the general reserve.

DIRECTORS OR KEY MANAGERIAL PERSONNEL:

Mr. Omprakash Inani (DIN No.01301385), Non-Executive Director will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

CHANGE IN DIRECTORSHIP

During the year there were no changes in the Directorship.

Mr. Hetal Madhukant Gandhi (DIN: 00106895) was re-appointed for second term as Independent Director for the period of 5 years in the 37th AGM held on September 17, 2024, effective upto the conclusion of the AGM to be held in 2029.

Further, Mr. Vishnukant C Bhutada was re-appointed as Managing Director for a period of 5 years effective from October 1, 2024 in the 37th AGM held on September 17, 2024 in Shilpa Medicare Limited as well as Shilpa Pharma Lifesciences Ltd, a material subsidiary on a remuneration of ₹ 3.50 cr as minimum remuneration in case of inadequacy of profits from Shilpa Medicare Ltd, and remuneration in excess of 5% of the net profits of Shilpa Pharma Lifesciences Ltd, with an overall remuneration not exceeding ₹ 15.00 cr p.a for remainder of the tenure.

Mr. Kalakota Sharath Reddy (DIN: 03603460), Whole Time Director of the Company, was re-appointed in the 35th AGM held on September 28, 2022 for the further period of 3 (three) yrs w.e.f. October 1, 2022 and whose office shall not be liable to retire by rotation, being eligible, offers himself for reappointment.

Dr. Kamal K Sharma (DIN: 00209430) and Dr. Anita Bandyopadhyay (DIN NO: 08672071) were appointed as Independent Directors of the Company for the period of 3 years in the 35th AGM held on September 28, 2022. The tenure of Dr. Kamal K Sharma (DIN: 00209430) and Dr. Anita Bandyopadhyay (DIN NO: 08672071) are due for completion and except Dr. Kamal Sharma who did not express his willingness to continue, their re- appointment sought is subject to the approval of members of the Company at the ensuing Annual General Meeting.

CHANGE IN KEY MANAGERIAL PERSONNEL

Mr. Vishnukant C Bhutada, Managing Director of the Company was reappointed for 5 years w.e.f. October 1, 2024 and there were no changes in the Key Managerial Personnel except re-appointment of

Managing Director of the Company. Following are the key managerial personnel of the Company:

Mr. Vishnukant C Bhutada – Managing Director

Mr. Kalakota Sharath Reddy – Whole-time Director

Mr. Alpesh M Dalal – Chief Financial Officer

Mrs. Ritu Tiwary – Company Secretary & Compliance Officer

NUMBER OF MEETINGS OF THE BOARD:

During the financial year, Four Board Meetings were held as detailed below which are in compliance with the provisions of the Companies Act, 2013, the Listing Regulations and Secretarial Standards on Board meeting:

1. May 23, 2024
2. August 08, 2024
3. November 13, 2024
4. February 10, 2025

STATEMENT OF DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149:

The Independent Directors have submitted their declaration of Independence, as required under Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in Section 149(6) and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

AUDITORS:**Statutory Auditors:**

Members of the Company at the Annual General Meeting held on September 28, 2022 approved the appointment of M/s. Bohara Bhandari Bung And Associates LLP, Chartered Accountants, Raichur FRN: 008127S/S200013, as the new statutory auditors of the Company to hold office for one term of 5 years commencing from conclusion of the ensuing 35th Annual General Meeting up to the 40th Annual General Meeting of the Company.

* The statutory auditor of the Company has changed their name from M/s. Bohara Bhandari Bung And Associates LLP to B N P S And Associates LLP w.e.f. May 19, 2025.

Cost Auditors:

The Board, on the recommendation of the Audit Committee, has appointed M/s. V.J. Talati & Co., Cost

Accountants, for conducting the audit of cost records of various segments of the Company for the financial year 2025-26. As required under Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, a resolution is being placed at the ensuing Annual General Meeting for ratification of remuneration payable to the said Cost Auditors.

Secretarial Auditors:

Mr. D.S. Rao, Practicing Company Secretary was appointed to conduct the Secretarial Audit of the Company for the financial year 2024-25, as required under Section 204 of the Companies Act, 2013 and Rule 9 framed thereunder. The Secretarial Audit Report, in form MR-3, for the financial year 2024-25 forms part of this Report as **Annexure - 3**.

The Secretarial Audit Report given by the Secretarial Auditor in Form No. MR-3 as per the provisions of Section 204 of the Companies Act, 2013 read with Rules framed thereunder for the financial year ended March 31, 2025 has been annexed to this Board Report and marked as **Annexure -3** and forms part of the Annual Report.

In accordance with the provisions of Section 204 and other applicable provisions of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) ('the Act') and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), every listed company is required to annex a Secretarial Audit Report, issued by a Practicing Company Secretary, to their Board's report, prepared under Section 134(3) of the Act. Additionally as per the recent amendment in SEBI LODR, a listed entity must appoint an individual as Secretarial Auditor (Peer Reviewed) for a maximum one term of five consecutive years, with member's approval to be obtained at the Annual General Meeting.

Accordingly, the Audit Committee and the Board of Directors at their meeting held on August 13, 2025, has recommended the appointment of Mr. D.S. Rao, Practicing Company Secretary, as the Secretarial Auditor of the Company for a period of five (5) consecutive years, commencing from April 1, 2025 to March 31, 2030, subject to approval of the Members at the Annual General Meeting. Furthermore, in terms of the amended regulations, Mr. D.S. Rao, Practicing Company Secretary has provided a confirmation that they have subjected themselves to the peer review process of the Institute of Company Secretaries of

India and holds a valid peer review certificate. Mr. D.S. Rao, Practicing Company Secretary has provided a declaration to that effect that they are not disqualified from being appointed as Secretarial Auditor and that they have not taken up any prohibited non secretarial audit assignments for the Company, its holding and subsidiary companies. While recommending Mr. D.S. Rao, Practicing Company Secretary for appointment, the Board and the Audit Committee evaluated various factors, including the firm's capability to handle a diverse and complex business environment, its existing experience in the Company's business segments, its industry standing, the clientele it serves, and its technical expertise. Mr. D.S. Rao, Practicing Company Secretary was found to be well-equipped to manage the scale, diversity, and complexity associated with the Secretarial Audit of the Company.

Internal Auditor:

Pursuant to the provisions of section 138 of the Companies Act, 2013 and rules made thereunder, the Board on the recommendation of the Audit Committee has appointed M/s BDO India LLP as Internal Auditors of the Company for the financial year 2025-26.

COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMERS:

Statutory Auditors:

As there is no qualification, reservation or adverse remark in the reports given by the Statutory Auditors, your directors need not provide any clarification on the same.

Secretarial Auditors:

As there is no qualification, reservation or adverse remark in the reports given by the Secretarial Auditors, your directors need not provide any clarification on the same.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE OUTGO:

Information required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is enclosed herewith as **Annexure - 4**

RISK MANAGEMENT POLICY:

Pursuant to Regulation 21(4) of SEBI (LODR) Regulations, 2015, the Board of Directors have formulated and implemented a Risk Management Policy, which identifies various elements of risks, which, in its opinion, may threaten the existence of the Company and contains measures to mitigate the same. The Risk Management Policy of the Company is hosted on the Company's website: www.vbshilpa.com.



A Risk Management Committee has been constituted as per the terms of Regulation 21 of SEBI (LODR) Regulations, 2015 to monitor and review the major risks faced by and the risk management plan of the Company periodically.

During the year two Risk Management Committee meetings were held on September 11, 2024 & March 07, 2025.

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY:

In terms of the provisions of Section 135 read with Schedule VII to the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, a Corporate Social Responsibility Policy (CSR Policy), indicating the activities to be undertaken by the Company, as framed by the Corporate Social Responsibility Committee (CSR Committee) has been adopted by the Board of Directors. Accordingly, the Company has transferred the CSR amount to 'Shilpa Foundation', a public charitable trust taking up various social public causes of the society in and around Raichur, Karnataka and the activities of the said trust are covered under the Schedule VII of the Companies Act, 2013. A report on the CSR activities, as required under Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014, is enclosed herewith as **Annexure – 5**.

The Company has constituted the CSR Committee for monitoring the activities undertaken by the Company in this regard. The CSR Policy of the Company and other details as required is are placed on the Company's website at <https://vbshilpa.com/policies-and-codes.php>

A Committee of the Board named as "Nomination and Remuneration Committee" has been constituted to comply with the provisions of Section 178, Schedule IV of the Companies Act and Regulation 19 of SEBI (LODR) Regulations, 2015. It has been entrusted with the task to recommend to the Company the prospective Directors and KMP who possess the requisite skills and positive attributes as specified in the Nomination and Remuneration Policy.

The Nomination and Remuneration Committee has formulated a Nomination and Remuneration Policy which recommends the guidelines based on which the annual performance of the Independent Directors, Board and Individual Directors is carried out by the Board.

NOMINATION AND REMUNERATION POLICY:

The Nomination and Remuneration Policy of the Company is placed on the Company's website at <https://www.vbshilpa.com/pdf/NominationRemunerationPolicy.pdf>

FORMAL ANNUAL EVALUATION MADE BY THE BOARD OF ITS OWN PERFORMANCE AND OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

The Board of Directors have carried out an annual evaluation of its own performance, as well as that of its Committees and individual directors pursuant to the provisions of the Sections 134 and 178 read with Schedule IV to the Companies Act, 2013. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, execution and performance of specific duties by the Board of Directors, independence governance, ethics and values, attendance and contribution at meetings etc.

The performances of the Independent Directors were evaluated by the Board after seeking inputs from all the directors on the effectiveness and contribution of the Independent Directors.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members based on the criteria such as the composition of Committees, effectiveness of Committee Meetings, etc.

The Board reviewed the performance of the individual directors on the basis of criteria such as the contribution of the individual director to the Board and Committee Meetings, like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in Meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of Independent Directors, performance of the Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non- Executive Directors. The Independent Directors also assessed the quality, quantity and timeliness of flow of information between the Board and the management that is necessary for the Board to perform its functions reasonably and effectively. The same was discussed in the Board Meeting that followed the meeting of the Independent Directors.

FINANCIAL STATEMENTS:

In accordance with the provisions of Section 129 (3) of the Companies Act, 2013, the Standalone and Consolidated Financial Statements, drawn up in accordance with the applicable Accounting Standards, form part of this Annual Report.

In accordance with Rule 8 (1) of Companies (Accounts) Rules 2014, the highlights of performance of the Subsidiaries, Associates and Joint Ventures and their contribution to the overall performance of the Company have been detailed in **Annexure - 1** enclosed to this report.

Further, the annual accounts of all the subsidiary companies are available on the Company's website www.vbshilpa.com

Annual accounts of the Subsidiary Companies and related detailed information will be available for inspection by the members, at the registered office of the Company and will also be made available to the members upon request.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has Internal Control Systems, commensurate with the size, scale and complexity of its operations. Various Audit systems in the Company monitor and evaluate the efficacy and adequacy of the internal control systems of the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the audit reports, the concerned department/ unit undertakes corrective action in the respective areas and strengthens the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board periodically.

The Board of Directors of the Company have adopted various policies like Related Party Transactions Policy, Whistle Blower Policy, Policy to determine Material Subsidiaries, Code of Conduct for Regulating, Monitoring and Reporting Insider Trading and such other procedures for ensuring orderly and efficient conduct of its business for safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information.

DETAILS OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR UNDER REVIEW:

The following instances took place during the year under review which need to be reported in accordance with Rule 8(5) (iv) of Companies (Accounts) Rules, 2014:

INM Nuvent Paints Private Limited (step down Subsidiary) has struck-off in May 2025. In addition, there are no new Companies that have become Subsidiaries/Joint ventures/ Associate Companies of Shilpa Medicare Limited.

The Hon'ble National Company Law Tribunal (NCLT), Bengaluru Bench, vide its order dated June 18, 2025, has approved the Scheme of Amalgamation between Shilpa Medicare Limited ('the Company') and INM Technologies Private Limited, a wholly owned subsidiary of the Company, with the Appointed Date as April 1, 2024. Pursuant to the said order and upon the effectiveness of the Scheme, INM Technologies Private Limited ceases to be a subsidiary of the Company.

Your Company has filed a Second Stage petition with National Company Law Tribunal for effecting the amalgamation with Shilpa Therapeutics Private Limited being the wholly owned subsidiary, The Company is awaiting for the final order of the Hon'ble tribunal in this regard.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134 (5) of the Companies Act, 2013 Your Directors' confirm that:

Applicable accounting standards have been followed in the preparation of the annual accounts and that no material departures have been made from the same;

Accounting policies have been selected and applied consistently. Judgments and estimates made 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 FY25 and of the profit of the Company for that period;

Proper and sufficient care has been taken to maintain adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

Annual accounts have been prepared on a going concern basis

Adequate internal financial controls for the Company to follow have been laid down and these are operating effectively; and

Proper and adequate systems have been devised to ensure compliance with the provisions of all applicable laws and these systems are operating effectively

EXTRACT OF ANNUAL RETURN:

In accordance with Section 92(3) of the Act and rule 12(1) of the Companies (Management and Administration) Rules, 2014 (as amended), a copy of the Annual Return of the Company has been placed on the Website of the Company at www.vbshilpa.com



OTHER DISCLOSURES:

Committees of Board:

Your Company has the following committees, namely:

Audit Committee

Nomination and Remuneration Committee

Stakeholders Relationship Committee

Corporate Social Responsibility Committee

Risk Management Committee

The constitutions of all the committees are as per the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The details of the constitution are mentioned in Corporate Governance Report, which forms part of this Annual Report.

CORPORATE GOVERNANCE REPORT:

Regulation 15 of SEBI (LODR) Regulations, 2015 is applicable to your Company and as such the details as specified in Schedule V(C) of SEBI (LODR) Regulations, 2015, with regard to Corporate Governance Report including Practicing Company Secretary's Certificate on compliance with the conditions of Corporate Governance specified in Schedule V(E) of SEBI (LODR) Regulations, 2015 as well as a certificate as specified in Schedule V(C)(10)(i) of SEBI (LODR) 2015 forms part of the Annual report as **Annexure- 6**.

MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34 read with Schedule V (B) to the SEBI (LODR) Regulations, 2015 is annexed hereto and forms part of this Annual Report.

VIGIL MECHANISM:

In pursuance to the provisions of Section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulations, 2015, a vigil mechanism for directors and employees to report genuine concerns has been established. The Policy on vigil mechanism i.e. Whistle Blower Policy may be accessed on the Company's website at <https://www.vbshilpa.com>. The policy provides for a framework and process for safeguard against victimization of director(s) or employee(s) or any other person who avail the mechanism and allow direct access to the Chairman of the Audit Committee in exceptional cases. Your Company adheres to uncompromising integrity in conduct of its business and strictly abides by well-accepted norms of ethical, lawful and moral conduct. It has zero tolerance for any form of unethical conduct or behaviour. Directors and employees are at liberty to report unethical practices.

REMUNERATION RATIO OF THE DIRECTORS/ KEY MANAGERIAL PERSONNEL/EMPLOYEES:

Statement showing disclosures pertaining to remuneration and other details as required under

Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed herewith as **Annexure-7**.

PARTICULARS OF EMPLOYEES:

Statement of employees as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the statement containing the particulars of top 10 employees in term of remuneration drawn is available for inspection at the registered office of the Company during business hours. Any Shareholder interested in obtaining a copy of the same may write to the Company Secretary at the registered office of the Company.

COST RECORDS AND COST ACCOUNTS:

The Company is maintaining cost records and accounts as specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION, AND REDRESSAL) ACT, 2013:

Your Company has always provided a safe and harassment free workplace to every individual working in its premises through various policies and practices. Your Company always endeavors to create an environment that is free from discrimination and harassment, including sexual harassment. Your Company has been actively involved in ensuring that the clients and all the employees are aware of the provisions of the POSH Act, 2013 and the rights available to them there under.

Your Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been set up to redress the complaints received regarding sexual harassment.

Complaint filed under Sexual Harassment of Women at Workplace:

Your Company did not receive any complaints during the period under review.

Particulars	
Total number of complaints of sexual harassment received in the year;	Nil
Total number of complaints disposed off during the year; and	Nil
Total number of cases pending for more than 90 days	Nil

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of the loans granted, guarantees given, securities provided and investments made during the year under review, as covered under Section 186 of the Companies Act, 2013, are detailed in the notes to the financial statements which may be read as a part of this Report.

DEPOSITS:

During the year under review, your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

RELATED PARTY TRANSACTIONS:

Related Party Transactions entered into during the financial year under review are disclosed in Note No. 45 to the Financial Statements. These transactions were at an arm's length basis and in the ordinary course of business. There were no materially significant Related Party Transactions with the Company's promoters, directors, management or their relatives which could have had a potential conflict with the interests of the Company. Form AOC-2, containing a note on the aforesaid Related Party Transactions is enclosed herewith as **Annexure - 8**.

Related Party disclosures as per Schedule V of SEBI (LODR) Regulations, 2015 are enclosed herewith as **Annexure - 9**.

The policy on Related Party Transactions, as approved by the Board may be accessed on the Company's website https://www.vbshilpa.com/pdf/related_party_policy.pdf.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT:

The SEBI vide its circular dated May 10, 2021 made Business Responsibility & Sustainability (BRSR) Mandatory for top 1000 Listed Companies (by Market Capitalization) from the FY23, while disclosure was voluntary for the FY22.

Pursuant to Clause 34(2)(f) of the SEBI (LODR) Regulations, 2015 Business Responsibility & Sustainability Report, being applicable to the Company, forms part of the Board Report as **Annexure - 10**.

CREDIT RATING:

India ratings and Research has issued Shilpa Medicare Limited credit rating on fund based working capital limits at IND A+/Positive/IND A1.

GENERAL:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

Issue of equity shares with differential rights as to dividend, voting or otherwise. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.

Neither the Managing Director nor the Whole-time Director of the Company received any remuneration or commission from any of its subsidiaries.

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

No frauds were reported by the auditors during the year under review.

There are no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which the financial statements relate and the date of the report.

No applications were filed before or any proceedings pending under the Insolvency and Bankruptcy Code, 2016

The details of Difference between valuation done at the time of one time settlement and the valuation done while taking loan from the banks and financial institutions along with the reason thereof - Not Applicable.

The Company has complied with Secretarial Standards, i.e. SS-1, and SS-2 relating to Meetings of the Board of Directors and General Meetings respectively, issued by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

Your Directors wish to express their gratitude to the Central and State Governments, investors, analysts, financial institutions, banks, business associates and customers, the medical profession, distributors and suppliers for their whole-hearted support. Further, Your Directors would like to express the appreciation to all the employees of your Company for their continued dedication, significant contributions, hard work and commitment towards achieving the objects of the Company.

For and on behalf of the Board of Directors
Shilpa Medicare Limited

Sd/-
Omprakash Inani
Chairman
DIN: 01301385

Place: Raichur
Date: August 13, 2025

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/Associate Companies/Joint Ventures

Part A Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in lakhs)

Particulars	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary
Name of the Companies	Shilpa Therapeutics Private Limited (Audited)	INM Technologies Private Limited (Audited)	Koanaa Healthcare Limited (Unaudited)	MakIndus INC (Unaudited)	Koanaa Healthcare GmbH (Unaudited)	Shilpa Pharma Inc. (Unaudited)	Shilpa Biologicals Private Limited (Audited)	Shilpa Biocare Private Limited (Erstwhile)	Shilpa Lifesciences Private Limited (Audited)	Vegil Labs Private Limited (Audited)	Shilpa Pharma Lifesciences Limited (Formerly known as Shilpa Corporate Holdings Private Limited). (Audited)	Koanaa Healthcare Canada Inc. (Unaudited)	FTF Pharma Private Limited (Unaudited)	Koanaa International FZ LLC (Dubai) (Audited)	Indo Biotech SDN. BHD (Unaudited)	Pinova Pharma Inc. (Unaudited)	Koanaa Healthcare Spain, S.L. (Unaudited)
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31-03-2025	31-03-2025	31-03-2025	31-03-2025	31-03-2025	31-03-2025	31-03-2025	31-03-2025	31-03-2025	31-03-2025	31-03-2025	31-03-2025	31-03-2025	31-03-2025	31-03-2025	31-03-2025	31-03-2025
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR
Share capital (Equity + Preference)*	223.76	4,396.77	0.11	2.90	92.32	0.09	5,628.46	4,913.75	1.00	951.00	1,000.00	1,423.11	307.06	233	4.82	0.09	6.46
Other equity *	(4,757.60)	(51,40.56)	(463.17)	(2.90)	(2,201.16)	(2,365.07)	46,580.38	31,451.59	(0.78)	669.16	17,617.64	(1,377.02)	3,419.03	(747.00)	(0.62)	(946.02)	(410.91)
Total assets*	4,711.52	1,482.92	741.70	-	3,223.67	783.24	61,414.48	55,898.40	1,548.31	1,463.08	89,540.49	63.54	5,692.97	95.98	5.32	860.21	1,107.36
Total Liabilities (Excluding Share Capital & Other Equity)*	9,245.36	2,226.71	1,204.77	-	5,332.51	3,148.23	9,350.31	19,533.05	1,548.08	45.40	71,523.17	17.45	1,966.88	840.65	1.13	1,806.14	1,511.81
Investments*	-	-	-	-	-	-	144.68	-	-	202.48	600.32	-	-	-	-	-	-
Turnover#	407.75	-	-	-	888.23	110.50	8,070.59	110.72	-	-	84,438.12	34.33	2,928.77	66.72	-	54.34	940.18
Profit/(Loss) before taxation#	(910.16)	(190.65)	(58.08)	412.03	224.06	(288.59)	(2,069.59)	(742.56)	(0.18)	447.31	8,598.89	(336.40)	314.18	(46.52)	372.19	(1,011.85)	17.04

Particulars	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary
Name of the Companies	Shilpa Therapeutics Private Limited (Audited)	INM Technologies Private Limited (Audited)	Koanaa Healthcare Limited (Unaudited)	Makindus INC (Unaudited)	Shilpa Koanaa Healthcare GmbH (Unaudited)	Shilpa Pharma Inc. (Unaudited)	Shilpa Biologicals Private Limited (Audited)	Shilpa Biocare Private Limited (Firstwhile (Audited)	Shilpa Labs Private Limited (Audited)	Shilpa Lifesciences Private Limited (Formerly known as Shilpa Corporate Holdings Private Limited). (Audited)	Koanaa FTF Pharma Private Limited (Unaudited)	International FZ LLC (Dubai) (Audited)
Provision for taxation#	(234.26)	-	70.60	-	54.23	(69.53)	(331.44)	(121.22)	-	94.25	2,243.86	-
Profit after taxation#	(675.90)	(190.65)	(128.67)	412.03	169.83	(219.05)	(1,758.15)	(621.34)	(0.18)	353.06	6,355.03	(336.40)
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-
% of shareholding	100%	100%	100%	55.78%	100%	100%	100%	100%	100%	100%	100%	100%

* Exchange rate considered in the case of foreign subsidiary - 1 USD = 85.58, 1 GBP = 110.74, 1 EUR = 92.32, 1 AED = 23.21, 1 MYR = 19.27, 1 CAD = 59.37

Converted at monthly average exchange rates

INM Nuvent Paints Private Limited (a step down subsidiary of wholly owned subsidiary INM Technologies Private Limited has been strike off from the register of the companies and dissolved on May 01, 2025

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures. (Rs.In Lakhs)

	Name of Associates/Joint Ventures		Maia Pharmaceuticals INC (Associates)	Reva Medicare Private Limited (JV)	Advance Process Technologies private Limited (JV)	Sravathi Technologies Private Limited of Wholly Owned Subsidiary (JV)	Sravathi AI Technologies Private Limited of Wholly Owned Subsidiary (Audited)
1. Latest Balance Sheet Date			(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)
2. Shares of Associate/Joint Ventures held by the company on the year end			31-03-2025	31-03-2025	31-03-2025	31-03-2025	31-03-2025
No. of Shares (Equity)			0	5001	81996	63728	-
No. of Shares (Preference shares)			14,00,000	-	-	-	-
Amount of Investment in Associates/Joint Venture in Equity shares			795.69	0.50	3995.58	202.48	-
Extent of Holding %			34.79%	50.01%	65.00%	26.50%	-
3. Description of how there is Significant influence			Shareholding	Jointly Controlled Entity	Shareholding	JV of Wholly Owned Subsidiary	-
4. Reason why the associate/joint venture is not consolidated			NA	NA	NA	NA	NA
5. Net worth attributable to shareholding as per latest Balance Sheet			-	213.37	2,461.98	335.87	-
6. Profit/(Loss) for the year(Refer Note 1 below)			-	(66.01)	(221.84)	25.68	-
i. Considered in Consolidation			-	(33.01)	(144.20)	12.28	-
ii. Not Considered in Consolidation			-	(33.00)	(77.65)	13.40	-



Annexure-2

DIVIDEND DISTRIBUTION POLICY

1. REGULATORY FRAMEWORK AND EFFECTIVE DATE

The Securities Exchange Board of India (SEBI) on July 8, 2016 has notified the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016. Vide these regulations, SEBI has inserted Regulation 43A in SEBI (Listing Obligations and Disclosure Requirements), 2015, which requires to five hundred listed companies (based on market capitalization of every financial year) to formulate a Dividend Distribution Policy (the "Policy").

Further the SEBI Circular amendment dated on May 5, 2021 has notified the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021. Vide these regulations, SEBI has inserted Regulation 43A in SEBI (Listing Obligations and Disclosure Requirements), 2015, which requires to top 1000 listed companies (based on market capitalization of every financial year) to formulate a Dividend Distribution Policy (the "Policy").

Shilpa Medicare Limited (SML) being one of the top Thousand listed companies, as per the market capitalization as on March 31, 2023 of the immediately preceding financial year, has approved and adopted the Policy at the meeting of the Board of Directors.

2. DEFINITIONS

- i. "Act" shall mean the Companies Act, 2013 and the rules made thereunder, as amended from time to time.
- ii. "Regulations" shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force.
- iii. "Board" shall mean Board of Directors of the Company.
- iv. "Listed Entity/Company" shall mean Shilpa Medicare Limited.
- v. "Dividend" shall mean Dividend as defined under the Companies Act, 2013.
- vi. "Policy" shall mean Dividend Distribution Policy.

3. POLICY

A. CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS CAN OR CANNOT EXPECT DIVIDEND:

The shareholders of the Company may not expect Dividend in the following circumstances, subject to the discretion of the Board of Directors:

- i. Whenever the Company undertakes or proposes to undertake, significant expansion plan(s) requiring higher allocation of capital;
- ii. Requirement of higher working capital for the purpose of business of the Company;
- iii. To undertake any acquisitions, amalgamation, merger, joint ventures, new product launches etc., requiring significant allocation of capital;
- iv. Proposal for buy-back of securities;
- v. In the event of inadequacy of profits or whenever the Company has incurred losses

B. FINANCIAL PARAMETERS:

The Board of Directors of the Company would consider the following financial parameters before declaring or recommending dividend to shareholders:

- i. Working capital requirement(s);
- ii. Capital expenditure requirement(s);
- iii. Business expansion and growth;
- iv. Additional investment in subsidiaries and associates of the Company;
- v. Consolidated net operating profit after tax
- vi. Operating cash flow of the Company;
- vii. Outstanding borrowings;
- viii. Cost of Borrowing;
- ix. Profit available for distribution;
- x. Past dividend payout ratio.

C. INTERNAL AND EXTERNAL FACTORS

The Board of Directors of the Company would consider the internal factors stated above and the following external factors before declaring or recommending dividend to shareholders:

External Factors:

- Applicable laws and regulations;
- Global conditions;
- Macro-Economic environment;
- Social/Geo-political factors/risks;
- Prevalent market practices

D. UTILIZATION OF RETAINED EARNINGS

The Company would utilize the retained earnings, in a manner which is beneficial and in the interest of the Company and its stakeholders, but not limited to the parameters mentioned above or for such other purposes the Board may deem fit from time to time in the interest of the Company and its stakeholders.

E. PROVISIONS IN REGARD TO VARIOUS CLASSES OF SHARES

Currently, the Company does not have any other class of shares, other than equity shares. In the absence of any other class of shares, the entire distributable profit(s) for the purpose of

declaration of dividend is considered for the equity shareholders only.

4. CONFLICT IN POLICY

In the event of a conflict between the policy and the regulations, the regulations shall prevail.

5. REVIEW OF POLICY

The board of directors of the Company will review the policy, as and when it is necessitated. If the Board proposes to declare dividend on the basis of criteria in addition to those specified in the policy or proposes to modify the criteria, it shall disclose shall changes along with rationale for the same on the Company's website and in the Annual Report.

6. DISCLOSURE OF POLICY

The policy will be available on the Company's website and will also be disclosed in the Annual Report.

For and on behalf of
Shilpa Medicare Limited.

Sd/-
Omprakash Inani
Chairman
DIN: 01301385

Date: August 13, 2025
Place: Raichur



Annexure-3

Form No. MR-3

SECRETARIAL AUDIT REPORT

[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
SHILPA MEDICARE LIMITED
RAICHUR.

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

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") (applicable sections as on date) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the regulations and bye-laws framed by the Securities and Exchange Board of India ("SEBI") thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder, to the extent of Foreign Direct Investment and Overseas Direct Investment;
- (v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"): -
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations");
 - d. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
 - e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (vi) Provisions of the following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") were not applicable to the Company during the Financial Year under review: -
 - a. The Securities and Exchange Board of India (Share Based Employee Benefits and sweat equity) Regulations, 2021;
 - b. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - c. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; and
 - d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021.
- (vii) The Pollution and Labour laws that are applicable to the Company are as follows:
 - a. The Water (Prevention and Control of Pollution) Act, 1974;
 - b. The Air (Prevention and Control of Pollution) Act, 1981;
 - c. The Environment (Protection) Act, 1986;
 - d. The Public Liability Insurance Act, 1991;
 - e. The Factories Act, 1948;
 - f. The Employees Provident Fund & Miscellaneous Provisions Act, 1952;

- g. The Employees State Insurance Act, 1948;
- h. The Contract Labour (Regulation and Abolition) Act, 1970; and
- i. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

(viii) The industry specific and other laws that are applicable to the Company are as follows:

- a. Drugs and Cosmetics Act, 1940;
- b. Drugs Price Control Order, 2013 and notifications made thereunder;
- c. Electricity Act, 2003;
- d. Indian Boilers Act, 1923;
- e. SEZ Act, 2005;

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

- (i) Secretarial Standards SS-1 and SS-2 with respect to meetings of the Board of Directors and General Meetings, respectively, issued by The Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

We report that, during the period under review, the Company has duly complied with the provisions of the Companies Act, 2013, the regulations of SEBI and other Acts, as specified above, applicable to the industry of the Company.

We further report that:

The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the period under review, the following changes took place in the composition of the Board of Directors:

Sr. No.	Name of the Director	Appointment/ Cessation / Reappointment	Our Comments
1.	Mr. Omprakash Innani	Re-appointment	Reappointed as a Director at 37th AGM held on September 17, 2024 upon retirement by rotation in accordance with the provisions of Section 152 of the Act.
2.	Mr. Vishnukant Bhutada	Re-appointment	Reappointed as Managing Director of the Company and Shilpa Pharma lifesciences Limited, a material subsidiary of the Company at 37th AGM held on September 17, 2024 for a period of 5 years not liable to retirement by rotation.
3.	Mr. Hetal Madhukant Gandhi	Re-appointment	Reappointed as an Independent Director at 37th AGM held on September 17, 2024 for a period of 5 years.
4.	Mr. Arvind Vasudeva	Retirement	Retired as an independent director w.e.f. September 17, 2024.

Based on our verifications and the declarations received from the respective directors, we further report that, the directors are not disqualified to act as such under the provisions of the Companies Act, Orders/ Circulars/ Regulations issued by SEBI or such other acts, for the time being enforceable and applicable to the Company.

Adequate notice was given to all the directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As a general practice of the Board, decisions were taken on unanimous consent.

We further report that, during the period under review, no prosecutions were initiated and no fines or penalties were imposed during the year under the Companies Act, FEMA, the SEBI Act, the SCRA or other SEBI Regulations on the Company or its directors and officers.



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 year under review in terms of the provisions of section 124(5) of the Act, ₹4,20,130 Unpaid/Unclaimed Dividend relating to the FY17 belonging to 589 shareholders, was transferred to the Investor Education and Protection Fund.

We further report that during the year under review in terms of the provisions of section 124(6) of the Act, 16,662 Equity Shares belonging to 7 shareholders were transferred to the Investor Education and Protection Fund (IEPF) after settling the claims 2,81,251 shares are lying in the IEPF account.

Sd/-

CS D.S. RAO; PCS

M No.: A12394

C.P. No.: 14487

UDIN: A012394G000999149

PEER REVIEW CER No.1817/2022

Date: August 13, 2025

Place: Hyderabad

Note: This report is to be read with our letter of even date which is annexed as '**Annexure A**' and forms an integral part of this report.

‘Annexure A’

To,
The Members,
Shilpa Medicare Limited
Raichur

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 processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have relied on the information/documents received from the respective officials of the Company for forming our opinion and for eventual reporting thereof.

Date: August 13, 2025
Place: Hyderabad

Sd/-
CS D.S. RAO; PCS
M No.: A12394
C.P. No.: 14487
UDIN: A012394G000999149
PEER REVIEW CER No.1817/2022



Annexure-4

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN (EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014)

CONSERVATION OF ENERGY- GROUP:

Description of energy Conservation measures undertaken In Electrical / Thermal	Energy Conserved in Kw
Factory Lighting Modification: Plant Lighting Modified with high efficiency COB Type light fixtures, so that no 'of light fixtures reduced and power consumption reduced	18541
Procured and replaced Energy Efficient IE3 Motors to minimize the losses and to save energy	104223
Identification of Light fixtures for easy operation: Identification provided for light fixtures and control MCB is to make convenient to switching unwanted areas.	10125
Total Electrical energy conserved in KWH /Units	132889

Thermal Energy Conserved	Energy Conserved in GJ
Installed & commissioned, Under Bed Firing (feeding fuel husk below the sand bed) and Previously our 6 TPH Boiler's Firing system was, Above Bed Firing (feeding fuel husk from top/above the sand bed)	9285
Total Thermal Energy conserved in GJ	9285

The Company has utilised all the opportunities to conserve the energy both electrical & Thermal.

The Company conserved 132889 Kwh of electrical energy by adopting all possible energy conservation measures by adopting the latest available technologies like from replacing of Conventional Centrifugal blowers with EC Fans which runs on more efficient DC current , replacing the existing motors with more efficient IE3, by improving the power factor by adding the 350 VR APFC panel apart from the simple technics like identifying the lighting fixtures & giving the easy access to switch off the lights when not required.

Further 2217684150 Kcal equivalent to 9285GJ of Thermal energy is conserved by process intensification undertaken in Tranexamic acid.

The capital investment on energy conservation equipment is ₹ 108.11 Lakhs.

Details of total energy consumption GJ and energy intensity:

Parameter	FY25 (GJ)	FY24 (GJ)
Total electricity consumption (A)- GJ	136255.5	166046.1
Total fuel consumption (B)- GJ	215656.77	251190.66
Energy consumption through other sources (C)-GJ	0	0
Total energy consumption (A+B+C) -GJ	351912.27	417236.76
Energy intensity per lakh of rupee of turnover (Total energy consumption/ turnover in lakh rupees)	4.17	3.74
Energy intensity per Kg of Product (API)	1.08	0.90

The Company has reduced the energy intensity & by adopting various measures of energy conservation Measures by adopting various latest available technologies.

The Resource utilisation is reduced in fuel is achieved by process intensifications.

Total Energy consumption from the renewable sources & Non Renewable sources.

Parameter	FY25	FY24
From renewable sources		
Total electricity consumption (A)- GJ	95523.18	100259.3
Total fuel consumption (B) -GJ	194344.51	220350.9
Energy consumption through other sources (C)		0
Total energy consumed from renewable sources (A+B+C)	289867.69	320610.20
From non-renewable sources		
Total electricity consumption(D)	40732.34	65786.82
Total fuel consumption (E)	21312.27	30839.74
Energy consumption through other sources (F)		0
Total energy consumed from non-renewable sources (D+E+F)	62044.62	96626.56

The company is continuously reducing 10000 TCO2 emissions year on year by using Biomass –Rice husk & Bio mass briquettes as fuel for the steam generation for the process requirements & the Company has registered its 10TPH & 6TPH steam generation project in clean development Mechanism, the company has reduced 1& registered its bio mass fired boiler with UNFCC under Kyoto Protocol Project Reference No: 3926; the add listed at UNFCC site: <http://cdm.unfccc.int/Reference/Documents>; the validation report can be visited at http://cdm.unfccc.int/EB/044/eb44_repan03.pdf

The company own 16 MW Wind mills at various locations in Karnataka & Andhra Pradesh & has generated 9668821 Kw of electrical energy

TECHNOLOGY ABSORPTION-GROUP:

The Following efforts made towards technology absorption;

Apart from the above the Company has implemented following Energy saving & Environmental Friendly Technologies.

- 1) Energy conservation : Electronically communicated fans are brought into place to replace the conventional Blowers which run with AC current motors.
- 2) Resource reduction – Water consumption reduced in the process of Tranexamic acid by process intensification there by reducing the energy requirements.
- 3) Recycling: water consumption reduction by recycling about 52% from various stages of Raw water treatment , Thereby reducing water consumption with this measure the water requirement is reduced. As a result of the Company's stress on efforts to reduce the resource usage reduction by adopting various measures has resulted in Raw water drawl of 77056 KL in FY25, compared to that of 58071 KL in FY24.

The Company has achieved a direct energy saving of about 0.85% (in Kw) of the overall electrical energy consumption value



The Company is Recycling the waste water after treatment in it's Zero Liquid Discharge system, there by conserving the water resource,

The benefits derived like product improvement, cost reduction, product development or import substitution:

Product Improvement, Cost reduction & Product development activities are the ongoing processes in the Company,

The Company has engaged highly qualified dedicated personnel & subject matter experts across the sites to develop the processes to reduce the Resource (Raw material consumption, improved process efficiencies & reduction in treatment costs).

The Company improved upon the capacity utilization by motivating the team to improve the productivity by creating the two bay system in the production blocks by utilizing the existing facilities with increased batch sizes

The Company recycles the solvents used with efficient recovery & purification systems; thereby the Company conserves the resources.

FOREIGN EXCHANGES AND OUTGO:

The details of foreign exchange earning in terms actual inflows and out flows during the year are detailed in note 45 to the Standalone Financial Statements for the financial Year ended March 31, 2025.

For and on behalf of the Board of Directors
Shilpa Medicare Limited

Place: Raichur
Date: August 13, 2025

Sd/-
Omprakash Inani
Chairman
DIN: 01301385

Annexure-5

Annual Report on CSR Activities

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:

The CSR Policy has been placed on the Company's website at https://www.vbshilpa.com/pdf/1_CSR%20Policy_SML.pdf

CSR Policy of your Company encompasses its philosophy for defining its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community at large. The core theme of CSR Policy is giving back to the society from which it draws its resources.

The Company has been conscious of its CSR obligations and fulfilment of the same. It has been undertaking and implementing CSR activities by establishing a trust called 'Shilpa Foundation' to provide financial assistance to the poor and needy and to give donations to promote various social, cultural and philanthropic activities. This policy is subject to the provisions of Companies Act, 2013 and the Schedules, rules and regulations made thereunder.

2. COMPOSITION OF THE CSR COMMITTEE:

Sl. No	Name of Committee Members	Designation / Nature of Directorship	Date of Appointment	Number of CSR Committee Meeting held during the year	Number of Meetings of CSR Committee attended during the year
1	Mrs. Anita Bandyopadhyay	Chairman- Independent Director	11.08.2022	1	1
2	Mr. Vishnukant Chaturbhuj Bhutada	Member- Managing Director	01.04.2014	1	1
3	Mr. Kalakota Reddy Sharath	Member- Executive Director	08.02.2022	1	1

- 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: <https://www.vbshilpa.com/policies-and-codes.php>
- Provide the details of the impact assessment of CSR Projects carried out in pursuance of Sub Rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not Applicable.
- Details of the Amount available for set off in pursuance of Sub Rule 3 of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the Financial Year, if any.

Sl. No	Financial Year	Amount Available for set off from preceding Financial Year	Amount required to be set off for the financial year, if any.
		Not Applicable	

- Average net profits of the Company as per Section 135(5): ₹ 6662.08 Lakhs
- Two percent of average net profits of the Company as per section 135(5): ₹ 133.24 Lakhs
 - Surplus arising out of the CSR Projects, programs, or activities of the Previous Financial Years: NIL
 - Amount required to be set off for the Financial Year: NIL
 - Total CSR obligation for the Financial Year (a+b+c): ₹ 133.24 Lakhs



8. a. CSR Amount spent or unspent for the Financial Year:

Total Amount spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount Transferred to unspent CSR Account as per Section 135(6)		Amount transferred to any 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
₹ 133.24 Lakhs	-	-	-	-	-

- b. Details of CSR amount spent against ongoing projects for the Financial Year:

SI No.	Name of the project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes / No)	Location of the Project		Project Duration	Amount Allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR registration number

- c. Details of CSR amount spent against other than ongoing projects for the Financial Year:

SI No.	Name of the project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes / No)	Location of the Project		Amount Allocated for the project (₹ In Lakhs)	Mode of Implementation Direct (Yes / No)	Mode of Implementation – Through Implementing Agency	
				State	District			Name	CSR registration number
1	Education, Health & Sanitation Environment, Plantation and Other CSR Activities under Schedule VII	1, 2, 4, 5, 7	Yes	Karnataka	Raichur	133.24	Indirect	Shilpa Foundation	CSR 00003272

- d. Amount spent in Administrative Overheads: NIL
- e. Amount spent on Impact Assessment, if applicable: NIL
- f. Total Amount spent for the Financial Year: (8b+8c+8d+8e): ₹ 133.24 Lakhs
- g. Excess amount for set off if any: NIL

Sl. No	Particulars	Amount in (₹) in Lakhs
1	Two percent of average net profit of the company as per section 135(5)	₹ 133.24
2	Total amount spent for the Financial Year	₹ 133.24
3	Excess amount spent for the financial year [(2)-(1)]	NIL
4	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	NIL
5	Amount available for set off in succeeding financial years [(3)-(4)]	NIL

9. a. Details of the unspent CSR amount for the preceding three Financial Years:

Sl No.	Preceding Financial Year	Amount Transferred to Unspent CSR Account under section 135(6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount Transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in Succeeding Financial Years (in ₹)
				Name of the Fund	Amount in ₹	Date of transfer	
NIL							

- b. Details of CSR amount spent in the Financial Year for ongoing projects for the preceding Financial Years:

Sl No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration	Total Amount allocated for the project in project in ₹	Amount spent on the project in the reporting Financial Year ₹	Cumulative Amount spent at the end of the reporting Financial Year in ₹	Status of the project – Completed / ongoing.

10. In case of Creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial Year:

- Date of Creation or acquisition of the Capital Asset: NIL
- Amount of CSR Spent for creation or acquisition of Capital Asset: NIL
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: NA
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA

11. 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.

The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR projects, is in compliance with CSR Annual Action Plan, CSR objectives and Policy of the Company.

For and on behalf of
Shilpa Medicare Limited

Date: August 13, 2025
Place: Raichur

Sd/-
Dr. Anita Bandyopadhyay
Chairman of CSR Committee
DIN: 08672071

Sd/-
Omprakash Inani
Chairman
DIN: 01301385



Annexure-6

Corporate Governance Report

[As required under Reg.34 (3) and Schedule V(C) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Company's shares are listed on:

Sl. No	Name of the Stock Exchange	Date of Listing
1	Bombay Stock Exchange	19.06.1995
2.	National Stock Exchange	03.12.2009

The Corporate Governance Report has been prepared in accordance with Regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V thereto.

CORPORATE GOVERNANCE PHILOSOPHY

The Company is committed to the highest standards of Corporate Governance Practices.

The Company relies on strong corporate governance systems and policies of business for healthy growth, accountability and transparency. Good corporate governance will certainly benefit the Board and the management to carry out the objectives effectively for the benefit of the Company and its shareholders. The Code of Corporate Governance emphasizes the transparency of systems to enhance the benefit of shareholders, customers, creditors and employees of the Company.

In addition to compliance with regulatory requirements, the Company endeavors to ensure that highest standards of ethical conduct are maintained throughout the organization.

The Company has complied with the requirements of corporate governance in accordance with the applicable Regulations of the Securities and Exchange Board of India (Listing obligation & Disclosure requirements) Regulation, 2015

BOARD OF DIRECTORS

The Board of Directors along with its committees provides focus and guidance to the Company's management as well as directors and monitors the performance of the Company.

The Board presently comprises of Six (6) Directors having rich and vast experience with specialized skills in their respective fields, out of which three (3) are Non-Executive Independent Directors including One Women Director. The Company has a Non-Executive (promoter) as Chairman. The Independent Directors constitute 50% of the total number of Directors on the Board, with the Managing Director and Whole Time Director being the only Executive Directors on the Board of the Company.

All the Directors on the Board of the Company have made necessary declarations/disclosures regarding their interest in other entities by virtue of being a Director or Shareholder or otherwise including but not limited to the positions held in the Committees of other Companies.

S. No.	Name of the Director	Category	No of Board Meetings during the Year 2024-25		Attendance at AGM held on 17.09.2024	1No. of Directorships held in other Companies	2Committees	
			Held	Attended			Chairmanship	Membership
1	Mr. Om Prakash Inani	Chairman, Non-Executive- Promoter	4	4	Yes	5	1	2
2	Mr. Vishnukant C Bhutada	Managing Director – Promoter	4	4	Yes	14	0	1
3	Mr. Arvind Vasudeva (ceased w.e.f 17.09.2024)	Non-Executive Independent Director	4	2	Yes	1	0	1
4	Mr. Hetal Madhukant Gandhi	Non-Executive Independent Director	4	4	Yes	9	2	4
5	Mr. Kalakota Sharath Reddy	Whole-Time Director	4	4	Yes	2	0	0
6	Dr. Kamal K Sharma	Independent Director	4	4	Yes	7	0	2
7	Dr. Anita Bandyopadhyay	Independent Director	4	4	Yes	3	1	1

¹Excluding directorship in existing company i.e. Shilpa Medicare Limited, foreign companies and companies incorporated u/s. 8 of the Companies Act, 2013, but including private limited companies.

²Only membership of Audit and Stakeholders Relationship Committees of public limited companies including Shilpa Medicare Limited are considered.

Memberships of the above-mentioned directors in other listed Companies:

Sl. No	Name of the Director	Name of the Company	Category for Directorship
1.	Mr. Hetal Madhukant Gandhi	Chalet Hotels Limited	Independent Director & Chairman
		Ami Organics Limited	Independent Director
		Allcargo Gati Limited	Non-Executive Director
		Allcargo Logistics Limited	Director
		Syrma SGS Technology Limited	Independent Director
		Singer India Ltd	Director
2.	Dr. Kamal K Sharma	Sequent Scientific Limited	Independent Director
3	Dr Anita Bandyopadhyay	Speciality Restaurants Limited	Independent Director
		Ami Organics Limited	Independent Director

Number of board meetings held during the year under review:

During the year under review, four (04) Board Meetings were held, on the following dates.

May 23, 2024	August 8, 2024	November 13, 2024	February 10, 2025
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In compliance with the provisions of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the intervening period between two consecutive meetings did not exceed one hundred and twenty days (120 days).

As per the disclosures given by the respective directors, no director is a member of more than ten committees and chairman of more than five committees, as specified in Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 across all the companies in which he/she is a director.

Further, no director is acting as independent director of more than seven listed companies and if he is a whole-time director of a listed Company, more than three companies.

Disclosure of Relationships between the Directors inter-se:

None of the Directors are related inter se.

Number of shares and convertible instruments held by Non-Executive Directors:

The details of shareholding by the Non-Executive Directors are as under:

Sl. No	Name and designation of the director	No of shares held
1.	Mr. Hetal Madhukant Gandhi	8000
2.	Mr. Omprakash Innani	2867691

Web link where details of familiarization programs imparted to Independent Directors:

The details of the programs conducted by the Company for the familiarization of Independent Directors are posted on the Company's website under the web link: www.vbshilpa.com

Matrix presenting the directors' area of expertise against their experience in the respective field is specified hereunder:

The list of core skills / expertise / competencies which are identified by the Board of Directors as required in the context of the business of the Company to function effectively are:

- Specialization and expertise
- Finance and accounts
- Legal and governance
- Industry knowledge
- Risk management
- Analytical skills



- g. Decision making skills
- h. Leadership skills
- i. Corporate Governance

Name of Director	Designation	Years of experience	Field of expertise
Mr. Vishnukant Chaturbhuj Bhutada	Managing Director	36	Pharmacy and Administration
Mr. Om Prakash Inani	Chairman	36	Business and Administration
Mr. *Arvind Vasudeva	Independent Director	41	Pharmaceutical Industry
Mr. Hetal Madhukant Gandhi	Independent Director	39	Financial services
Mr. Sharath Reddy Kalakota	Whole-time Director	35	API manufacturing, operations & execution of greenfield & brownfield projects, quality and projects.
Dr. Kamal K Sharma	Independent Director	43	Pharmaceutical and Chemical industries
Dr. Anita Bandyopadhyay	Independent Director	30	HR Consultant and Leadership Development, Talent Management,

*ceased w.e.f September 17, 2024

Confirmation that in the opinion of the Board the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management:

The Board of Directors confirms that in its opinion the Independent Directors fulfill the conditions specified by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

Meeting of Independent Directors:

A meeting of the Independent Directors was held on March 21, 2025, inter alia, to review the performance of the Non- Independent Directors and the Board as a whole, to review the performance of the Chairperson of the Company and to assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

In the opinion of the Board, the Independent Directors fulfill the conditions specified in Regulation 25 read with Schedule IV of the Companies Act, 2013 and are independent of the management.

1. COMMITTEES OF DIRECTORS

A. Audit Committee

Brief description and terms of reference:

The Company has constituted a qualified and independent Audit Committee comprising of 2/3 members as independent directors in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

The Committee is empowered with the role and powers as prescribed under Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The Committee also acts in terms of reference and directions of the Board from time to time.

The Committee acts as a link between the management, external and internal auditors and the Board of Directors of the Company.

The Managing Director, CFO, internal auditors and statutory auditors are also invited to the meetings, as required, to brief the Committee wherever required. The Company Secretary acts as the secretary of the Committee.

The Chairman of the Audit Committee attended the last annual general meeting of the Company.

Composition, name of members and chairperson:

S. No.	Name of the Director	Nature of Directorship	Category
1.	Mr. Hetal Madhukant Gandhi	Independent Director	Chairman
2.	Mr. *Arvind Vasudeva	Independent Director	Member
3.	Mr. Om Prakash Inani	Non-Executive Director	Member
4.	Dr. §Kamal Kishore Sharma	Independent Director	Member
5.	Dr. #Anita Bandyopadhyay	Independent Director	Member

*ceased w.e.f September 17, 2024

§appointed w.e.f August 8, 2024

#appointed w.e.f November 13, 2024

Meetings and attendance during the Year 2024-25

During the year, Five (05) meetings of the Audit Committee were held and the details of attendance of the directors in such meetings are as follows:

Date of the Meeting	Number of Members attended
May 23, 2024	03
June 19, 2024	03
August 8, 2024	03
November 13, 2024	04
February 10, 2025	04

The gap between two Audit Committee meetings was not more than one hundred and twenty days (120 days). The necessary quorum was present at all the meetings.

B. Nomination and Remuneration Committee (NRC)

The Committee is empowered with the role and powers as prescribed under Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section 178 of the Companies Act, 2013 and in the Nomination & Remuneration Policy of the Company. The Committee also acts in terms of reference and directions of the Board from time to time.

The Nomination and Remuneration Committee reviews the profiles & experience, performance appraisals and recommends the remuneration package payable to executive director(s) and other senior executives in the top level management of the Company and other elements of their appointment and acts in terms of reference of the Board specified from time to time. The Remuneration Policy as applicable to directors, key managerial persons and other senior management personnel is posted on the website of the company at the below web address.

<https://www.vbshilpa.com/pdf/NominationRemunerationPolicy.pdf>

Composition, name of members and chairperson

The NRC comprises of Three (3) Non-Executive Directors. The composition of the Nomination and Remuneration Committee is as follows:

S. No.	Name of the Director	Nature of Directorship	Category
1	*Mr. Arvind Vasudeva	Independent Director	Chairman
2	Mr. Omprakash Inani	Non-Executive Director	Member
3	Dr. Anita Bandyopadhyay	Independent Director	#Chairperson
4	§Mr. Hetal Madhukant Gandhi	Independent Director	Member

*ceased w.e.f September 17, 2024

§appointed w.e.f August 8, 2024

#redesignated w.e.f August 8, 2024

**Meetings and attendance during the year 2024-25**

During the year, Two (02) meetings of the Nomination and Remuneration Committee were held and the details of attendance of the directors in such meetings are as follows.

Date of the Meeting	Number of Directors Attended
June 19, 2024	3
August 3, 2024	3

Performance evaluation criteria for Independent Directors:

Independent Directors have three key roles to play; those are:

- Governance
- Control
- Guidance

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, the Nomination and Remuneration Committee has recommended the guidelines for the evaluation of performance of Independent Directors. This largely includes:

- The qualification and experience of Independent Directors
- The ground work the Independent Directors perform before attending the meetings to enable them in giving valuable inputs during meetings.
- The exposure of Independent Directors in different areas of risks the entity faces and advices from them to mitigate the same.

In line with the Corporate Governance guidelines, evaluation of all Board members is done on an annual basis. This evaluation is done by the entire Board led by the Chairman with specific focus on the performance and effective functioning of the Board, the Committees of the Board and the individual directors and is reported to the Board. The evaluation process also considers the time spent by each of the Board members, core competencies, personal characteristics, accomplishment of specific responsibilities and expertise.

The entire Board of Directors (excluding the director being evaluated) held the performance evaluation of Independent Directors and on the basis of performance evaluation, the Board decided to continue the term of appointment of Independent Directors.

Performance evaluation was done by the respective bodies on March 21, 2025

Remuneration of Directors:

The details of remuneration and commission paid to the Managing Director and Whole Time Director are as follows:

Category of Payment	Amount in ₹ in Lakhs	
	Mr. Vishnukant C Bhutada (Managing Director)	Mr. Kalakota Sharath Reddy (Whole Time Director)
a. Fixed Component	350	179.75
b. Performance Linked Incentives		
Allowances, Perquisites & others		
Commission		
Perks		
Total	350	179.75

Apart from the above, Managing Director is also eligible for the leave encashment, leave travel concession, gratuity, superannuation and other benefits in terms of his appointment and the rules of the Company. The Whole-time Director is also entitled to other benefits as per the HR policies of the Company and in terms of his appointment such as gratuity etc. The contract is terminable by either party on 3 months' notice or pay in lieu thereof;

Sitting fees/Remuneration paid to Non-Executive Directors and their shareholding is as follows:

Name of the Director	Designation	Sitting fees/Remuneration paid (Amount in ₹)	No. of shares held on 31-03-2025
Mr. Om Prakash Inani	Chairman	6,00,000	2867691
Mr. Hetal Madhukant Gandhi	Independent Director	50,00,000	8000
*Mr. Arvind Vasudeva	Independent Director	1,50,000	-
Dr. Kamal K Sharma	Independent Director	30,00,000	-
Dr. Anita Bandyopadhyay	Independent Director	18,00,000	-

* ceased w.e.f September 17, 2024

Other than the sitting fees/ Remuneration paid to the Non-Executive Directors, they had no material pecuniary relationship or transaction with the Company. The Company has not issued any stock options to its directors/ employees during the financial year under review.

There are neither specific contracts nor any severance fees. The terms of appointment are as decided by the Board and the general body.

C. Stakeholders' Relationship Committee

The present composition of the Stakeholders' Relationship Committee is as under:

S. No.	Name of the Director	Nature of Directorship	Category
1	Mr. Om Prakash Inani	Non-Executive Director	Chairman
2	Mr. Vishnukanth C Bhutada	Managing Director	Member
3	Dr. Kamal K Sharma	Independent Director	Member

The Stakeholders' Relationship Committee is empowered to oversee the redressal of investors' complaints pertaining to share transfer, non-receipt of annual reports, dividend payments, issue of duplicate share certificate, transmission of shares and other miscellaneous complaints. In accordance with Regulation 6 of the SEBI (LODR) Regulations, 2015, the Board has authorized the Company's Registrar and Transfer Agent (RTA) i.e. Kfin Technologies Limited (previously known as Karvy Fintech Private Limited) to approve the share transfers/ transmissions and to comply with other formalities in relation thereto in coordination with the Compliance Officer of the Company. All the investors' complaints, which cannot be settled at the level RTA and the Compliance Officer, will be placed before the Committee for final settlement.

Name of the Non-Executive Director heading the committee	Mr. Omprakash Inani
Name and designation of the Compliance Officer	Ms. Ritu Tiwary, Company Secretary and Compliance Officer
Number of Shareholders' Complaints received in FY25	NIL
Number not solved to the satisfaction of shareholders	-
Number of pending complaints	-

Meetings and attendance during the year 2024-25

During the year Three (3) meetings of the Stakeholders Relationship Committee was held, the details of attendance of the members is as follows.

Date of the Meeting	Number of Members Attended
November 5, 2024	03
November 23, 2024	03
March 18, 2025	03

**D. Corporate Social Responsibility Committee (CSRC).**

The Board constituted a CSR Committee as per the provisions of Section 135 of the Companies Act, 2013 and entrusted the responsibility to comply with the said provisions to such Committee. The composition of the CSRC is as under:

S.No.	Name of the Director	Nature of Directorship	Category
1.	Dr. Anita Bandyopadhyay	Independent Director	Chairman
2.	Mr. Vishnukanth C Bhutada	Managing Director	Member
3.	Mr. Sharath Reddy	Whole-Time Director	Member

Meetings and attendance during the year 2024-25

During the year one (01) meeting of the Corporate Social Responsibility Committee were held, the details of attendance of the members is as follows.

Date of the Meeting	Number of Members Attended
August 06, 2024	3

E. Risk Management Committee:

The Board has constituted Risk Management committee at their meeting held with the undermentioned members.

S. No	Name of Director/ Designation of Executive	Nature of Directorship/ Responsibility of Executive	Category in Committee
1	Mr. Vishnukant C Bhutada	Managing Director	Chairman
2.	*Mr. Arvind Vasudeva	Independent Director	Member
3.	Mr. Kalakota Sharath Reddy	Whole Time Director	Member
4.	Dr. Kamal K Sharma	Independent Director	Member

*ceased w.e.f September 17, 2024

The Committee is responsible to monitor and review the major risks faced by and the risk management plan of the Company and periodically evaluate the risk perception of the Company in different fields of operation and exposure and make due recommendations to the Board.

Meetings and attendance during the year 2024-25

During the year Two meeting of Risk Management Committee was held, the details of attendance of the members is as follows.

Date of the Meeting	Number of Members Attended
September 11, 2024	4
March 7, 2025	3

Senior Management

There were no changes in the Senior Management personnel since the close of previous Financial Year

GENERAL BODY MEETINGS

The details of the last three Annual General Meetings (AGMs) are given below:

Financial Year Ended	Date	Venue	Time	Special Resolution Passed
March 31, 2024	September 17, 2024	Registered office: 12-6-214/A-1, Shilpa House, Hyderabad Road, Raichur - 584135, Karnataka	10.00 AM	Re-appointment of Mr. Hetal Madhukant Gandhi (Din: 00106895), Independent Director Re-appointment of Mr. Vishnukant C Bhutada (DIN: 01243391) as Managing Director of the Company and Shilpa Pharma Lifesciences Ltd, a material subsidiary Re-designation of Mr. Keshav Bhutada (DIN: 08222057) as Executive Director of Shilpa Pharma Lifesciences Ltd, a material subsidiary Re-appointment of Mr. Madhav Bhutada (DIN: 08222055) as Managing Director of Shilpa Biocare Private Limited, a wholly owned subsidiary Payment of Remuneration/commission to Non-Executive Directors Payment of Remuneration to Mr. Hetal Madhukant Gandhi (Din: 00106895), Independent Director in excess of payment made to all other Non-executive directors.
March 31, 2023	September 29, 2023	Registered office: 12-6-214/A-1, Shilpa House, Hyderabad Road, Raichur - 584135, Karnataka	11:00 AM	-
March 31, 2022	September 28, 2022	Registered office: 12-6-214/A-1, Shilpa House, Hyderabad Road, Raichur - 584135, Karnataka	11:30 AM	Re-appointment of Mr. Sharath Reddy Kalakota (Din: 03603460) as a whole time director Appointment of Dr. Kamal K Sharma (Din: 00209430) as an Independent Director of the company Payment of minimum remuneration to non-executive directors Payment of remuneration to Mr. Hetal Madhukant Gandhi (Din: 00106895), Independent Director in excess of remuneration paid to all non executive directors Appointment of Mr. Vishnukant C Bhutada, Managing Director of the company as a managing director of Shilpa Pharma Lifesciences Ltd, a wholly owned subsidiary

The details of General Meetings (other than AGMs) held during the last three years are given below:

Financial year ended	Date	Venue	Time	Special Resolution passed
2024-25	-	-	-	-
2023-24	-	-	-	-
2022-23	May 27, 2022 (NCLT Convened Meeting)	Registered office: 12-6-214/A-1, Hyderabad Road, Raichur - 584135, Karnataka	09:00 AM	Approval of Scheme of Amalgamation with INM Technologies Private Limited

No Special Resolutions have been passed by the Company through postal ballot during the year under review. Details are given below:- NIL

SI No	Date of Postal Ballot Notice	Voting period	Date of Declaration of result	Special Resolution passed
			NIL	

The procedure for postal ballot is as per Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014



2. MEANS OF COMMUNICATION.

a. Quarterly results

Quarterly, half-yearly and annual results are published in two Newspapers - one in English and the other in Kannada.

Annual Reports with audited financial statements are sent to shareholders through permitted mode.

b. Newspapers wherein results normally published

The results are normally published by the Company in the newspapers (Business Standard or Business Line) in English version circulating in the whole of India and in regional newspaper (Suddimoola) in the vernacular language in all editions.

c. Any website, where displayed.

The results are also published on the Company's website: www.vbshilpa.com

d. Whether it also displays official news releases:

The newsletters and press releases made from time to time, if any, are also displayed on the Company's website.

e. Presentations made to institutional investors or to analysts:

The presentations made to institutional investors or to analysts are displayed on the Company's website.

GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting Date and Time			
September 23, 2025 @11.00 AM			
Venue	The Company will conduct the 38 AGM for FY25 through VC/OAVM pursuant to Ministry of Corporate Affairs ("MCA") Circular No. 10/2022 dated December 28, 2022, read together with No. 02/2022 dated May 5, 2022, Circular No. 02/2021 dated January 13, 2021, Circular No. 20/2020 dated May 05, 2020, circulars No. 19/2021 dated December 08, 2021 and Circular No. 21/2021 dated December 14, 2021 (collectively referred to as "MCA Circulars") and SEBI Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023. The deemed venue shall be the Registered Office of the Company		
Last Date of Proxy forms submission	Not Applicable (As the meeting will be held through Video conferencing)		
Period Date for exercising e-voting	September 19, 2025 to September 22, 2025		
Financial Year	April 01, 2024 - March 31, 2025		
Record Date	September 17, 2025		
Dividend Payment Date	Within 30 days from date of declaration		
Listing on Stock Exchanges	1. BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai. 2. National Stock Exchange of India Limited, "EXCHANGE PLAZA", 5th Floor, Plot No. C/1, G Block, Bhandra- Kurla Complex, Bandra (E), Mumbai		
Stock Code	Name of the Stock Exchange	Stock code	Scrip code
	BSE	530549	SHILPAMED
	NSE	N.A	SHILPAMED
Listing fees to the stock exchanges and Annual custodian fees to depositories for the year 2024-25 have been paid.			

Market price data & Share performance of the Company:

The monthly high, low and trading volumes of the Company's equity shares during the financial year 2024-25 at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) are given below:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
April, 2024	561.15	461.30	8,95,938	554.75	463.05	1,24,24,165
May, 2024	556.55	464.00	5,11,563	559.90	465.00	66,15,864
June, 2024	607.15	419.10	5,25,931	608.00	417.60	81,62,496
July, 2024	708.00	558.75	5,65,727	708.60	561.45	1,03,10,430
August 2024	798.00	655.55	7,09,641	797.90	656.00	95,79,225
September 2024	959.95	747.25	6,94,878	959.50	746.05	82,38,150
October, 2024	919.55	745.05	3,69,667	919.90	747.10	47,44,038
November, 2024	954.20	814.00	3,72,182	943.65	810.00	81,09,010
December, 2024	943.00	759.60	6,35,402	943.20	758.85	1,07,37,315
January, 2025	853.15	672.30	3,48,276	852.45	669.95	58,38,196
February, 2025	765.00	604.95	1,93,103	764.60	603.00	5,23,33,309
March, 2025	710.00	559.00	3,15,872	710.90	590.40	81,78,076

In case the securities are suspended from trading, the directors' report shall explain the reason thereof:

During the reporting period there are no instances of suspension of trading in the shares of the Company.

Registrar to an Issue and Share Transfer Agents:

Registrar and Transfer Agents (for shares held in both physical and demat mode)	KFin Technologies Limited (Unit: Shilpa Medicare Limited.) Selenium Tower B, Plot No 31 & 32 Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032, Telangana
Telephone Numbers	040-67162222 / 79611000
Contact Person	Ms. Krishnapriya
Email id:	priya.maddula@kfintech.com
Website	www.kfintech.com

Share Transfer System

KFin Technologies Limited, Hyderabad, is the Company's Registrar and Share Transfer Agent. Share transfers are registered and processed in the normal course within a period of less than 15 days from the date of receipt if the documents are in order in all respects, in line with Schedule VII to the Listing Regulations. Request for dematerialization of shares are processed and confirmation is given to the respective depositories, i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within 15 days. The Registrar and Share Transfer Agent has been delegated the power of share transfer to expedite the transfer formalities, which is in line with Schedule VII and Regulation 40 of the SEBI (Listing Obligations and Disclosure Regulations) 2015.

Distribution of shareholding as on March 31, 2025.

Sl. No	Category	No of Cases	% of Cases	No of Shares	% to Equity
1.	1 - 5000	49367	98.52	8890704	9.09
2.	5001 - 10000	322	0.64	2365454	2.42
3.	10001 - 20000	163	0.33	2318783	2.37
4.	20001 - 30000	67	0.13	1664816	1.70
5.	30001 - 40000	41	0.08	1445898	1.48
6.	40001 - 50000	16	0.03	738766	0.76
7.	50001 - 100000	40	0.08	2979320	3.05
8.	100001 and above	92	0.18	77387167	79.14
TOTAL:		50108	100.00	97790908	100.00

**Shareholding Pattern as on March 31, 2025**

Category of Share Holder	No of Shares	Percentage
PROMOTERS	4,32,49,715	44.23
MUTUAL FUNDS	39,60,141	4.05
ALTERNATIVE INVESTMENT FUND	13,90,349	1.42
BANKS	-	-
INSURANCE COMPANIES	2029765	2.08
FOREIGN PORTFOLIO - CORP	10729110	10.97
FOREIGN SCHEDULED COMMERCIAL BANK	1500	
DIRECTORS	31075	0.03
KEY MANAGERIAL PERSONS	2000	
I E P F	281251	0.29
RESIDENT INDIVIDUALS	23885862	24.42
NON RESIDENT INDIANS	811955	0.83
BODIES CORPORATES	10587149	10.83
CLEARING MEMBERS	58016	0.06
H U F	770412	0.79
TRUSTS	2106	0.00
Total	97790908	100

Dematerialization of shares and liquidity.

ISIN	Number of shares	% of total shares
INE790G01031	97655644	99.86

UTILISATION OF FUNDS RAISED THROUGH QUALIFIED INSTITUTIONAL PLACEMENT (QIP):

During the financial year 2024-25, the Company successfully raised a sum of ₹ 500.00 Crores through a Qualified Institutional Placement (QIP) of equity shares, in accordance with the provisions of Chapter VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

The proceeds from the QIP were intended to be utilized for the following objects as stated in the placement document dated April 8, 2024:

1. Repayment or prepayment of full or in part of certain outstanding borrowings availed by our Company and our subsidiaries namely, Shilpa Pharma Lifesciences Ltd & Shilpa Biologicals Pvt Ltd.
2. General corporate purposes.

The Board of Directors is pleased to inform that the entire proceeds from the QIP have been fully utilized during the year in alignment with the stated objectives. A summary of the utilization of funds is as follows:

Purpose	Amount Allocated (₹ in Crores)	Amount Utilized (₹ in Crores)
Repayment or prepayment of full or in part of certain outstanding borrowings availed by our Company and our subsidiaries namely, Shilpa Pharma Lifesciences Ltd & Shilpa Biologicals Pvt Ltd	438.17	438.17
General corporate purposes	50.00	50.11
Issue related expenses	11.83	11.72
Total	500.00	500.00

The utilization of QIP proceeds has been reviewed and noted by the Audit Committee from time to time. There has been no deviation or variation in the use of funds as compared to the objects stated in the QIP offer document.

The Company has complied with all applicable laws and regulations pertaining to the issue and utilization of funds.

Shareholders who continue to hold shares in physical form are requested to dematerialize their shares at the earliest and avail various benefits of dealing in securities in electronic/dematerialized form. The shareholders have the option to hold Company's shares in demat form through the National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL). The system for getting the shares dematerialized is as under:

- Share certificate(s) along with Demat Requisition Form (DRF) is to be submitted by the shareholder to the Depository Participant (DP) with whom he/ she has opened a Depository Account;
- DP processes the DRF and generates a unique number viz. DRN;
- DP forwards the DRF and share certificates to the Company's Registrar & Share Transfer Agent;
- The Company's Registrar & Share Transfer Agent, after processing the DRF, confirms the request to the depositories by cancellation of physical share certificates; and
- Upon confirmation, the depository gives the credit to shareholder in his/her depository account maintained with DP.

The breakup of Shares in demat and physical form as on March 31, 2025 is as follows.

Particulars	No. of shares of ₹1/- each	% of Shares
Demat Segment		
NSDL	3,88,30,938	39.71
CDSL	5,88,24,706	60.15
Sub-total	97655644	99.86
Physical Segment	1,35,264	0.14
Total	97790908	100

Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity:

No GDR/ADRs/ warrants or any convertible instruments have been issued by the Company during the year under review or are outstanding as at the end of the financial year 2024-25.

Commodity Price Risk or Foreign Exchange Risk and Hedging activities.

Foreign Exchange risk and hedging activities: As your Company is mostly involved in exporting, it engages in hedging of foreign exchange risk in natural ways.

The Company hedges on import payables and export receivables, keeping in view the exchange parity at the time of export or import, as the case may be.

Plant Locations:

The Company's plants along with Research and Development Units are located at:

PLANT LOCATIONS	
Unit I Shilpa Pharma Lifesciences Limited DTA – Raichur* Plot Nos. 1A, 1B, 2, 2A, 3A to 3E & 4A to 4C, 5A, 5B, Deosugur Industrial Area, Deosugur - 584 170, Raichur District, Karnataka, India	Unit II 100% Export-Oriented Unit - Raichur * Shilpa Pharma Lifesciences Limited 33-33A, 40-47, Raichur Industrial Growth Center, Wadloor Road, Chicksugur - 584 134, Raichur District, Karnataka, India
SEZ Unit - Jadcherla Plot No. S-20 to S-26, Pharma SEZ TSIC Green Industrial Park, Pollepally Village, Jadcherla Mandal, Dist - Mahabubnagar - 509 301, Telangana, India	Shilpa Biologicals Private Limited Plot No: 532-A, Belur Industrial Area, Dharwad, Karnataka - 580011
Manufacturing unit - Bangalore Plot No. 29 A5, 4th Phase (Averahalli) Sompura, Industrial Area, Honnenahalli Village, Dobaspet, Nelamangala, Bangalore Rural - 562 111, Karnataka, India	Quality Control and Bioanalytical Division: 01st and 02nd Floor, Plot No. 79, Road No. 15, Survey No. 125, IDA Mallapur, Nacharam, Uppal Mandal Medchal, Malkajgiri Dist - 500 076, Hyderabad, Telangana, India

**Therapeutics Unit - Hyderabad:**

Shilpa Therapeutics Private Limited
Plot No. 118, IDA, Phase III, Cherlapally,
Hyderabad – 500051, Telangana

Unit under Construction - Kadechur:

Shilpa Biocare Private Limited
Plot No: 286, 287 & 288, Kadechur Industrial Area,
Yadgir,
Kadechur – 585221, India.

RESEARCH AND DEVELOPMENT UNITS**R & D Unit- Raichur:**

Plot Nos. 33-33A, 40 to 47,
Raichur Industrial Growth Centre, Wadloor Road,
Chiksugur Cross, Chiksugur-584134, Raichur

Hyderabad R&D

01st and 02nd Floor, Plot No. 79, Road No.
15, Survey No. 125, IDA Mallapur, Nacharam,
Uppal Mandal Medchal, Malkajgiri Dist – 500 076,
Hyderabad, Telangana, India

R&D Unit- Bengaluru

Plot No. 29 A5, 4th Phase (Avverahalli) Sompura
Industrial Area, Honnenahalli Village, Dobaspet,
Nelamangala, Bangalore Rural – 562 111,
Karnataka, India

FTF Pharma Private Limited

Block No: 193(Part) + 211 (Part),
Xcelon Industrial Park,
Chak-de India Weigh Bridge Road,
Vasana Chacharwadi,
Tal: Sanand; Ahmedabad, Gujarat -382213.

Sravathi Advance Process Technologies Private Limited - R&D

Plot No. 63-B, Ground Floor Bommasandra Indl. Area,
Bommasandra Village, Attibele Hobli, Anekal Taluk,
Bengaluru – 560099, Karnataka, India.

WIND MILLS

Machine-1: Madkaripura, Dist. Chitradurga

Machine-2: Jogimatti, Dist. Chitradurga

Machine-3: Vanivilas Sagar, Dist. Chitradurga

Machine-4: Kodameedipalli, Dist. Kurnool

Machine-5: Kalasapura; Dist. Gadag

Address for Correspondence:

Registered Office

Shilpa Medicare Limited,
12-6-214/A-1, Shilpa House, Hyderabad Road,
Raichur – 584135, Karnataka

Telephone Numbers

08532-238704

Fax Number

08532-238876

Website

www.vbshilpa.com

Email-id:

cs@vbshilpa.com

List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad:

India Rating and Research in its letter dated July 2, 2025 rated Fund-based working capital limits at IND A+/Positive/IND A1 with Outlook revised to Positive from Stable

3. OTHER DISCLOSURES**A. Disclosures on Materially Significant Related Party Transactions that may have potential conflict with the interests of listed entity at large:**

All material transactions entered into with related parties as defined under the Companies Act and Regulation 23 of Listing Regulations during the financial year were in the ordinary course of business and these have been approved by the Audit Committee. The Board has approved a Policy for Related Party Transactions which has been uploaded on the Company's website at the following link: https://vbshilpa.com/pdf/related_party_policy.pdf

There have been no materially significant related party transactions between the Company and its directors, the management, subsidiaries or relatives, except for those disclosed in the Board's Report.

B. Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

There was no instance of non-compliance pertaining to stock exchanges, statutory authority or any other capital market regulator during the preceding three years.

C. Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the Audit Committee;

The Company has formulated a Whistle Blower Policy and has also established a vigil mechanism for employees and directors to report genuine concerns and instances of fraud/ illegal activities and no personnel had been denied access to the Audit Committee. The Policy is placed on the website of the Company under the web link: https://vbshilpa.com/pdf/Whistle_Blower_Policy.pdf. As per the Policy and Internal Code of Conduct all personnel of the Company have been given access to the Chairman of Audit Committee.

D. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with all the mandatory requirements enumerated in the Listing Regulations and the Companies Act, 2013 read with the rules made thereunder and is also in compliance with non-mandatory requirements to maximum extent.

E. Web link of the Policy for determining “material” subsidiaries is disclosed.

The Company has formulated a policy for determining ‘material’ subsidiaries and the policy is available on the Company’s website under the web link: https://vbshilpa.com/pdf/Policy_on_Material_Subsiary.pdf

F. Web link of the policy on dealing with Related Party Transactions.

The Board has formulated a policy on Related Party Transactions and has revised it from time to time in the light of amendments to the Listing Regulations and the same is available on the Company’s website under the web link: https://vbshilpa.com/pdf/related_party_policy.pdf

G. Disclosure of Commodity Price Risks and Commodity Hedging Activities: The Company is not dealing in any commodities. Generally, the

risk of raw-material price volatility continues to be there in the pharmaceutical industry depending on the demand, supply and availability substitute products of the product. The Company has a system to book up-front the raw-materials based on the customer orders to mitigate the price volatility in addition to that the Company always maintains raw-materials stocks at certain level based on the past data.

H. A certificate from Mr. D.S. Rao, Practicing Company Secretary, Hyderabad stating 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 SEBI/ Ministry of Corporate Affairs or any such statutory authority, has been enclosed separately to this Report

I. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

During the year your Company has not raised any funds through preferential allotment.

J. Whether the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant financial year: No

K. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors of the Company:

The details of payment made to the Statutory Auditors on a consolidated basis are available under Note 38 of the Consolidate Financial Statements for the financial year ended March 31, 2025.

L. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Your Company has constituted Internal Complaints Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The disclosure pertaining to the complaints are given hereunder:

No of complaints received during the year	0
No of complaints disposed off during the year	0
No of complaints pending as on end of financial year	0

**M. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested:**

The listed entity has extended loans to its subsidiary Companies which forms the part of Financial Statements

N. Details of Material Subsidiaries of the Listed entity

Name of the Company: Shilpa pharma Lifesciences Limited

Date of Incorporation: May 8, 2020

Place of Incorporation: Raichur

Name of the Statutory Auditor: "B N P S and Associates, LLP (formerly Bohara Bhandari & Associates)

Date of Appointment of the Statutory Auditor: December 30, 2021

Name of the Company: Shilpa Biologicals Private Limited

Date of Incorporation: January 09, 2020

Place of Incorporation: Raichur

Name of the Statutory Auditor: "B N P S and Associates, LLP (formerly Bohara Bhandari & Associates)

Date of Appointment of the Statutory Auditor: November 20, 2021

Non-compliance of any requirement of Corporate Governance Report, with reasons thereof shall be disclosed: All the above requirements w.r.t. this Report have been complied with.

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 shall be made in the section on corporate governance of the annual report:

Regulation	Particulars of regulations	Compliance status (Yes/No)
17	Board of directors	Yes
17A	Maximum Number of Directorship	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
24A	Secretarial Audit	Yes
25	Obligations with respect to Independent directors	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46(2) (b) to (i)	Website	Yes

The extent to which the discretionary requirements as specified in the Part E of Schedule II have been adopted.**Discretionary Requirements**

The Company has adopted / complied with the discretionary requirements specified in Part E of Schedule II as detailed below:

(i) The Board:

The office of Mr. Omprakash Innani, Non-Executive Chairperson, is maintained at the expense of the Company and he is allowed reimbursement of expenses incurred in performance of his duties, if any.

(ii) Shareholders Rights:

All quarterly financial results are submitted to both the stock exchanges and are simultaneously placed on the website of the Company at www.vbshilpa.com apart from being published in the newspapers.

(iii) Modified opinion(s) in audit report

There are no modified opinions in the Audit Report for the financial year ended March 31, 2025

(iv) Reporting of Internal Auditor:

The Internal Auditor of the Company reports directly to the Chairman of the Audit Committee, stating his observations, if any.

Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management:

The Company has in place a comprehensive Code of Conduct (the Code) pursuant to Regulation 17(5) of Listing Regulations which is applicable to all the senior management personnel and directors including independent directors to such extent as may be applicable to them depending on their roles and responsibilities.

A copy of the Code of Conduct has been placed on the Company's website www.vbshilpa.com. All the Board members and the senior management personnel have confirmed compliance with the Code.

Declaration on compliance with Code of Conduct is annexed to this Report.

CEO and CFO Certification:

The Managing Director and Chief Financial Officer have provided a certificate in compliance with the Regulations 17(8) of the SEBI (Listing Obligations and Disclosure Requirements).

Compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance shall be annexed with the directors' report:

Compliance Certificate on the compliance of conditions of corporate governance pursuant to Para E of Schedule V to the SEBI (LODR) Regulations, 2015 from Mr. D.S. Rao, Company Secretary, Hyderabad, is enclosed as an annexure to this Report.

Transfer of shares to Investor Education & Protection Fund (IEPF):

Pursuant to the provisions of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") (as amended from time to time), the Company is required to transfer equity shares in respect of which dividends have not been claimed for a period of seven years continuously, to the IEPF. During the year at the review the company has credited ₹4,20,130. towards unpaid/unclaimed dividend amount for the financial year 2016-17 belonging to 589 shareholders, was transferred to the Investor Education and Protection Fund (IEPF). The Company has transferred 16,662 Equity Shares belonging to 7 shareholders to the Investor Education and Protection Fund (IEPF).

Details of these shares are available on the Company's website: www.vbshilpa.com.

Further, shares in respect of which dividend will remain unclaimed progressively for seven consecutive years, will be reviewed for transfer to the Investor Education and Protection Fund as required by law. The Company will transfer the said shares, after sending an intimation of such proposed transfer in advance to the concerned shareholders, as well as, publish a public notice in this regard. Names of such transferees will be placed on the Company's website: www.vbshilpa.com.

Unclaimed Equity Dividends and Shares:

Section 124(5) of the Companies Act, 2013 and Rules made thereunder mandates that dividends that are not encashed or claimed within seven years from the date of their transfer to the unpaid dividend account of the Company be transferred to the Investor Education and Protection Fund (IEPF).

The Company sends periodic communication to the concerned shareholders, advising them to lodge their claims with respect to unclaimed dividend. Shareholders are informed that, in terms of Section 124(6) read with the IEPF Rules, once unclaimed dividend amount is transferred to the IEPF upon expiry of 7 years from the date of transfer to the Company's unclaimed dividend account, no claim shall lie in respect thereof with the Company.

Guidance for Investor to file claim:

The shareholders are requested to note that, after the above referred transfer(s) is made, refunds from the IEPF can be claimed only by complying with the provisions of Rule 7 of the said Rules.

Disclosures with respect to demat suspense account/ unclaimed suspense account:

Since no shares of the Company have been transferred to Demat Suspense Account/ Unclaimed Suspense Account in accordance with Regulation 39 of the SEBI (LODR) Regulations, 2015 read with Schedule VI thereto, disclosures w.r.t. the same are not applicable to the Company.

Disclosure of certain types of agreements binding listed entities

Shilpa Pharma Lifesciences Limited ("SPLL") and Shilpa Biologicals Private Limited ("SBPL"), being wholly owned subsidiaries of the Company raised debt through the issuance of senior, secured, rated, unlisted and redeemable non-convertible



debentures to be subscribed by certain investors on a private placement basis on August 10, 2023, in the following manner:

- (i) 35,000 senior, secured, rated, unlisted and redeemable non-convertible debentures of face value 1,00,000 each to be issued by SPL for an aggregate amount up to ₹ 350 Crores (Rupees Three Hundred and Fifty Crores) in one or more series ("SPL Debentures");
- (ii) 10,000 senior, secured, rated, unlisted and redeemable non-convertible debentures of face value 1,00,000 each to be issued by SBPL for an aggregate amount up to ₹ 100 Crores (Rupees One Hundred Crores) in one series ("SBPL Debentures")

Both the companies have now fully redeemed the aforesaid debentures, partly from the proceeds of the QIP issue of Shilpa Medicare Limited (April 2024) and partly from loans availed from other financial institutions. Accordingly, all such arrangements stand released and there are no longer any binding agreements on the listed entity.

For and on behalf of the Board of Directors

Shilpa Medicare Limited

Sd/-

Omprakash Inani

Chairman

DIN: 01301385

Date: 13 August 2025

Place: Raichur

Annexure-7

STATEMENT OF PARTICULARS AS PER RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

Sl. No	Name of Director/Key Managerial Personnel and Designation	% increase in the remuneration for the year ended March 31, 2025	Ratio of the remuneration of the Director to the median remuneration of the employee
1	Mr. Omprakash Innani Chairman	-	0.64
2	Mr. Vishnukant Chaturbhuj Bhutada Managing Director	-	63.64
3	Mr. Sharath Reddy Kalakota Whole-time Director	10.00%	32.68
4	Mr. Arvind Vasudeva Independent Director	-	5.45
5	Mr. Hetal Madhukant Gandhi Independent Director	25.00 %*	9.09
6	Dr. Kamal K Sharma Independent Director	-	5.45
7	Dr. Anita Bandyopadhyay Independent Director	-	3.27
8	Mr. Alpesh Dalal Chief Financial Officer	22.21%	31.82
9	Ms. Ritu Tiwary Company Secretary & Compliance Officer	15.00%	10.16

* Reappointed for second consecutive term of Five years by members in the 37TH AGM held on September 17, 2024 on prorated basis for part of the year.

1. The median remuneration of employees of the Company for the year ended March 31, 2025 was ₹ 5.50 Lakhs.
2. During the year ended March 31, 2025, there was a increase of 9.1% in the median remuneration of employees.
3. As on March 31, 2025, the Company had 898 permanent employees.
4. We affirm that payment of remuneration is as per the Remuneration policy of the Company.

For and on behalf of the Board of Directors of
Shilpa Medicare Limited

Sd/-
Omprakash Innani
Chairman
DIN: 01301385

Date: August 13, 2025

Place: Raichur



Annexure-8

FORM NO. AOC-2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third provision thereto.

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

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2025, which were not at arm's length basis.

2. Details of contracts or arrangements or transactions at Arm's length basis:

The details of material contracts or arrangements or transactions at arm's length basis are as follows:

Nature of contract & Name of the related party	Nature of relationship	Duration of Contracts	Salient Terms	Amount (Rs. in Lakhs)	
Sale/Purchases				Sales	Purchase
Koanaa Healthcare GmbH, Austria	Wholly Owned Subsidiary	Not applicable	Not applicable	-	1,095.21
Shilpa Therapeutics Private Limited	Wholly Owned Subsidiary	Not applicable	Not applicable	1.77	69.29
Koanaa Healthcare Spain, S.L. Spain	Wholly owned Subsidiary	Not applicable	Not applicable	125.40	531.27
Shilpa Biologicals Private Limited	Wholly owned Subsidiary	Not applicable	Not applicable	71.63	147.68
FTF Pharma Private Limited	Wholly owned Subsidiary	Not applicable	Not applicable	1,063.41	463.29
Shilpa Biocare Private Limited (Erstwhile Shilpa Albumin Private Limited)	Wholly owned Subsidiary	Not applicable	Not applicable	138.04	-
Shilpa Pharma Lifesciences Limited (Formerly known as Shilpa Corporate Holdings Private Limited)	Wholly owned Subsidiary	Not applicable	Not applicable	1,774.60	14,380.00
Pilnova Pharma INC USA	Wholly owned Subsidiary	Not applicable	Not applicable	385.90	-
Koanna Healthcare Ltd, United Kingdom	Wholly owned Subsidiary	Not applicable	Not applicable	-	565.60
Commission Paid					
Reva Medicare Private Limited	Joint Venture	As per the sale Agreement	As per the sale Agreement	41.77	
Remuneration Paid					
Deepak Kumar Inani	Relative to Director	As per the terms of appointment	As per the terms of appointment	100.08	
Ramakant Innani	Relative to Director	As per the terms of appointment	As per the terms of appointment	105.34	
Ravi Kumar Innani	Relative to Director	As per the terms of appointment	As per the terms of appointment	72.01	
Sagar Innani	Relative to Director	As per the terms of appointment	As per the terms of appointment	14.79	
Nature of contract & Name of the related party	Nature of relationship	Duration of Contracts	Salient Terms	Amount (Rs. in Lakhs)	
Interest Received					
Shilpa Therapeutics Private Limited	Wholly Owned Subsidiary	Ongoing	Not applicable		620.91
Koanaa Healthcare GmbH Austria	Wholly Owned Subsidiary	Ongoing	Not applicable		344.29
Koanaa Healthcare Limited United Kingdom	Wholly Owned Subsidiary	Ongoing	Not applicable		69.23

Nature of contract & Name of the related party	Nature of relationship	Duration of Contracts	Salient Terms	Amount (Rs. in Lakhs)
Shilpa Biologicals Private Limited	Wholly owned Subsidiary	Ongoing	Not applicable	1,432.59
Shilpa Pharma Inc. USA	Wholly owned Subsidiary	Ongoing	Not applicable	98.97
Koanna Healthcare Canada INC	Wholly owned Subsidiary	Ongoing	Not applicable	91.70
Indo Biotech SDN, BHD, Malaysia	Wholly owned Subsidiary	Ongoing	Not applicable	56.58
Koanna International FZ LLC. UAE	Wholly owned Subsidiary	Ongoing	Not applicable	45.99
Koanaa Healthcare Spain, S.L. Spain	Wholly owned Subsidiary	Ongoing	Not applicable	75.86
Shilpa Pharma Lifesciences Limited (Formerly known as Shilpa Corporate Holdings Private Limited)	Wholly owned Subsidiary	Ongoing	Not applicable	1,130.57
Shilpa Biocare Private Limited (Erstwhile Shilpa Albumin Private Limited)	Wholly owned Subsidiary	Ongoing	Not applicable	1,256.80
Pilnova Pharma INC USA	Wholly owned Subsidiary	Ongoing	Not applicable	59.35
Shilpa Lifesciences Private Limited	Step down Subsidiary	Ongoing	Not applicable	21.63
Corporate Guarantee #				
Shilpa Pharma Lifesciences Limited (Formerly known as Shilpa Corporate Holdings Private Limited)	Wholly Owned Subsidiary	Ongoing	Not applicable	7500.00
Shilpa Biocare Private Limited (Erstwhile Shilpa Albumin Private Limited)	Wholly Owned Subsidiary	Ongoing	Not applicable	14042.00
Dividend Accrued				
INM Technologies Private Limited	Wholly Owned Subsidiary	Ongoing	As per preference share agreement	260.30
FTF Pharma Private Limited	Wholly Owned Subsidiary	Ongoing	As per preference share agreement	22.81
Shilpa Therapeutics Private Limited	Wholly Owned Subsidiary	Ongoing	As per preference share agreement	3.20
Corporate Social Responsibility Expenses				
Shilpa Foundation	Trust in which key management are the board of trustees or Director are Trestee	Ongoing	Not applicable	133.00
Interest Paid				
Vegil Labs Private Limited	Wholly Owned Subsidiary	Ongoing	Not applicable	53.83
INM Technologies Private Limited	Wholly Owned Subsidiary	Ongoing	Not applicable	73.27
Corporate guarentee income				
Shilpa Biocare Private Limited (Erstwhile Shilpa Albumin Private Limited)	Wholly Owned Subsidiary	Ongoing	Not applicable	112.98
Shilpa Pharma Lifesciences Limited (Formerly known as Shilpa Corporate Holdings Private Limited)	Wholly Owned Subsidiary	Ongoing	Not applicable	395.75
Shilpa Biologicals Private Limited	Wholly Owned Subsidiary	Ongoing	Not applicable	78.74



Annexure-9

Related Party Disclosure as per Schedule V of SEBI (LODR) Regulations, 2015

In the accounts of	Particulars	As on 31st March, 2025			Maximum Outstanding during FY 2024-25		
		Loans/ Advances	Investment Equity	Preference	Loans/ Advances	Investment Equity	Preference
Shilpa Medicare Limited (Holding Company)	Shilpa Therapeutics Private Limited (Formerly Known as Nu Therapeutics Private Limited)	8,457.50	1,112.46	40.00	8,538.06	1,112.46	40.00
	INM Technologies Private Limited (Including Share Application Money)	-	113.25	4,246.77	-	113.25	4,246.77
	Reva Medicare Private Limited	-	0.50	-	-	0.50	-
	Koanaa Healthcare Spain, S.L. Spain	1,167.91	6.24	-	1,167.91	6.24	-
	Koanaa Healthcare Limited,UK	954.27	0.10	-	954.27	0.10	-
	Koanaa Healthcare GmbH Austria	4,712.69	77.63	-	4,712.69	77.63	-
	Maia Pharmaceuticals Inc. USA	-	-	795.69	-	-	795.69
	Shilpa Pharma Inc. USA	868.65	0.07	-	868.65	0.07	-
	Shilpa Biocare Private Limited (Erstwhile Shilpa Albumin Private Limited)	3,673.00	36,965.00	-	29,205.37	36,965.00	-
	Shilpa Biologicals Private Limited	4,970.49	71,700.95	-	61,548.00	71,700.95	-
	Sravathi Advance Process Technologies Private Limited	-	3,995.58	-	-	3,995.58	-
	Koanna Healthcare Canada Inc., Canada	-	1,449.38	-	-	1,449.38	-
	Shilpa Pharma Lifesciences Limited (Formerly known as Shilpa Corporate Holdings Private Limited)	13,876.50	1,000.00	-	24,631.50	1,000.00	-
	Indo Biotech SDN.BHD. Malaysia	138.70	4.42	-	138.70	4.42	-
	FTF Pharma Private Limited	-	6,577.97	390.00	-	6,577.97	390.00
	Vegil Labs Private Limited	-	951.00	-	-	951.00	-
	Shilpa Lifesciences Private Limited	288.36	-	-	288.36	-	-
	Koanna International FZ-LLC, Dubai	624.74	1.98	-	624.74	1.98	-
	Makindus Inc USA	-	454.20	-	-	454.20	-
	Pilnova Pharma Inc USA	1,240.93	0.08	-	1,240.93	0.08	-

Business Responsibility & Sustainability Report (BRSR)

SECTION A - GENERAL DISCLOSURES

I. DETAILS OF THE LISTED ENTITY

1	Corporate Identity Number (CIN) of the Listed Entity	L85110KA1987PLC008739
2	Name of the Listed Entity	Shilpa Medicare Limited
3	Year of incorporation	1987
4	Registered office address	#12-6-214/A1, Hyderabad Road, Raichur, 584101, Karnataka, India
5	Corporate address	#12-6-214/A1, Hyderabad Road, Raichur, 584101, Karnataka, India
6	E-mail	cs@vbshilpa.com
7	Telephone	+91 8532 238704
8	Website	https://www.vbshilpa.com/
9	Financial year for which reporting is being done	April 1, 2024 to March 31, 2025
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited, National Stock Exchange of India Limited
11	Paid-up Capital	₹ 9,77,90,908
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Ms. Ritu Tiwary (Company Secretary & Compliance Officer) Email: cs@vbshilpa.com Contact Number: +91 8532 238704
13	Reporting Boundary	The disclosure under this BRSR are on Standalone basis unless otherwise stated
14	Name of assurance provider	Not Applicable
15	Type of assurance obtained	Not Applicable

II. PRODUCT & SERVICES

16. Details of business activities (accounting for 90% of the turnover):

S No	Description of Main Activity	Description of Business Activity	% of turnover of the entity
1	Pharmaceuticals	Manufacture of formulations	99.01

17. Products/Services sold by the entity (accounting for 90% of the entity's turnover)

S No	Product /Service	NIC Code	% of the total turnover contributed
1	Formulations	21001	99.01
2	Power	21001	00.99

**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	3	2	5
International	-	-	-

19. Markets served by the entity:**A. Number of Locations**

Locations	Number
National (No of States including union territories)	28 states and 8 union territories
International (No of Countries)	74 (US, EU, Canada, Australia and ROW)

b. What is the contribution of exports as a percentage of the total turnover of the entity?

91.58%

c. A brief on types of customers

Our business serves a diverse customer base such as wholesalers, distributors, doctors, pharmacy chains NGOs, hospitals, Pharmacy chains (Jan Aushadhi) pharmaceutical distributors, government institutions, and companies.

IV EMPLOYEES**20 Details as at the end of Financial year****a. Employees and workers (including disabled)**

SL No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1	Permanent (D)	898	851	94.77%	47	5.23%
2	Other than Permanent (E)	0	0	0	0	0
3	Total Employees (D+E)	898	851	94.77%	47	5.23%
Workers						
4	Permanent (F)	100	76	76.00%	24	24.00%
5	Other than Permanent (G)	0	0	0	0	0
6	Total (F+G)	100	76	76.00%	24	24.00%

b. Differently Abled Employees & Workers

SL No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Differently Abled Employees						
1	Permanent (D)	0	0	0	0	0
2	Other than Permanent (E)	0	0	0	0	0
3	Total Employees (D+E)	0	0	0	0	0
Differently Abled Workers						
4	Permanent (F)	0	0	0	0	0
5	Other than Permanent (G)	0	0	0	0	0
6	Total (F+G)	0	0	0	0	0

21 Participation/Inclusion/Representation of Women

Particulars	Total (A)	No. and percentage of Females	
		No.(B)	% (B/A)
Board of Directors	6	1	16.67%
Key Management Personnel	2	1	50%

22. Turnover rate for permanent employees and workers.

	Turnover Rate – FY 2024-25			Turnover Rate – FY 2023-24			Turnover Rate – FY 2022-23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	53.37%	0.88%	54.25%	34.90%	0.75%	35.65%	35%	0.03%	35.03%
Permanent Workers	0	0	0	0	0	0	5.31%	0	5.31%

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

23. Names of holding/subsidiary/associate companies/joint ventures

The details of holding/ subsidiary/ associate companies/ joint ventures are given in Form AOC- 1 as 'Annexure to the Board's Report' which forms a part of the annual report.

VI CSR DETAILS

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) YES

(ii) Turnover (₹ in cr) – ₹ 477.34

(iii) Net worth (₹ in cr) – ₹ 2,637.15

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 link	FY 2024-25			FY 2023-24		
		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	0	0	0	0	0	0
Investors (Other than Shareholders)	Yes	0	0	0	0	0	0
Shareholders	Yes	0	0	0	0	0	0
Employees & Workers	Yes	0	0	0	0	0	0
Customers	Yes	0	0	0	0	0	0
Value Chain Partners	Yes	0	0	0	0	0	0
Other (Please specify)	-	-	-	-	-	-	-

Web link of the policy on grievance handing: -. vbshilpa.com/policies-and-codes.php



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.

S 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
1	Water & Waste Management	Risk	Potential risks of inadequate water and waste management may lead to deterioration in water and soil quality affecting ecosystem and health. Water is a critical input into the manufacturing of pharmaceutical formulations, used in the manufacturing of pharmaceutical formulations, in the preparation of reagents, and for cleaning (e.g. washing and rinsing), domestic and gardening uses.	Water and waste related risks are assessed as part of established risk management framework periodically. We conduct water risk evaluation studies to identify alternative water resources. Our water management strategy involves key focus areas including water efficiency and optimization, identifying alternate water sources for water security, and creating freshwater potential beyond the fence. We have implemented waste management systems at all our facilities, which covers waste minimization, segregation for maximizing waste reuse/recycle/recovery.	Negative
2	Research & Development	Opportunity	R&D investment has a positive impact on green innovation and Sustainability & ESG performance of our organization. Strategic investment in R&D and disclosing the same allows our internal and external stakeholders understand the approach and scale taken by our organization.	A key area of focus is 'Green Chemistry' and we have implemented several initiatives for the same. These include transitioning from solvent-based reactions to water based reactions, using less harmful, greener solvents instead of highly hazardous solvents, enhancing our solvent recovery capabilities and overall, improving our processes to maximize the incorporation of all materials used. We have initiated Life Cycle Assessments (LCA) study to identify and further reduce the adverse environmental footprint of our products.	Positive
3	Community Engagement	Opportunity	It is crucial to engage with the communities we operate in to increase trust and foster harmony.	Shilpa Foundation is the principal channel for the corporate philanthropy undertaken by our organization. The aim is to build resilient solutions that enable underserved communities to improve their livelihood continually. The core areas of intervention are Primary Healthcare, Environmental Sustainability, Rural Development and Education.	Positive

S 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
4	Business Ethics / Anti-Bribery & Anti-Corruption / Ethical Governance	Risk	Any action by our directors, employees or value chain partners which are unethical or pertains to bribing and corruption can create a damage to our reputation and business growth.	<p>We have implemented Business Code of Conduct and Supplier Code of Conduct and defined roles and responsibilities of concerned personnel related to ethics and integrity (e.g. anti-bribery, anti-corruption, anti-money laundering, whistle blowing, etc.).</p> <p>Our commitment to good corporate governance is integral to our business and it helps us create long-term value for all our stakeholders.</p> <p>Our Business Code of Conduct applies to Directors, and employees of our organization, its subsidiaries, and affiliates. It lays down the principles that guide our conduct and strengthens our decision-making, promotes stakeholder trust and works as a moat around our business. We conduct our business as per our Anti-Corruption policies, and all applicable laws. While contracts with our suppliers, contractors, and business partners include adherence to our principles concerning ethics, there is a separate Supplier Code of Conduct required to be followed by our suppliers and service providers.</p> <p>The principles of integrity, transparency, accountability, and ethics resonate throughout the organization.</p>	Negative
5	Occupational Health & Safety, Safe & Empowering Workplace	Risk	We recognize that employees form the foundation of our operations, and it is incumbent upon us to prioritize their health, safety, and well-being by providing a nurturing and secure work environment.	<p>We have established and implemented an Environment Health Safety (EHS) Policy that applies to our research, manufacturing and other business processes.</p> <ul style="list-style-type: none"> • Our employees, including permanent workers and contractors are trained on occupational health and safety, specific work-related hazards, hazardous activities and situations. • Implemented "Occupational Health & Safety Management System" in all manufacturing facilities. • "Process Safety Management System" being implemented at our API manufacturing plants. • Periodic safety assessments against international standards are conducted to evaluate the effectiveness of current systems and appropriate measures are taken to further improve our safety performance continually. • Special focus on process safety and safety culture transformation aimed at strengthening our safety performance and safety culture. 	Negative



S No	Material Issue Identified	Risk / opportunity	Rational for identifying risk or opportunity	In case of risk approach to mitigate	Financial implication of risk or opportunity
6	Statutory & Regulatory Compliances	Risk	Regulatory guidelines and requirements regulate the manufacturing of our products, including manufacturing quality standards. Periodic inspections are conducted on our manufacturing sites, and if the regulatory and quality standards and systems are not found adequate, it could result in observations. Non-compliance with EHS & Labour, Human Rights and Ethics related legal requirements may result in observations from the relevant statutory authorities. This might impact our ability to meet patient demand and generate value for our stakeholders.	<ul style="list-style-type: none"> We are fully dedicated to quality and have robust quality processes and systems in place at our developmental and manufacturing facilities to ensure that every product is safe and of high quality We have integrated "Quality by Design" to build quality into all processes and use quality tools to minimize process risks. We continue to spend significant time, money and effort in the areas of production and quality testing to help ensure full compliance with cGMP regulations. We leverage information technology to digitize and enhance our quality assurance and quality control processes. We have established and implemented legal compliance evaluation processes for EHS & Labour, Human Rights and Ethics. We are continuously focused on improving our quality culture across the organization. 	Negative
7	Diversity, Equity & Inclusion	Opportunity	<p>We fully appreciate the significance of diversity to our organization, as it fosters the introduction of new perspectives, diverse experiences, novel concepts, and inventive approaches that can provide sustainable value creation for our stakeholders over the long term.</p> <p>This aspect addresses a company's ability to ensure that its culture, hiring and promotion practices embrace representation from a diverse and inclusive workforce across all levels of the organization (board, senior, mid and junior levels).</p>	<p>We are working to increase the representation of women across roles and teams, exploring new entry level routes such as apprentice hiring and actively recruiting women.</p> <p>Numerous steps have been undertaken to build a gender-inclusive workplace.</p> <p>Implemented "Social Accountability Management System".</p> <p>The Company has an 'Equal Pay for Equal Work' practice in place, where employees are compensated based on their merit, irrespective of the gender they identify with.</p> <p>We promote non-discrimination and no harassment through established policies and procedures.</p>	Positive

S 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
8	Talent Attraction & Retentions	Risk	Ability to attract and retain the right talent with differing skill sets is a difficult challenge to address. The industry is highly knowledge-driven and technology based, and heavily reliant on specialist individuals well versed with state-of-the-art technology and best-in-class practices.	We use people analytics to measure employee performance, identify current skill gaps, implement career development plans to improve retention of competent talents. We actively address and resolve structural talent gaps by providing long-term reskilling and upskilling opportunities to our workforce, including digital learning initiatives. We embed strategic workforce planning into our operations strategy. The benefits of this initiative are multifaceted e.g., fostering internal mobility for well-suited roles, enhancing people productivity and containing staff costs.	Negative
9	Risk Management & Business Continuity	Opportunity	We operate in a complex geopolitical and regulatory environment and entails potential challenges and uncertainties arising from geopolitical factors and intricate regulatory frameworks. This includes geopolitical instability, changes in government policies, trade disputes, sanctions, and intricate compliance requirements. These factors can pose risks to operations, supply chains, market access, and overall business performance, requiring proactive monitoring and strategic adaptation to mitigate potential adverse impacts.	<ul style="list-style-type: none"> We are focused on identification of key business, operational, strategic, and business continuity risks, which are reviewed periodically by the Risk Management Committee at the Board level. We prioritise a sustainable supply chain for the timely availability of our medicines, and to ensure business continuity in the face of disruptions. We continuously strive to improve our resiliency posture focusing on the ability to provide and maintain an acceptable level of service in the face of any interruption and proactively plan for being prepared to respond to an uncertain situation. 	Positive
10	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 risk.	Negative
11	Sustainable EHS Work Practices (EHS)	Opportunity	Sustainable EHS work practices helps to reduce our impact on the climate change mitigation, improve resource efficiency, productivity, create a safe workplace and yield while cutting down costs, and waste	<p>Company has adopted and made the sustainable practices as its culture. All personnel participate in the sustainable practices with focus on energy conservation, emission control, waste minimisation, resource reduction, preventive maintenance, hazard identification & risk assessment, safe operating procedures, hazard & operability studies. 24 Hrs monitoring by the Safety Coordinators, GMP Coordinators, Night Shift Officers and Duty Managers for each production block. The wastewater is treated at Zero Discharge Facility and the treated water is Recycled.</p> <p>Improving focus on sustainable energy.</p> <p>Strengthening and promoting awareness across the company.</p>	Positive



S 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
12	Access & Affordability of Medicines	Opportunity	A significant proportion of patients in certain low and middle-income countries may have financial limitations while purchasing life-saving medicines. Our purpose "Innovating for Affordable Healthcare" drives us to improve access of affordable life-saving medicines for such patients worldwide. We prioritize making life-saving medicines accessible, available, and affordable for patients.	We aim to achieve health equity and believe that everyone, across the globe, has the right to access affordable and quality medicines. Through our pharmaceuticals formulations, we consistently work towards enhancing our value proposition and deliver best-in-class life-saving medicines to our patients	Positive
13	Supply Chain Sustainability	Risk	Our sustainable supply chain addresses the relevant environmental and social aspects of business, which are critical for the timely availability of our supplies and deliveries of our medicines to patients worldwide. Initiatives are undertaken to anticipate, prevent and mitigate any concerns related to EHS, labour & human rights, ethics and quality that may cause supply disruptions.	Implemented a process titled "Environmental & Social Assessments" of Suppliers to ensure uninterrupted availability of supplies which support our customers, and healthcare systems globally. We enforce a mandatory minimum level of adherence towards environmental and social compliance for our key suppliers through periodic assessments. A Supplier Code of Conduct to guide the value chain partners on applicable laws, regulations, policies and procedures, as well as the behavioural and ethical standards has been communicated to all key suppliers.	Negative
14	Energy & GHG Emissions Management	Opportunity	Our environmental sustainability initiatives in the areas of energy conservation, energy efficiency, use of renewable energy, use of renewable fuels, water conservation, waste minimisation and green chemistry has positioned us to convert these environmental aspects into opportunity.	Reduce GHGs by using the renewable fuels, Project Registered with UNFCC for GHG gasses reduction & earning the CER's. The Company Earns Carbon Credits from the UNFCC (Tradable) from its Biomass fuel based Steam generation project. Energy costs reduction by energy (Electrical and Thermal) conservation measures. The Energy conservation measures are taken up continuously. Resource usage reduction, water recycling. We have reduced GHG emissions significantly from our manufacturing operations and we have announced our commitment to lead the energy transition with a goal to be 95% energy from renewable sources by 2030 and committed to be a net-zero carbon company by 2050. Our key levers to reducing GHG emissions include energy productivity improvements, use of renewable fuel and renewable electricity.	Positive

S 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
15	Corporate Governance	Risk	Business growth with strong focus on ESG compliance requirements from regulators, customers, investors and other relevant stakeholders. Sustainable operations resulting in sustainable growth. ISO 14001:2015, ISO 45001:2018, ISO 50001:2018 and SA 8000:2014 Certifications for continual improvement in EHS and Social performance.	Periodic risk assessments, internal audits and management reviews are conducted to ensure effective implementation of relevant management systems as part of good corporate governance.	Negative
16	Health education and disease prevention	Opportunity	Health education empowers people to increase control over their health. Disease prevention is important to minimise the burden of diseases and associated risk factors. Primary prevention avoids the manifestation of a disease, and secondary prevention (early detection) improves the chances for positive health outcomes.	<ul style="list-style-type: none"> • We contribute to strengthening of health systems by sharing our expertise to increase patient awareness, and training and upskilling healthcare providers. • We promote awareness among health care professionals. • We provide healthcare services to rural communities, including awareness on health, hygiene, and disease management practices. 	Positive
17	Data security, data privacy, and cybersecurity	Risk	<p>Our business is dependent on outsourcing and collaboration, which requires exchanging data and information. The size and complexity and interconnectivity of our computer systems make them potentially vulnerable to breakdown, malicious intrusion, computer viruses and other cyber-attacks.</p> <p>We are subject to data privacy and security laws and regulations in many different jurisdictions and countries where we do business, and our or our partners' failure to comply could result in fines, penalties, reputational damage, and could impact the way we operate our business.</p>	<ul style="list-style-type: none"> • Our Information Security Management System (ISMS) is based on internationally recognised frameworks such as ISO 27001 standard. We use a comprehensive technology stack to implement the above control framework and carry out periodic independent assessments to review the effectiveness of these controls. Any gaps identified in the control framework goes through an established risk management process. • We have an IT disaster recovery plan in place for our key applications in order to minimise impacts from any unanticipated events and breakdowns. • We recognise the fundamental privacy rights of all individuals we interact with. We are committed to responsibly using personal information in accordance with the data privacy laws in all the countries we operate in. 	Negative



SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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				
b. Has the policy been approved by the Board? (Yes/No)					Yes				
c. Web Link of the Policies, if available									https://www.vbshilpa.com/policies-and-codes.php
2. Whether the entity has translated the policy into procedures. (Yes / No)					Yes, the Company's code of business conduct, ethics and/or other policies imbibes the above-mentioned principles and the Company expects its stakeholders to adhere to the same in all their dealings.				
3. Do the enlisted policies extend to your value chain partners? (Yes/No)					Yes, the Company's supplier code of conduct as well as related policy and procedures imbibe the above-mentioned principles and the Company expects its suppliers to adhere to the same in all their dealings				
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trust) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.					<ul style="list-style-type: none"> Occupational Health & Safety Management System: ISO 45001: 2018 Environmental Management System: ISO 14001: 2015 Energy Management System: ISO 50001: 2018 Social Accountability Management System: SA 8000:2014 (API plants) <p>Our facilities have received accreditations from various regulatory authorities including USFDA, EUGMP-AGES- Austria, ANVISA, Health Canada, Peru, Argentina, South Africa, COFEPRIS Mexico, TGA -Australia, Ministry of Health-UAE.</p>				
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.					Nil				
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.					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):

Shilpa Medicare Limited (SML), established in 1987, is an integrated pharma organization with diverse R&D and manufacturing capabilities, specializing in pharmaceuticals, APIs and formulations. SML provides high-quality, affordable APIs and formulations trusted by customers worldwide.

SML is committed to integrating National Guidelines on Responsible Business Conduct (NGRBC) in the business processes, aligned to its vision of "Innovating for Affordable Healthcare" by formulating and implementing ESG policies, adopting relevant management systems through committed leadership, compliance, proactive impact assessment, GHG reduction and climate change mitigation, resource conservation, communication, consultation and participation, training, setting objectives and monitoring performance to inculcate an interdependent work culture. We engage with our supply chain partners to understand mutual expectations on sustainability and ESG, while also adopting safer and greener practices, as feasible.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Vishnukant C Bhutada, Managing Director								
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, Mr. Vishnukant C Bhutada, Managing Director								

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

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	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	As a practice, policies of the Company are reviewed periodically or on need basis by the Department heads, business heads and the Directors of the Company								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Quarterly								
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										No. However, the Environment Health Safety (EHS) & Labor and Human Rights (LHR) related processes including compliances are subject to planned periodic audits by internal auditors and the status of compliance is updated to the Board. EHS & LHR related policies are periodically evaluated and updated by concerned department heads / business heads and approved by the management / the Board committees / the Board.								

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated: Questions

Not applicable



SECTION C PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1

Businesses should Conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

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	% of persons in respective category covered by the awareness programmes
Board of Directors	3	Familiarization/ awareness programme for the Board of Directors/ KMPs of the Company is conducted periodically, covering various areas pertaining to business, strategy, risks, operations, regulations, code of business conduct and ethics, economy and environmental, social and governance parameters. In addition, frequent updates are shared with all the Board members/ KMPs to apprise them of developments in the Company, key regulatory changes, risks, compliances and legal cases.	100%
Key Managerial Personnel	3		100%
Employees other than BoD and KMPs	8	ESG and GMP	100%
Workers	Nil	Nil	Nil

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)

A. Monetary					
Particulars	NGRBC Principle	Name of the regulatory /Enforcement agencies/judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine			Nil		
Settlement					
Compounding Fee					

B. Non-Monetary				
Particulars	NGRBC Principle	Name of the regulatory / Enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? Yes/No
Imprisonment			Nil	
Punishment				

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision are preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory /enforcement agencies/ judicial institutions
	Nil

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, details in brief and if available, a web-link to the policy.

Yes. Shilpa has an anti-bribery and anti-corruption policy. The policy reiterates that Shilpa does not tolerate any form of bribery and corruption in its operations and is committed to conducting business ethically and transparently. It has implemented various internal controls such as internal review, conducting audits, regular compliance checks, whistle blower policy etc. to ensure the company or its employees do not engage in unethical practices. All business partners are also expected to follow the same standard of ethics when conducting business with the Company or on its behalf. The policy is in the below web link <https://vbshilpa.com/policies-and-codes.php>.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2024-25	FY 2023-24
Directors	0	0
KMPs		
Employees		
Workers		

6. Details of complaints with regard to conflict of interest

Particulars	FY 2024-25		FY 2023-24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	0	0	0
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	0	0	0

7. Details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2024-25	FY 2023-24
Number of days of accounts payables	32	106



9. Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024-25	FY 2023-24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	-	-
	b. Number of trading houses where purchases are made from	-	-
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	-	-
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	7.10	9.27
	b. Number of dealers / distributors to whom sales are made	185	161
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	42.68	44.21
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases) - %	95.48	90.97
	b. Sales (Sales to related parties / Total Sales) %	2.93	6.51
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances) %	100	96.67
	d. Investments (Investments in related parties / Total Investments made) %	100	100

PRINCIPLE 2

Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators:

1. Percentage of R&D and capital expenditure (CAPEX) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively

Category	FY 2024-25	FY 2023-24	Details of improvements in environmental and social impacts
CAPEX	Nil	78.7%	
R&D	100%	40.54%	R&D expenditure spent in various technologies is towards enhancing the social and environmental impact of our products and processes

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes

b. If yes, what percentage of inputs were sourced sustainably?

50%. The Company has implemented appropriate measures for sustainable sourcing. As per vendor data base, all business partners are required to adhere to basic sustainability parameters such as labour rights, health, safety and environment, ethical conduct, data privacy etc. For more details please refer to our website : <https://vbshilpa.com/policies-and-codes.php>

3. Describe the processes in place to 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 line with our dedication to green and sustainable practices, Shilpa Medicare Limited strives to reduce waste generated at source, wherever possible. 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 across our sites undergoes proper and safe treatment. Our operational efficiency enables us to conserve resources and reduce waste. We comply with all local and national regulations, as well as global standards, for the safe handling and disposal of emissions and effluents. Additionally, we have implemented relevant policies and procedures for safe storage and disposal of products at the end of their life cycle and environmentally sound waste recycling through authorised third parties.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes. We are registering under EPR for plastic waste with Central Pollution Control Board (CPCB). We work in compliance with India's Plastic Waste Management Rules, 2016.

PRINCIPLE 3

Businesses should respect and promote the well-being of all employees, including those in their value chains.

1. a. Details of measures for the well-being of employees

Category	% of employees covered by										
	Total A	Health Insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number B	% (B/A)	Number C	% (C/A)	Number D	% (D/A)	Number E	% (E/A)	Number F	% (F/A)
Permanent Employees											
Male	851	145	17%	851	100%	0	0	0	0	0	0
Female	47	3	6.4%	47	100%	47	100%	0	0	0	0
Total	898	148	16.5%	898	100%	47	100%	0	0	0	0
Other than permanent employees											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0

b. Details of measures for the well-being of Workers

Category	% of workers covered by										
	Total A	Health Insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number B	% (B/A)	Number C	% (C/A)	Number D	% (D/A)	Number E	% (E/A)	Number F	% (F/A)
Permanent workers											
Male	76	76	100%	76	100%	0	0	0	0	0	0
Female	24	24	100%	24	100%	24	100%	0	0	0	0
Total	100	100	100%	100	100%	24	100%	0	0	0	0
Other than permanent workers											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0



- c. *Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –*

	FY 2024-25	FY 2023-24
Cost incurred on well- being measures as a % of total revenue of the company	0.23%	0.34%

2. Details of retirement benefits, for current FY and previous financial year

Benefits	FY 2025			FY 2024		
	Number of employees covered as % of total employees	Number of Workers covered as % of total employees	Deducted and deposited with the authority (Y/N/N.A)	Number of employees covered as % of total employees	Number of Workers covered as % of total employees	Deducted and deposited with the authority (Y/N/N.A)
PF	95%	100%	Yes	93.98%		Yes
Gratuity	90%	00%	NA	93.01%		NA
ESI	10%	100%	Yes	7.08%		Yes
Others specify	-	-	-			

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes. The Premises/offices of the Company including the registered and corporate offices have ramps to enable easy movement. Most offices are located either on the ground floor or have elevators and infrastructure for differently abled individuals.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, a web-link to the policy.

The code of business conduct and ethics (COBE) of the company provides for an equal opportunity policy to create an inclusive work environment by fostering diversity at the workplace and to treat, and treat all employees equally irrespective of gender, age, physical disability, creed, religion, sexual orientation, racial background, pregnancy, place of origin, cast, political affiliation or other discriminatory factors. We encourage and nurture talent in the organization. We work in the atmosphere of mutual trust and co-operation. The policy available at the company's website at <https://www.vbshilpa.com/policies-and-codes.php>

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	0	NA	0	NA
Female	0	NA	0	NA
Total	0	NA	0	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	Yes	The Policy provides avenues to report concerns directly to the compliance team. Code of Business Conduct and Ethics link: https://www.vbshilpa.com/policies-and-codes.php
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 2024-25			FY 2023-24		
	Total employees / workers in respective category (A)	Total employees/ workers in respective category, who are part of association (s) or Union (s)	% B/A	Total employees / workers in respective category (A)	Total employees/ workers in respective category, who are part of association (s) or Union (s)	% B/A
Total Permanent Employees						
Male	Nil			Nil		
Female						
Total Permanent Workers						
Male	Nil			Nil		
Female						

8. Details of Training imparted to the employees and workers on health & safety measures and on skill upgradation

Category	FY 2024-25					FY 2023-24				
	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	851	851	100%	851	100%	911	911	100%	911	100%
Female	47	47	100%	47	100%	20	20	100%	20	100%
Total	898	898	100%	898	100%	931	931	100%	911	100%
Workers										
Male	76	76	100%	76	100%	56	56	100%	56	100%
Female	24	24	100%	24	100%	20	20	100%	20	100%
Total	100	100	100%	100	100%	76	76	100%	76	100%

9. Details of performance and career development reviews of employees and workers:

Category	FY 2024-25			FY 2023-24		
	Total (A)	No.(B)	% (B/A)	Total C	No.(D)	% (D/C)
Employees						
Male	851	851	100%	911	911	100%
Female	47	47	100%	20	20	100%
Total	898	898	100%	931	931	100%
Workers						
Male	76	76	100%	56	56	100%
Female	24	24	100%	20	20	100%
Total	100	100	100%	76	76	100%

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 the units have implemented ISO 45001:2018 Occupational Health & Safety Management Systems and are certified for same standard.



B. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Yes, all the units are having occupational Health Centre, which provides healthcare services for both occupational and non-occupational medical needs

C. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, we have implemented processes for reporting unsafe Conditions / Practices and near miss by workers. Through reporting channel, the workers report various work-related hazards and necessary actions are taken to eliminate or control such hazards

D. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, all the units are having occupational Health Centre, which provides healthcare services for both occupational and non-occupational medical needs

11. Details of safety related incidents, in the following format

Safety Incident / Number	Category	FY 2024-25	FY 2023-24
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

12. Measures taken by the entity to ensure a safe and healthy workplace.

We are committed to zero work-related injury, ill health and safety & wellbeing of everyone involved in the business and community around our workplaces.

The company focuses on proactive risk assessment, communication, consultation & participation, training, safe work culture for Occupational Health & Safety including enhanced focus on Process Safety as applicable.

The Company actively monitors the EHS Practices & Reports in the form of Dashboard, which focuses on status of PPE adherence, Unsafe practices, work related Injuries, Work related Illness, Process Safety Incident, Near Miss, Fire Incident, Environmental Incident, Site Safety Observations, Work Permits, Emergency/Fire Drills conducted, Management of Change Issued, Tool Box Talks & Trainings Conducted, and Site Periphery Rounds, etc.

The company proactively identifies hazards, assesses risk and takes appropriate risk control measures for prevention and mitigation of identified hazards for its activities. The company practices Good Industrial Hygiene protocols, uses containment equipment for handling of the potent molecules and local dust extraction system connected to pulsejet bag filters & Equipment wash areas are connected to the local exhaust systems.

The company has Business Continuity Plan and On-Site Emergency Plan, approved by the Department of Factories, Boilers & Industrial Safety for all its units. These plans are rehearsed periodically for improving preparedness to handle emergency and business continuity concerns

13. Number of complaints made by employees and workers

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolutions at the end of the year	Remarks	Filed during the year	Pending resolutions at the end of the year	Remarks
Working Conditions	0			0		
Health & Safety						

14. Assessments for the year

	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% (third party as part of ISO 14001: 2015 and ISO 45001:2018 surveillance audits.
Working Conditions	Deputy Chief Inspector of Factories and Deputy Labor Commissioner as part of the Annual Inspection.)

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.

Safety related incidents are reported and investigated by competent employees following root cause analysis (RCA) method to find out the root cause(s) for such incidents. CAPAs are proposed based RCA findings, which shall be implemented and monitored for effectiveness.

PRINCIPLE 4

Businesses should respect the interests of and be responsive to all its stakeholders.

Essential Indicators:

1. Describe the Process for identifying key stakeholder groups of the entity

Our purpose of 'Innovating for affordable healthcare' encompasses all our stakeholders, as we consider our stakeholders as integral partners in our journey to achieve our purpose. Over the years we have developed firm level process to encourage open and constructive interaction with our stakeholders. We have established relevant policy and procedure for stakeholder engagement, which helps us enhance our strategy development and decision-making. We engage on issues that are important to us as a business as well as to the stakeholders, with the objective of addressing their needs and expectations and identifying new opportunities to create value.

Our process of identification and classification of the stakeholders is defined by their interest, impact and participation in operations of the Company and engagement on various environmental, social and governance matters. Delivering on stakeholder needs expectations are integral part of our business. We listen to our stakeholders and have established various channel of communication, consultation and participation



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 & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	<ol style="list-style-type: none"> 1. Formal induction at the time of joining 2. Town hall meetings 3. Communication from Senior Management. 4. Communication through Emails. 5. Safety meetings, Canteen committee meetings 6. Feedback, Suggestion Box, Toolbox meetings 7. Celebrations of Independence Day, Republic Day, Safety Week, World Environment Day. 8. Review meetings, Notice Boards. 	Continuous	<ol style="list-style-type: none"> 1. Employee engagement, operational efficiencies, improvement opportunities, long-term strategy plans, training and awareness on safety/ behavioral safety, motivation, personality development, on job & classroom trainings; innovations, sharing of knowledge, learning 2. Performance, training and career development reviews. 3. Seeking feedback on work culture. 4. Building a safe, diverse and inclusive work environment.
		<ol style="list-style-type: none"> 9. Reward & Recognition programs, Spot award programs, cultural Programs. 10. Trainings, get togethers, Appreciation meetings, Daily, Monthly review meetings; Exit Suggestions in sealed covers, Risk assessment activities 		
Community	No	our engagement with the community includes physical visits as well as digital channels.	Frequent and need based	With giving back to society as a core tenet of the Company, our corporate social responsibility and employee volunteering programs target the areas of education, skilling and livelihood, health and environmental sustainability through partners and local NGOs around the world. Additionally, we also run training, awareness and empowerment programs. We engage with local community to understand their challenges and work for their sustainable development.

Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government and regulatory authorities	No	Our interactions with authorities take place through e-mails, meetings, submissions, etc. as required.	Need-based	Our engagement with official authorities is multi-fold. With regulatory authorities, our engagement is aimed at discharging responsibilities and furthering our core business of product development, launch, manufacturing, etc. in keeping with the latest and highest standards of compliance. With policymakers, our engagement aims to understand and discuss matters pertaining to the industry. We do advocacy and make representations on various regulatory and policy issues to strengthen the healthcare eco-system through policy interventions and ensure timely access to quality medicines at affordable prices.
Suppliers & Partners	No	On site meetings, virtual meeting, business partners meet, supplier forums, partner events, calls, e-mail, website	Frequent/ Quarterly Governance calls/ Annual meet	Making a holistic impact on the health of patients worldwide requires us to work with partners across the healthcare value chain. We emphasize fair, transparent, and ethical practices and seek partners who share the same commitment towards compliance with laws, regulations, published standards and environmental practices.
Customers	No	Physical and virtual meetings, customer events, calls, e-mail, website	Need based	We engage with our customers to ensure regular supply of the products, keep them informed about new products, participate in the bids/ tenders and maximize the outreach of our products.



Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders & Investors	No	We interact with our shareholders, potential investors and research analysts through investor meetings/ calls, conferences, earnings call, investor events, e-mail, press releases, stock exchange intimations, investor presentations and annual reports. We also provide various updates on our website and other places of engagement.	Frequent and need based	We engage with them so that they can take an informed decision to invest in our Company. The key areas of engagement include an update on the business and financial performance, Company's strategy and growth levers, potential opportunities and risks, our ESG goals/ actions, and material events which may have a positive or negative impact on the performance of the Company.

PRINCIPLE 5

Businesses should respect and promote human rights.

Essential Indicators

- Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format

Category	FY 2024-25			FY 2023-24		
	Total (A)	Number of employees and workers covered (B)	% (B/A)	Total (C)	Number of employees and workers covered (D)	% (D/C)
Employees						
Permanent	898	898	100%	931	931	100%
Other than Permanent	-	-	-			
Total Employees	898	898	100%	931	931	100%
Workers						
Permanent	100	100	100%	76	76	100%
Other than permanent	-	-	-			
Total Workers	100	100	100%	76	76	100%

2. Details of minimum wages paid to employees and workers, in the following format

Category	FY 2024-25					FY 2023-24				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal Minimum Wage		More than minimum wage	
		No.(B)	%(B/A)	No.(C)	% (C/A)		No. (E)	% (E/D)	No.(F)	% (F/D)
Employees										
Permanent										
Male	851	0	0	851	100%	911	0	0	911	100%
Female	47	0	0	47	100%	20	0	0	20	100%
Other than Permanent	0	0	0	0	0	0	0	0	0	0
Male	0	0	0	0	0%	0	0	0	0	0
Female	0	0	0	0	0%	0	0	0	0	0
Workers										
Permanent										
Male	76	76	0	0	100%	56	0	0	56	100%
Female	24	24	0	0	100%	20	0	0	20	100%
Other than Permanent	0	0	0	0	0	0	0	0	0	0
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0

3. Details of remuneration/salary/wages, in the following format:

a. The details are provided below:

Category	Male		Female	
	Number	Median remuneration/ salary/wages of respective category	Number	Median remuneration/ salary/wages of respective category
Board of Directors	05	50 Lakhs	01	18 Lakhs
Key Managerial Personal	01	175 Lakhs	01	55.89 Lakhs
Employees other than BoD and KMP	845	5.5 Lakhs	45	5.26 Lakhs
Workers	76	1.88 Lakhs	24	1.36 Lakhs

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2024-25	FY 2023-24
Gross wages paid to females as % of total wages	4.8%	3.15%

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

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 grievance shall be escalate 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**

Category	FY 2024-25			FY 2023-24		
	Filed during the day	Pending Resolution at the end of the year	Remarks	Filed During the Year	Pending Resolution at the end of the year	Remarks
Sexual Harassment	0	0	0	0	0	0
Discrimination at workplace	0	0	0	0	0	0
Forced Labour/Involuntary Labour	0	0	0	0	0	0
Wages	0	0	0	0	0	0
Other human right related issues	0	0	0	0	0	0

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2024-25	FY 2023-24
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Discrimination has no place within our organization, and we maintain a zero-tolerance policy towards all forms of discrimination, including sexual discrimination. We actively encourage employees, contractors, and suppliers to report any instances of discrimination they witness. We promptly and effectively address these Discrimination has no place within our organization, and we maintain a zero-tolerance policy towards all forms of discrimination, including sexual discrimination. We actively encourage employees, contractors, and suppliers to report any instances of discrimination they witness. We promptly and effectively address these reports, ensuring that appropriate action is taken.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes

10. Assessments of the year

Category	% of plants and offices that were assessed by the entity or by the statutory authorities or third parties
Child Labour	
Forced/Involuntary Labour	
Sexual harassment	100%
Discrimination at workplace	
Wages	
Others – please specify	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

During the assessment, no significant risks/concerns identified

PRINCIPLE 6

Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators:

- Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2024-25 (GJ)	FY 2023-24 (GJ)
From renewable sources		
Total electricity consumption (A)	5506.29	6540.51
Total fuel consumption (B)	33367.86	32143.89
Energy consumption through other sources (C)	0.00	0
Total energy consumed from renewable sources (A+B+C)	38874.15	38684
From non-renewable sources		
Total electricity consumption (D)	55625.26	55580.73
Total fuel consumption (E)	5762.16	3785.73
Energy consumption through other sources (F)	0.00	0.00
Total energy consumed from non-renewable sources (D+E+F)	61387.42	59366.46
Total energy consumed (A+B+C+D+E+F)	100261.57	98050.86
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.00	0.00
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	-	-
Energy intensity in terms of physical output	-	-
Energy 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

- 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)

No

- provide details of the following disclosures related to water, in the following format

Parameter	FY 2024-25	FY 2023-24
Water Withdrawal by Source (In Kilolitres)		
(i) Surface water	-	-
(ii) Ground water	8385.00	9257.00
(iii) Third party water	32593.00	34136.40
(iv) Seawater / desalinated water	-	-
(v) Others	5112.10	8160.30
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	46090.10	51553.70
Total volume of water consumption (in kiloliters)	46090.10	51553.70
Water intensity per Lac ₹ of turnover (Water consumed / turnover)	0.00	0.00
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	-	-
Water intensity in terms of physical output	-	-
Water 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) No

**4. Provide the following details related to water discharged:**

Parameter	FY 2024-25	FY 2023-24
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	10228.31	11472.08
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment		
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	10228.31	11472.08

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

5. Has the entity implemented mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, the Company has implemented a mechanism for Zero Liquid Discharge (ZLD) at Units 3 & 6 in Dabaspeta, Karnataka. Units 4 & 7, located in Jadcherla and Nacharam, Telangana, respectively, employ a pre-treatment process, sending their wastewater to CETP for further treatment

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format

Parameter	Please specify Unit	FY 2024-25	FY 2023-24
NOx	MT/A	4.28	3.82
SOx	MT/A	2.20	2.09
Particulate Matter	MT/A	3.35	3.45
Persistent organic pollutants (POP)	NA		
Volatile organic compounds (VOC)	MT/A	-	-
Hazardous air pollutants (HAP)	NA	-	-
Others – please specify (HCl mist)	MT/A	-	-

Note: Indicate if any Independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) No

If yes name of the external agency

The air emission monitoring has been conducted by an external approved laboratory having accreditation from the National Accreditation Board for Testing and Calibration Laboratories.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

The details are provided below:

Parameter	Unit	FY 2024-25	FY 2023-24
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	2614.10	3690.31
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	12670.20	20389.90
Total Scope 1 and Scope 2 emissions per Lac ₹ of turnover	tCO ₂ e/Lac ₹	0.00	0.00
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)			
Total Scope 1 and Scope 2 emission intensity in terms of physical output			
Total Scope 1 and Scope 2 emission intensity per Bn Doses of (Finished Products)		-	-

Note: Indicate if any Independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) if yes, then provide details- NO

8. Does the entity have any project related to reducing Green House Gas emission. If Yes, then provide details.

Yes. In line with our goal of becoming 'Carbon Neutral by 2030', we are working towards improving our energy conservation, energy efficiency, expanding the use of renewable electricity and biofuels across operational locations. To achieve this, we are implementing several projects to enhance the proportion of renewable energy resources (electricity and biofuels) in our overall energy mix, while simultaneously reducing greenhouse gas (GHG) emissions.

9. Details of waste generated, re-cycled re-used and disposed of.

Parameter	FY 2024-25	FY 2023-24
Total Waste generated (in metric tonnes)		
Plastic waste (A)	1.53	1.73
E-waste (B)	-	-
Bio-medical waste (C)	7.47	10.11
Construction and demolition waste (D)	-	
Battery waste (E)	-	0.31
Radioactive waste (F)	-	
Other Hazardous waste (G)	28.07	24.10
Other Non-hazardous waste generated (H) (Break-up by composition i.e., by materials relevant to the sector)	119.12	54.35
Total (A+B+C+D+E+F+G+H)	156.19	90.59
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
i. Re-cycled	2.22	54.38
ii. Re-used	104.33	3.67
iii. Other recovery operations	0.0	0
Total	106.54	58.05



Parameter	FY 2024-25	FY 2023-24
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of Waste		
i. Incineration	10.98	23.03
ii. Landfilling	20.87	0.36
iii. Other disposal operations	15.79	40.87
Total	47.64	64.27

Note: Indicate if any Independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) No

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.

We have waste management system in place at all our facilities. E waste is sold to authorised recyclers. Shilpa has consistently scaled up its waste management practices by reducing waste quantities and environmentally sound disposal of waste to authorised Treatment, Storage and Disposal Facilities (TSDF). In keeping our focus on sustainable company operations, we ensure that the waste generated by our operations is effectively monitored and disposed of in accordance with all relevant regulatory standards and to the PCB authorised vendors. We have dedicated storage areas for different type of waste (hazardous, biomedical, and non-hazardous) and waste segregation is done at source. All types of wastes are labelled, stored and disposed as per applicable rules and consent to operate.

During FY24-25, about 68.21% of waste was reused, recycled or recovered. This encompasses plastic, paper, metal, glass, civil debris, e-waste, battery waste, used oil, canteen waste, boiler ash, select process residues and recovered solvents. The remaining waste is disposed of through pollution control board authorised agencies, ensuring environmentally safe and regulatory compliance.

SML regularly assesses the ecological effect of its generated wastes and explores innovative methods for recycling, reuse, recovery and disposal as well as safe storage and transportation of hazardous and non-hazardous wastes.

11. if the entity has operations/offices if any 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

S 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.
1			Not applicable

12. Details of environmental impact assessments (EIA) of projects undertaken by the entity based on applicable laws, in the current financial year: Not applicable

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web Link
Not applicable					

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 the details of all such non-compliances in the following format.

Yes

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. - 5
- b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of /affiliated to

SL No	Name of the trade industry chambers/associations	The reach of trade and industry chambers/associations (State/National)
1	Raichur Chamber of Commerce & Industry	State
2	Pharmexcil, Hyderabad	National
3	Raichur Chemical Manufacturers Association	State
4	Federation of Karnataka Chambers of Commerce & Industry	State
5	Export Promotion Council for EOU and SE	National

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regular authorities. -

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. -

The Company conducts internal monitoring and identifies the outcome and impact. The details of the assessments are further shared during the CSR meetings. During the year ended 2025 there are no new projects/ capacity experience of existing projects which require clearance of social impact assessment.

2. provide information on project (s) for which ongoing rehabilitation and resettlement (R&R) is being undertaken by the entity, in the following forma

SL No	Name of project for which R&R is ongoing	State	District	No. of project-affected families	% of PAFs covered by R&R	Amount paid to PAFs in FY24
NIL						

3. describe the mechanisms to receive and redress grievances of the community

Most of the activities are carried out in discussion and agreement with the community members. In case of any grievances, the community leaders can reach out to the Company's point of contact (POC) at each of the units. The POC is directly and easily accessible to the community to address any concerns that may arise. Depending on the nature of complaint, relevant stakeholders are engaged to resolve any issue

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers

Particulars	FY 2024-25	FY 2023-24
Directly sourced from MSMEs/small producers	35%	35%

Particulars	FY 2024-25		FY 2023 -24	
	Local	non-Local	Local	non-Local
Sourced directly from within the district and neighbouring districts	42%	48%	48%	52%

**PRINCIPLE 9**

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators**1. Describe the mechanism in place to receive and respond to consumer complaints and feedback**

We have a Standard Operating Procedure (SOP) in place to handle consumer complaints and feedback. Upon receiving the complains via email, we conduct a thorough investigation before responding. Each complaint is logged in, evaluated and investigated from the following perspectives: (i) Quality, (ii) Safety or (iii) both. The complaint is formally closed after investigation is completed and appropriate regulatory action has been taken.

2. Turnover of products and /services as a percentage of turnover from all products/service that carry information about –

Particulars	As a % of total turnover
Environmental and social parameters relevant to the product	100%. There are social parameters relevant to the responsible, safe and prescribed usage of the product
Safe and responsible usage	100 % all the products have usage / directions mentioned on leaflets/ packaging
Recycling and/or safe disposal	-

3. Number of consumer complaints in respect of the following

Particulars	FY 2024-25		Remarks	FY 2023-24		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data Privacy	NIL	NIL		NIL	NIL	
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

4. Details of instances of product recalls on account of safety issues:

Particulars	Number	Reasons for recall
Voluntary recalls	Nil	
Forced recalls		

5. Does the entity have framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, weblink

of the policy.

Yes, Company has a privacy policy for all its legal entities and business. This can be accessed on our website www.vbshilpa.com

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.

We take proactive steps; in case any issue arises pertaining to any one of these categories.

7. Provide the following information relating to data breaches:

Provide the following information relating to data breaches:	
a. Number of instances of data breaches along-with impact	NIL
b. Percentage of data breaches involving personally identifiable information of customer	NA
c. Impact, if any, of the data breaches	NIL



MANAGING DIRECTOR'S CERTIFICATION

To

The Board of Directors
Shilpa Medicare Limited

I, Vishnukant C Bhutada, Managing Director of Shilpa Medicare Limited, certify that:

I have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2025 and that to the best of my knowledge and belief:

- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- These statements together present a true and fair view of Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or in violation of Company's Code of Conduct.

I 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 and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

I have indicated to the Auditors and Audit Committee:

- Significant changes in internal control over financial reporting during the year.
- Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
- That there have been no instances of significant fraud of which I have become aware, involving of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

Place: Raichur
Date: August 13, 2025

Sd/-
Vishnukant C. Bhutada
Managing Director

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGERIAL PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

I, Vishnukant C Bhutada, Managing Director, hereby declare that the Company has received declarations from all the Board Members and Senior Managerial Personnel affirming Compliance with the Code of Conduct for the Members of the Board and Senior Managerial Personnel for the year ended March 31, 2025.

Place: Raichur
Date: August 13, 2025

Sd/-
Vishnukant C. Bhutada
Managing Director

PRACTICING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
SHILPA MEDICARE LIMITED
#12-6-214/A1, Hyderabad Road,
Raichur, Karnataka- 584135

We have examined the compliance of the conditions of Corporate Governance by Shilpa Medicare Limited (hereinafter referred to as "the Company") for the year ended March 31, 2025, as stipulated in Chapter IV of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We conducted our examination of the Corporate Governance Report in accordance with the established systems and procedures selected by us depending on our judgment, including assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include, but are not limited to, verification of secretarial records and other information of the Company, as we deem necessary to arrive at an opinion.

Based on the procedures performed by us as mentioned above and according to the information and explanations provided to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations as applicable for the year ended March 31, 2025.

We further state that such compliance is neither an assurance as to the financial viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: August 13, 2025
Place: Hyderabad

Sd/-
D.S. RAO
ACS No.: 12394
CP. No.: 14487
UDIN: A012394G000999149
Place: Hyderabad PEER REVIEW
CER NO.: 1817/2022



CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C Clause 10(i) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]

To

The Members,

SHILPA MEDICARE LIMITED

#12-6-214/A1, Hyderabad Road,

Raichur, Karnataka- 584135

We have examined the relevant records, forms, returns, and disclosures received from the directors of SHILPA MEDICARE LIMITED having CIN: L85110KA1987PLC008739 and having registered office at #12-6-214/A1, Hyderabad Road, Raichur, Karnataka- 584135 (hereinafter referred to as "the Company") produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with sub-clause 10(i) of Para C of Schedule V to the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Director Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and the explanations furnished to us by the Company & its officers, we hereby certify that none of the directors on the Board of the Company for the financial year ended March 31, 2025 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other statutory authority.

Sr. No.	Name of Director	Nature/ Category of Directorship	DIN
1	Mr. Vishnukanth Chaturbhuj Bhutada	Managing Director	01243391
2	Mr. Omprakash Inani	Chairman, Non-Executive Director	01301385
3	Mr. Sharath Reddy Kalakota	Whole-time Director	03603460
4	Mr. Hetal Madhukant Gandhi	Independent Director	00106895
5	Dr. Kamal Kishore Sharma	Independent Director	00209430
6	Dr. Anita Bandyopadhyay	Independent Director	08672071

Ensuring eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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.

Sd/-

D.S. RAO

ACS No.: 12394

CP. No.: 14487

UDIN: A012394G000999149

Place: Hyderabad PEER REVIEW

CER NO.: 1817/2022

Date: August 13, 2025

Place: Hyderabad

Independent Auditor's Report

To the Members of **Shilpa Medicare Limited**

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of Shilpa Medicare Limited ("the company"), which comprise the standalone Balance Sheet as at March 31, 2025, the standalone Statement of Profit and Loss (including other comprehensive income), the standalone Statement of Changes in Equity and the standalone Statement of Cash Flows for the year ended on that date, and a summary of the significant 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 accompanying 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profits and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditors responsibility for the Audit of 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 Code of Ethics. We believe that the audit evidence we have obtained 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.

The key audit matter	How the matter was addressed in our audit
Revenue from sale of products and services <p>Refer to Note 1.1 (L) of the summary of significant accounting policies to the standalone Ind AS financial statements.</p> <p>Revenue is recognised when the entity has transferred the control for the promised goods or Services or on completion of performance obligation. The Company has a large number of customers operating in various geographies and sale contracts with customers have different terms relating to the recognition of revenue. Terms of sales arrangement, including the timing of transfer of control, Inco terms and identification of</p> <p>Performance obligations in case of service contracts require significant judgement in determining revenue.</p>	Principal audit procedures <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> We evaluated the Company's accounting policies related to revenue recognition and assessed its compliance in terms of Ind-AS 115 'Revenue from contracts with customers'; We performed a walkthrough, evaluated the design and tested the operating effectiveness of controls related to the revenue recognition process; For revenue from sale of products, we selected samples (including year-end testing of cut-off transactions) and tested the underlying documents, including customer contracts, invoices and shipping documents to assess and analyze the timing of recognition of revenue and contractual terms; Performed trend analysis over revenue as compared to previous periods.



The key audit matter	How the matter was addressed in our audit
<p>We identified the recognition of revenue from sale of products and services as a key audit matter as revenue is a key performance indicator and there could be a risk that revenue is recognised in the incorrect period.</p>	<ul style="list-style-type: none"> Assessing journal entries posted to revenue to identify unusual items not already covered by our audit testing. For revenue from sale of services, we selected samples and tested underlying documents and read, analysed the distinct performance obligations in these contracts. We assessed the disclosures in accordance with Ind AS 115 "Revenue from contracts with customers"
<p>Assessment of carrying value of Investment and Loans to Subsidiaries, Associates and Joint Ventures</p> <p>The Company has investments of ₹ 1,27,948.00 Lakhs in equity and preference shares in subsidiaries, associates and joint ventures as at March 31, 2025. Further the Company has granted loans having a carrying value of ₹ 38,870.23 lakhs as at March 31, 2025.</p> <p>The carrying value of investments in and loans to subsidiaries, associates and joint ventures will be recovered through future cash flows and there is inherent risk that these assets will be impaired if these cash flows do not meet the Company's expectations.</p> <p>Refer to note 1.1 (d) in the Standalone Financial Statements for details of accounting policies on impairment of assets and related disclosures.</p> <p>Valuation of investment in and loans to subsidiaries, associates and joint ventures is a key audit matter due to:</p> <ul style="list-style-type: none"> The inherent complexity in auditing the forward-looking assumptions applied to recoverable value given the significant judgements involved. The key assumptions in the cash flow models include the forecast revenue, margins, terminal growth and discount rates. 	<p>Principal audit procedures</p> <p>Our audit procedures include the following substantive procedures:</p> <ul style="list-style-type: none"> Obtained an understanding of management's process and evaluated design and tested operating effectiveness of controls around identification of indicators of impairment under Ind AS, and around valuation of the business to determine recoverable value of the said investment. Assessed the appropriateness of methodology and valuation model used by the management to estimate the recoverable value of investments. Assessed cash flow forecasts to ensure consistency with current operations of the Company and performed sensitivity analysis on key assumptions used in management's calculated recoverable value Assessed the reasonableness of assumptions relating to revenue growth rate, gross margins, discount rates etc. based on historical results, current developments and future plans of the business estimated by management using expertise of our valuation specialist on required parameters. Performed sensitivity analysis of the key assumptions, including future revenue growth rates, future gross margins, and the discount rate applied in the recoverable value and considering the resulting impact on the impairment testing and whether selection of these key assumptions is appropriate. Based on our procedures, we also considered the adequacy of disclosures in respect of investment in and loans to the said subsidiaries, associates and joint venture in the notes to the standalone financial statements.

The key audit matter	How the matter was addressed in our audit
Minimum Alternate Tax (MAT) Credit Entitlement – Deferred tax assets	Principal audit procedures
<p>The Company pays minimum alternate tax (MAT) under section 115JB of the Income Tax Act, 1961. The MAT paid would be available as an offset over a period of 15 years. The MAT credit is recognized as a deferred tax asset to be available for offset when the Company pays taxes under the provision of Income Tax Act, 1961. The balance of MAT credit receivable as at March 31, 2025 is ₹ 4,775.60 Lakhs (refer note 1.1(q) to the standalone financial statements).</p> <p>The recognition and recoverability of deferred tax asset on account of MAT credit requires significant judgement regarding the Company's future profitability and taxable income which will result in utilization of the MAT credit within the time limits available under the applicable Income tax laws.</p>	<p>In respect of such deferred tax assets, we assessed recoverability from a tax perspective by performing the following procedures:</p> <ul style="list-style-type: none"> Evaluating the design, implementation and operating effectiveness of the relevant internal controls over recognition and measurement of MAT credit assets. Understanding why the MAT credit entitlement arose and whether the MAT credit entitlement can be utilized. Assessed the sensitivity analysis applied by the Company and evaluated if any change in the assumptions will lead to any material change in carrying amount. assessing any restriction in use of the MAT credit entitlement and <p>Further, we assessed the applicability of Ind AS 12 Income Taxes by assessing management's assessment of recoverability of MAT credit entitlement against forecast income streams, including reliability of future income projections.</p> <p>We validated the appropriateness of the related disclosures in the standalone financial statements.</p>

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Board's Report, Management Discussion and Analysis, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon, and the remaining sections of the Company's Annual Report, which are expected to be made available to us after that date.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other sections of the Annual Report (other than those mentioned above), if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE 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 Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued there under and other accounting principles



generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting the 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process of each Company.

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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material

misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal 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 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 management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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.

We communicate with those charged with governance of the company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- 1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
- 2) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 2(vi) below on reporting under Rule 11(g).
 - c) The Standalone Balance Sheet, the standalone statement of Profit and Loss including Other Comprehensive Income, the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.
 - e) On the basis of 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 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 B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirement of Section 197(16) of the Act, as amended, in our opinion and according to the information and explanations given to us, remuneration paid by the Company to its directors during the current 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, 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.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - 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, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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 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 (a) and (b) above, contain any material misstatement.
- v. During the year neither any interim dividend nor any dividend pertaining to previous year has been declared or paid by the company.

The Board of Directors of the Company has proposed final dividend for the

financial year 2024-2025 which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act as applicable.

- vi. Based on our examination, which included test checks, and relying on the representations / explanations from the Company, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all the 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 in respect of accounting software.

Additionally, the audit trail, where enabled, has been preserved and retained by the company as per the statutory requirements for record retention.

for **B N P S And Associates LLP.**

Chartered Accountants

Firm's Regn No. 0008127S/S200013

CA. Yogesh R Bung

Partner

Membership No. 143932

UDIN:: 25143932BIMPLY7476

Place: Mumbai

Date : 26.05.2025

Annexure - A to the Independent Auditor's Report

(Referred to in Para 1 under the heading "Report on Other Legal and Regulatory Requirements" section of our report of even date)

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment located in

different units in a phased manner over a period of 3 years. In accordance with this programme, property, plant and equipment of certain units were verified during the year as part of its programme. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than Properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company:

Description of the property	Gross Carrying value (in lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not held in name
Leasehold land located in Jadcherla, Telangana measuring 9 acres	349.26	Raichem Lifesciences Pvt. Ltd.	No	Since 2012	The title deeds are in the name of the erstwhile Company that was amalgamated with the Company pursuant to the Scheme of Amalgamation sanctioned by the Hon'ble High Court of Andhra Pradesh dated August, 31, 2012.

d. The company did not revalue its Property, Plant and Equipment (including right of use assets) or intangible assets during the year. Accordingly, paragraph 3(i)(d) of the Order is not applicable.

e. According to the information and explanations given to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 and Rules made thereunder.

ii. a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the

coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

b) During the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks on the basis of security of current assets. In our opinion and according to the information and explanation given to us and the records of the Company examined by us during the course of the audit, the Company has filed original / revised quarterly returns / statements with banks or financial institutions which are in agreement with the books of account of the Company.



iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments by way of subscription to common shares / equity shares in 01 foreign subsidiary & 02 Indian subsidiaries during the year. The Company has not provided any guarantee, security or granted any advances in the nature of loans, secured or unsecured to companies other than subsidiary companies, limited liability partnership, and other parties during the year.

- a) (A) Based on the audit procedures carried on by us and as per the information and explanations given to us, the company has provided loans and stood guarantee to subsidiaries as below:

(₹ in lakhs)

Particulars	Guarantees	Loans
Aggregate amount granted / provided during the year – Subsidiaries	14,042.00	43,287.07
Balance outstanding as at balance sheet date – Subsidiaries (Net)	59,042.00	38,870.23

- (B) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not provided loans and stood guarantee to a party other than subsidiaries.
- b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided during the year and the terms and conditions of the grant of loans and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.
- 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 have been regular as per stipulation.
- d) In respect of loans granted by the Company, there is no overdue amount for more than ninety days. Further, the Company has not given any advances in the nature of loans to any party during the year.
- e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no other loans which have been granted and falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to same parties.
- f) 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 and guarantees 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. We have broadly reviewed the cost records maintained by the Company pursuant to sub-section (1) of section 148 of the Companies Act and are of the opinion that prime facie the prescribed accounts and records have been made and maintained. 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) According to the records, the company is generally regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service-tax, duty of customs, duty of excise, value added tax, cess and all other material statutory dues with the appropriate authorities and there were no arrears of statutory dues as at March 31, 2025 outstanding for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues

relating to Goods and service tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and all other material statutory dues which have not been deposited on account of any disputes.

viii. According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

ix. a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or in the payment of interest thereon to any lender.

b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.

c) According to the information and explanations given to us, the company has taken term loans for general purposes and the same have been utilized for the purposes for which they were obtained.

d) In our opinion and according to the information and explanations given to us, and 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) According to the information and explanations given to us and 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) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures.

x. a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the

year. Accordingly, para 3 (x)(a) of the Order is not applicable to the Company.

b) Based on examination of the books and records of the Company and according to the information and explanations given to us, the company has made private placement of equity shares during the year. In our opinion, the company has complied with the provisions of Sections 42 and 62 of the Companies Act, 2013 to the extent applicable. Further, the funds raised through the private placement have been utilized for the purposes for which they were intended.

xi. a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, para 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business. In our opinion,



the company has an adequate internal audit system commensurate with the size and nature of its business;

- b) We have considered the reports of the Internal Auditors issued till date for the period under audit.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, 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) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, Para 3(xvi) (a) of the Order is not applicable to the Company.
- b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, para 3 (xvi)(b) of the Order is not applicable to the Company.
- c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence Para 3(xvi) (c) of the said Order is not applicable to the Company.
- d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, para 3(xvi) (d) of the said Order is not applicable to the Company.
- xvii. The company has not incurred any cash losses in the current and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the 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 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. According to the information and explanations given to us, the Company does not have any unspent amount towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under Para 3(xx) of the Order is not applicable to the Company.

for **B N P S And Associates LLP.**

Chartered Accountants

Firm's Regn No. 0008127S/S200013

CA. Yogesh R Bung

Partner

Place: Mumbai

Date : 26.05.2025

Membership No. 143932

UDIN:: 25143932BIMPLY7476

Annexure – B to the Independent Auditor's Report

on the standalone financial statements of Shilpa Medicare Limited for the year ended 31 March 2025.

REPORT ON THE INTERNAL FINANCIAL CONTROLS 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 Shilpa Medicare Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls 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 ('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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements 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") and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements, both issued by ICAI. 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 aspects.

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 these 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 standalone financial statements, whether due to fraud and 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 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 controls 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditure 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 standalone 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 policies or procedures may deteriorate.

OPINION

In our opinion the Company has, in all material respects, an adequate internal financial control with reference to standalone financial statements and such internal financial controls were operating effectively

as at March 31, 2025, based on the internal controls over financial reporting 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 ICAI.

for **B N P S And Associates LLP.**

Chartered Accountants

Firm's Regn No. 0008127S/S200013

CA. Yogesh R Bung

Partner

Membership No. 143932

UDIN:: 25143932BMIPLY7476

Place: Mumbai

Date : 26.05.2025

Standalone Balance Sheet

as at 31.03.2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars	Notes	As at 31.03.2025	As at 31.03.2024
ASSETS			
Non- Current Assets			
(a) Property, plant & equipment.	2	44,060.51	48,346.03
(b) Right of use - Lease Assets	2A	1,978.11	2,065.02
(c) Capital work- in- progress	3	3,946.08	991.85
(d) Intangible assets	4	10,968.96	8,221.89
(e) Intangible assets under development	5	24,155.39	21,831.91
(f) Financial assets	6		
(i) Investments		1,27,950.06	24,645.10
(ii) Loans		38,870.23	94,689.37
(iii) Other financial assets		275.52	343.78
(g) Other non-current assets	7	732.81	3,030.84
Total Non- Current Assets		2,52,937.67	2,04,165.63
Current Assets			
(a) Inventories	8	14,857.99	11,191.74
(b) Financial assets	9		
(i) Trade receivables		19,051.96	14,382.17
(ii) Cash and cash equivalents		329.02	291.68
(iii) Other bank balance		113.08	154.06
(iv) Others financial assets		8,015.66	8,310.72
(c) Other current assets	10	4,593.19	2,452.18
(d) Current tax assets (net)	11	767.64	913.99
Total Current Assets		47,728.54	37,696.70
Total Assets		3,00,666.21	2,41,862.33
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	977.91	868.02
(b) Other equity	13	2,69,081.31	2,13,403.80
Total Equity		2,70,059.22	2,14,271.82
Liabilities			
Non- Current Liabilities			
(a) Financial Liabilities	14		
(i) Borrowings		2,446.94	3,001.81
(ii) Lease Liabilities		124.81	127.21
(b) Provisions	15	397.54	339.60
(c) Deferred Tax Liabilities (Net)	16	4,242.86	2,486.97
(d) Other Non-Current Liabilities	17	706.26	371.23
Total Non- Current Liabilities		7,918.41	6,326.82
Current Liabilities			
(a) Financial Liabilities	18		
(i) Borrowings		8,243.15	11,252.84
(ii) Lease Liabilities		13.61	52.93
(iii) Trade Payables			
Total outstanding dues of micro and small enterprises		134.85	53.13
Total outstanding dues of creditors other than micro and small enterprises		2,084.33	5,216.02
(iv) Other Financial Liabilities		5,035.07	2,623.47
(b) Other Current Liabilities	19	1,657.18	694.90
(c) Provisions	20	5,520.39	1,370.39
Total Current Liabilities		22,688.58	21,263.68
Total Equity & Liabilities		3,00,666.21	2,41,862.33

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached
for **B N P S And Associates LLP**
Chartered Accountants
Firm's Registration No.008127S/S200013

Yogesh. R. Bung
Partner
M.No.143932

Place : Mumbai
Date :26.05.2025

For and on behalf of the Board of Directors of
Shilpa Medicare Limited

Omprakash Inani
Chairman
DIN : 01301385

Ritu Tiwary
Company Secretary

Vishnukant Bhutada
Managing Director
DIN: 01243391

Alpesh Maheshkumar Dalal
Chief Financial Officer



Standalone Statement of Profit and Loss

for the year ended 31.03.2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars	Notes	For the Year ended 31.03.2025	For the Year ended 31.03.2024
INCOME			
(a) Revenue from operations	21 & 22	47,734.21	30,978.67
(b) Other Income	23	8,383.35	8,911.60
Total Income		56,117.56	39,890.27
EXPENSES			
(a) Cost of materials consumed	24	9,982.52	7,386.89
(b) Purchases of stock-in-trade	25	1,467.77	1,274.89
(c) Change in inventories of finished goods, work-in-progress and stock-in-trade	26	600.49	263.46
(d) Employee benefits expense	27	9,960.59	10,363.85
(e) Finance costs	28	660.37	1,725.66
(f) Depreciation and amortisation expense	2 & 4	4,885.55	4,961.09
(g) Other expenses	29	13,262.69	9,060.41
Total Expenses		40,819.97	35,036.25
Profit before Exceptional item and tax		15,297.59	4,854.02
Exceptional Items: (income) / expense	30	4,573.81	1,045.10
Profit before tax		10,723.78	3,808.92
Tax Expenses			
Current Tax		4,707.76	1,128.65
Deferred Tax (Net of MAT Credit)		(964.27)	(13.48)
Total Tax Expenses		3,743.49	1,115.17
Profit for the Period		6,980.29	2,693.75
Other comprehensive Income/(Loss)			
(a) Items that will not be reclassified subsequently to Profit or Loss			
Remeasurement of the net defined benefit (Liability)/asset		(298.66)	(254.58)
Income Tax relating to the above		104.35	88.95
Total Other comprehensive Income(OCI) for the period		(194.31)	(165.63)
Total comprehensive income for the period		6,785.99	2,528.11
Earning per equity share, par value of ₹ 1/- each (refer note.36)			
Basic (₹)		7.16	3.10
Diluted (₹)		7.16	3.10

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached
for B N P S And Associates LLP
Chartered Accountants
Firm's Registration No.008127S/S200013

Yogesh. R. Bung
Partner
M.No.143932

Place : Mumbai
Date :26.05.2025

For and on behalf of the Board of Directors of
Shilpa Medicare Limited

Omprakash Inani
Chairman
DIN : 01301385

Ritu Tiwary
Company Secretary

Vishnukant Bhutada
Managing Director
DIN: 01243391

Alpesh Maheshkumar Dalal
Chief Financial Officer

Standalone Statement of Changes in Equity

for the year ended 31.03.2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Total
Balance as at 01 April, 2023	868.02
Changes in equity share capital during the year	-
Balance as at 31 March, 2024	868.02
Changes in equity share capital during the year	109.89
Balance as at 31 March, 2025	977.91

B. OTHER EQUITY

Particulars	Securities Premium	General Reserves	Retained Earnings	Other Comprehensive Income (OCI)		Gain on forfeiture of equity shares	Total
				Cash flow hedge reserve	Remeasurement of defined benefit plan		
Balance as at 01 April, 2023	72,495.13	5,182.68	133,210.87	(2.59)	(4.48)	8.76	210,890.37
Profit for the year	-	-	2,693.74	-	-	-	2,693.74
Other Comprehensive income, net of tax	-	-	-	-	(165.63)	-	(165.63)
Addition/Deletion during the year	-	-	-	-	(14.68)	-	(14.68)
Balance as at 31 March, 2024	72,495.13	5,182.68	135,904.61	(2.59)	(184.79)	8.76	213,403.81
Profit for the year	-	-	6,980.29	-	-	-	6,980.29
Other Comprehensive income, net of tax	-	-	-	-	(194.31)	-	(194.31)
Premium on issue of equity shares (Refer Note 50)	49,890.11	-	-	-	-	-	49,890.11
Share issue expenses (Refer Note 50)	(998.59)	-	-	-	-	-	(998.59)
Balance as at 31 March, 2025	121,386.65	5,182.68	142,884.91	(2.59)	(379.09)	8.76	269,081.31

The accompanying notes form an integral part of the standalone financial statements

Note:

- Securities premium:** This reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Section 52 of the Companies Act, 2013.
- General Reserve:** This Reserve is created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilised in accordance with the provisions of the Companies Act, 2013.
- Retained Earnings:** This Reserve represents the cumulative profits of the Company. This Reserve can be utilised in accordance with the provisions of the Companies Act, 2013.
- Cash flow hedge reserve:** This Reserve represents the cumulative effective portion of changes in Fair Value of derivatives that are designated as Cash Flow Hedges. It will be reclassified to profit or loss or included in the carrying amount of the non-financial asset in accordance with the Company's accounting policy.
- Remeasurements of the net defined benefits plan:** This reserve comprises the cumulative net gains/ losses on actuarial valuation of post-employment obligations.

As per our report of even date attached
for B N P S And Associates LLP
Chartered Accountants
Firm's Registration No.008127S/S200013

Yogesh. R. Bung
Partner
M.No.143932

Place : Mumbai
Date :26.05.2025

For and on behalf of the Board of Directors of
Shilpa Medicare Limited

Omprakash Inani
Chairman
DIN : 01301385

Ritu Tiwary
Company Secretary

Vishnukant Bhutada
Managing Director
DIN: 01243391

Alpesh Maheshkumar Dalal
Chief Financial Officer



Standalone Statement of Cash Flow

for the year ended 31.03.2025

(All amounts are in Indian Rupees in Lakhs, unless otherwise stated)

Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
Cash Flows from Operating Activities		
Profits Before Tax (PBT)	10,723.78	3,808.91
Adjustment for:		
Finance cost	657.64	1,725.66
Depreciation & Amorisation expenses	4,885.55	4,961.09
Provision for Gratuity & Compensated absence	112.91	105.26
Bad debts / Advances written off	30.63	277.94
Provision for doubtful debts	-	21.66
Provision for advances to suppliers	-	84.08
Liabilities written back	(127.75)	(197.84)
Government Grant	(2.64)	(2.64)
(Profit)/ Loss on sale of Assets	(112.39)	(59.71)
Unrealized foreign exchange (Gain) / Loss	(519.29)	216.08
Corporate guarantee fees	(587.47)	(172.82)
Interest Income	(6,052.18)	(6,969.33)
Dividend Income	(286.31)	(284.43)
Provision for Interest accrued on loans to subsidiaries	179.52	314.95
Reversal of provision for Impairment on Investment	(101.63)	-
Inventories written off	1,062.02	962.97
Provision for impairment loss on advances in subsidiaries	1,586.15	723.74
Provision for ECL on Interest accrued on loans to subsidiaries	-	6.40
Operating profit before working capital changes	11,448.54	5,521.97
Movement in working capital		
(Decrease) / Increase in financial & non-financial liabilities	6,146.46	509.36
Decrease / (Increase) in Financial & non-financial Assets	(5,371.29)	47.00
Decrease / (Increase) in Inventory	(4,728.89)	(2,704.69)
Decrease / (Increase) in Trade receivables	(4,746.44)	(3,812.93)
(Decrease) / Increase in Trade payables	(2,917.48)	2,089.35
Net Cash flow generated from Operations	(169.10)	1,650.05
Taxes paid	(1,736.90)	(694.74)
Net Cash flow generated from Operating activities (A)	(1,906.00)	955.31
Cash Flows From Investing Activities		
Purchase of Property, plant and equipment including intangible assets (Refer Note No 2)	(5,744.28)	(5,507.89)
Loan given to Subsidiaries (Net)	(35,955.56)	(16,703.58)
Proceeds from sale of assets	1,458.21	1,041.05
Investments in Group Companies and Others	(11,903.15)	(252.14)
Interest received	8,816.11	5,403.73
Slump sale consideration received	-	31,601.08
Net cash used in Investing Activities (B)	(43,328.67)	15,582.25

Standalone Statement of Cash Flow

for the year ended 31.03.2025

(All amounts are in Indian Rupees in Lakhs, unless otherwise stated)

Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
Cash Flows From Financing Activities		
Interest paid	(608.05)	(1,748.36)
Payment of Lease Liabilities	(25.21)	(52.78)
Long-term loans and borrowings (net)	(314.46)	(13,156.64)
Short-term loans and borrowings (net)	(3,004.31)	(1,349.69)
Proceeds from Issue of Equity	48,960.63	-
Net Cash earned from Financing Activities (C)	45,008.60	(16,307.47)
Net Increase/(decrease)in Cash and Cash Equivalents	(226.07)	230.10
Change in foreign currency translation	222.27	(32.88)
Cash & Cash Equivalents at the Beginning of the year	445.90	248.51
Cash & Cash Equivalents at the end of the period	442.10	445.73

Components of Cash and Cash Equivalents	For the year ended 31.03.2025	For the year ended 31-03-2024
- Cash in Hand	10.19	16.35
- Balances with banks - on current accounts	277.25	249.81
- Balances with banks - on unpaid dividend accounts #	16.74	20.99
- Deposits with original maturity of less than 03 months	41.58	25.51
- Fixed deposits having maturity less then 12 month held as margin money	96.34	133.07
Total Cash and Cash Equivalents	442.10	445.73

The Company can utilise these balances only towards settlement of the respective unpaid dividend liabilities

The accompanying notes form an integral part of the standalone financial statements

Notes:

1. Previous year figures have been reclassified wherever necessary.
2. Purchase and sale of property, plant and equipment and intangibles represents additions and deletions to property, plant and equipment, intangibles, intangibles under development further adjusted for movement of capital work in progress, capital advances, capital creditors during the year.
3. Cash flow statement has been prepared under indirect method as per Ind AS-7 "Statement of Cash Flows" as perscribed under Companies (Accounting Standard) Rules, 2015.

As per our report of even date attached
for B N P S And Associates LLP
Chartered Accountants
Firm's Registration No.008127S/S200013

For and on behalf of the Board of Directors of
Shilpa Medicare Limited

Yogesh. R. Bung
Partner
M.No.143932

Omprakash Inani
Chairman
DIN : 01301385

Vishnukant Bhutada
Managing Director
DIN: 01243391

Place : Mumbai
Date :26.05.2025

Ritu Tiwary
Company Secretary

Alpesh Maheshkumar Dalal
Chief Financial Officer



Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

CORPORATE INFORMATION

Shilpa Medicare Limited (SML) is a listed Company engaged in the manufacturing of API, Formulation and Development service. Shilpa Medicare Limited (SML) started its operations as API manufacturer way back in 1987 at Raichur, Karnataka- India. The Company started its commercial production in November 1989. In November 1993, Shilpa Medicare Limited was converted into a Public Limited Company. The Company was listed on Bombay Stock Exchange on June 19, 1995 and National Stock Exchange (NSE) on December 03, 2009. Subsequently Shilpa Medicare has gained World Health Organization-Good Manufacturing Practices (GMP) Certificate recognition.

SML is presently dealing in high-quality Active Pharmaceutical Ingredients (APIs), Intermediates, Formulations, New Drug Delivery Systems, Peptides / Biotech products and Specialty Chemicals etc. using sophisticated technology meticulously in order to comply with laid down international standards/specifications. Today SML is among the world's leading suppliers of Oncology/Non-Oncology APIs and intermediates.

1. Basis of Preparation of Financial Statements

I. Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as specified under section 133 of the Companies Act 2013 read together with the Rule 4 of Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) Amendment Rules 2016 to the extent applicable and the other relevant provisions of the Act, pronouncements of the regulatory bodies applicable to the Company.

These financial statements have been prepared by the Company as a going concern on the basis of relevant Ind AS that are effective or elected for early adoption at the Company's annual reporting date March 31, 2025. The accounting policies are applied consistently to all the periods presented in the financial statements. The Standalone financial statements of the Company for the year ended 31 March, 2025 were approved by the Board of Directors on May 26, 2025.

II. Basis of Measurement

The financial statements have been prepared on the historical cost convention and on accrual basis, except for the following assets and liabilities

which have been measured at fair value wherever applicable

- Derivative financial instruments
- Certain financial assets / liability measured at fair value,
- Net defined benefit assets/(liability) are measured at fair value of plan assets, less present value of defined benefit obligations.

III. Functional and presentation currency

The financial statements are presented in Indian Rupees which is the functional currency of the Company. All amounts have been rounded-off to the nearest lakhs unless otherwise stated.

IV. Current v/s Non-current classification

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

An asset is current when it satisfies the below mentioned criteria:

- (i) Expected to be realised or intended to be sold or consumed in normal operating cycle, or
- (ii) Held primarily for the purpose of trading, or
- (iii) Expected to be realised within twelve months after the reporting period, or
- (iv) 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 satisfies the below mentioned criteria:

- (i) Expected to be settled in normal operating cycle, or

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

- (ii) Held primarily for the purpose of trading, or
- (iii) Due to be settled within twelve months after the reporting period, or
- (iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are treated as non-current.

1.1 Significant Accounting Policies

Critical accounting Estimates and Judgments:

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Revisions to accounting estimates are recognised prospectively.

The areas involving critical estimates or judgments are:

- Measurement of defined benefit obligation (Note 1.1 (h))
- Estimation of Useful life of Property, plant and equipment and intangibles (Note 1.1 (a))
- Recognition of deferred taxes (Note 1.1 (q))
- Estimation of impairment (Note 1.1 (d))
- Estimation of provision and contingent-liabilities (Note 1.1 (r))
- Business Combination (Note-1.1(e))

a) Property, Plant and Equipment & Depreciation:

- i. Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises of purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

- ii. Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest.

- iii. Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

- iv. Depreciation on Fixed Assets is provided on ascertain useful life of assets under Straight Line Method (SLM) prescribed in Schedule II of the Companies Act 2013, with exception of those assets whose useful life is ascertain by the management.

- v. The Company follows the policy of charging depreciation on pro-rate basis on the assets acquired or disposed off during the year.

b) Intangible Assets:

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the assets can be measured reliably.

Intangible Assets are stated at cost less accumulated amortization. Cost includes only such expenditure that is directly attributable to making the asset ready for its intended use.

Intangible assets are amortized over their useful life over a period of 10 years

Intangible Assets include capitalized expenditure on filing and registration of any Drug Master File (DMF) or Abbreviated New Drug Application (ANDA) and compliance with regulatory procedures of the USFDA, in filing such DMF or ANDA, which are in respect of products for which commercial value has been established by virtue of third party agreements/ arrangements. The cost of each DMF/ANDA is amortized over its estimated useful life from the date on which the amount has been capitalized.

c) Research and Development:

All expenditure on research activities are recognized in the Profit and Loss Statement



Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

when incurred. Expenditure on development activities are also recognized in the Profit and Loss Statement in the year such expenditure is incurred. However, development expenditure is capitalized only in cases where such costs can be measured reliably, the technological feasibility has been established in respect of the product or process for which costs are incurred, future economic benefits are probable and the Company intends to and has sufficient resources to complete development and to use or sell the asset.

Payments to third parties that generally take the form of up-front payments and milestones for in-licensed product are capitalized. The Company's criteria for capitalization of such assets are consistent with the guidance given in paragraph 25 of Ind AS 38 (receipt of economic benefit out of the separately purchased transaction is considered to be probable).

Acquired research and development intangible assets that are under development are recognized as Intangible Assets under Development. These assets are not amortized, but evaluated for potential impairment on an annual basis or when there are indications that the carrying value may not be recoverable. Where a determination of impairment in respect of any such asset is made, The impairment of such asset is recognized in the Profit and Loss Statement in the year in which such determination is made. Where a determination is made to the effect that future economic benefits are probable, the total cost is capitalized in the year in which such determination is made.

Amortization of capitalized development expenditure is recognized on a straight-line basis, over the useful life of the asset

d) Impairment of Assets:

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable value being higher of value in use and fair value less cost of disposal. Value in use is computed at net present value of cash flow expected over the balance useful life of

the assets. An impairment loss is recognized as an expense in the Profit and Loss Account in the year in which an asset is identified as impaired.

e) Business Combination and Goodwill:

The Company uses the acquisition method of accounting to account for business combinations. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Company is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

The Company measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred, including the recognised amount of any non-controlling interest in the acquiree, less the net recognized amount of the identifiable assets acquired and liabilities assumed.

Any goodwill that arises on account of such business combination is tested annually for impairment.

f) Non-Current asset held for sale:

Assets are classified as held for sale and stated at the lower of carrying amount and fair value less costs to sell if the asset is available for immediate sale and its sale is highly probable. Such assets or group of assets are presented separately in the Balance Sheet as "Assets Held for Sale".

g) Inventory:

Inventories are valued at the lower of cost and net realisable value. The cost is determined on FIFO basis. Cost of finished goods and work in- progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

h) Employee Benefits:

Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined Contribution plans

Contribution towards Provident Fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution schemes as the Company does not carry any further obligations, apart from the Contributions made on a monthly basis.

Defined benefit plans

Gratuity liability is defined benefit obligation and is provided on the basis of an actuarial valuation on projected unit credit method made at the end of each year. The Company funds the benefit through contributions to LIC.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income (OCI). Net interest expense/(income) on the net defined (liability)/assets is computed by applying the discount rate, used to measure the net defined (liability)/asset. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss

i) Cash and Cash Equivalent:

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. Cash flow statement is prepared under the indirect method as per Ind AS 7, For the purpose of the statement of

cash flows, cash and cash equivalents consist of cash and short-term deposits.

j) Dividends to Shareholders:

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors, Dividend payable and corresponding tax on dividend distribution is recognised directly in other equity.

k) Leases:

The Company assesses whether a contract contains a lease, at the inception of 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 use of an identified asset, the Company assesses whether:

- The contract involves use of an identified asset;
- The Company has substantially all the economic benefits from the use of the asset through the period of lease; and
- The Company has the right to direct the use of an asset.

At the date of commencement of lease, the Company recognises a Right-of-use asset ("ROU") and a corresponding liability for all lease arrangements in which it is a lessee, except for leases with the term of twelve months or less (short term leases) and low value leases. For short term and low value leases, the Company recognises the lease payment as an operating expense on straight line basis over the term of lease.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of 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 explicit



Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

Lease liability and ROU asset have been separately presented in the Balance Sheet and the lease payments have been classified as financing cash flows.

I) Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

i. Sale of products:

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable. Amount disclosed as revenue are excluding goods and service tax (GST), sales tax or value added taxes or service taxes or duties collected on behalf of the government, and net off returns, trade discounts, rebates and any amount collected on behalf of third parties.

ii. Development Revenue:

Development revenue are recognized over the time period of the development activity and are recognized on the completion of each mile- stones as per term of the agreement.

iii. Recognition of Export benefits:

Export benefit entitlements in respect of incentive schemes including Merchandise Export Incentive Scheme (MEIS) and Focus Product Scheme (FPS) of the government of India are recognized in the period in which they are approved.

iv. Milestone payments and out licensing arrangements

The Company enters into certain dossier sales, licensing and supply arrangements that, in certain instances, include certain performance obligations. Based on an evaluation of these obligations, the Company recognise or defer the upfront payments received under these arrangements. Milestone payments which are contingent on achieving certain clinical milestones are recognised as revenues either on achievement of such milestones.

Income from out-licensing agreements typically arises from the receipt of upfront, milestone and other similar payments from third parties for granting a license to product- or technology- related intellectual property (IP). Milestone payments which are contingent on achieving certain clinical milestones are recognised as revenues either on achievement of such milestones, if the Milestones are considered substantive, or over the period we have continuing performance obligations, if the milestones are not considered substantive.

The Company recognises a deferred income (contract liability) if consideration has been received (or has become receivable) before the company transfers the promised goods or services to the customer.

Other Income:

- v. Interest Income is recognized using the Effective interest rate (EIR) method.
- vi. Dividend income is recognized when right to receive is established.
- vii. The Company recognises government grants only when there is reasonable assurance that the conditions attached to them will be complied with and the grants is received. Government grants received in relation to assets are recognised as deferred income and amortized over the useful life of such asset. Grants related to income are recognised in the profit & loss account under other income.

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

m) Foreign Currency Transactions/ Translations:

Initial Recognition

Foreign Currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Translations

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange Differences

The exchange difference arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in the previous financial statements, are recognized in the Statement of Profit and Loss in the period in which they arise as income or as expense.

n) Government Grant:

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Grants related to revenue items are presented as part of profit or loss under general heading such as other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as 'Deferred Government Grant' and are credited to profit & loss account under other income on a straight-line basis over the expected lives of the related assets.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the

difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

o) Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred. Further, interest earned out of borrowed funds from temporary investments are reduced from the borrowing cost.

Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

p) Financial Instrument:

A financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

1) Financial Asset:

Initial recognition and measurement

All financial instruments are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through P&L, transaction costs that are attributable to the acquisition of the financial asset, purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace are recognized on the trade date i.e. the date that the company commits to purchase or sell the asset.

Subsequent Measurement

For the purpose of subsequent measurement financial assets are classified as measured at:

- Amortised cost
- Fair value through profit and loss (FVTPL)
- Fair value through other



Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

comprehensive income (FVOCI).

(a) **Financial Asset measured at amortized Cost**

Financial Assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost using effective interest rate (EIR) method. The EIR amortization is recognized as finance income in the statement of Profit & Loss. The company while applying above criteria has classified the following at amortized cost:

- Trade receivables
- Loans
- Other financial assets

(b) **Financial Assets measured at fair value through other comprehensive income (FVTOCI)**

financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognized in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss

(c) **Financial Assets at fair value through profit or loss (FVTPL)**

Financial Assets are measured at Fair value through Profit & Loss if it does

not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the statement of Profit & Loss.

Equity Instruments:

All investments in equity instruments classified under financial assets are initially measured at fair value, the group may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The classification is made on initial recognition and is irrevocable

Investments in subsidiaries, associates and joint venture:

Investments in subsidiaries, associates and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognised in the statement of profit and loss.

De-recognition of financial Assets:

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred and the transfer qualifies for Derecognition. On Derecognition of a financial asset in its entirety, the difference between the carrying amount (measured on the date of recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in the statement of Profit & Loss.

Impairment of financial Assets:

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model by adopting the

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

simplified approach using a provision matrix reflecting current condition and forecasts of future economic conditions for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial Assets that are debt instruments, and are measured at amortized cost e.g. loans, debt securities, deposits, trade receivables and bank balance
- Financial Assets that are debt instruments and are measured at FVTOCI.
- Lease receivables under Ind AS 17.
- Trade receivables or any contractual right to receive cash or another financial asset
- Loan commitments which are not measured at FVTPL
- Financial guarantee contracts which are not measured at FVTPL

Investments are tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined by assessing the recoverable amount of each investment. When the recoverable amount of the investment is less than its carrying amount, an impairment loss is recognised.

The recoverable amounts of the above investments have been assessed using a value-in-use model. Value in use is generally calculated as the net present value of the projected post-tax cash flows plus a terminal value of the business. Initially, a post-tax discount rate is applied to calculate the net present value of the post-tax cash flows. Key assumptions upon which the Company has based its determinations of value-in-use include :

- a) Estimated cash flows based on internal budgets and industry outlook for a period of five years and a terminal growth rate thereafter.
- b) A terminal value arrived at by extrapolating the last forecasted year cash flows to perpetuity, using a constant long-term growth rate ranging from 1-3%. This long term growth rate takes into consideration external macroeconomic sources of data. Such long-term growth rate considered does not exceed that of the relevant business and industry sector.
- c) The after tax discount rates used reflect the current market assessment of the risks specific to the investment, the discount rate is estimated based on the weighted average cost of capital for respective investment. After tax discount rate used range from 11% - 12%.

The Company believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

During the year, the company has made provision for losses of investments and advances amounting to ₹ 1586.15 Lakhs in one of its wholly owned foreign subsidiary namely Koanna Healthcare, Canada.

II) Financial Liability:

Initial recognition and measurement

Financial liabilities are recognized initially at fair value plus any transaction cost that are attributable to the acquisition of the financial liability except financial liabilities at FVTPL that are measured at fair value.



Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Financial Liabilities at amortized cost:

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount.

The company is classifying the following under amortized cost

- Borrowings from banks
- Borrowings from others
- Trade payables
- Other financial liabilities

Derecognition:

A financial liability shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

III. Derivative financial instrument and hedge accounting:

The Company is exposed to foreign currency

fluctuations on foreign currency assets, liabilities, net investment in foreign operations and forecasted cash flows denominated in foreign currency. The Company limits the effect of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Company enters into derivative financial instruments where the counterparty is primarily a bank.

Derivative financial instruments are recognized and measured at fair value. Attributable transaction costs are

recognized in the statement of profit and loss as cost.

Subsequent to initial recognition, derivative financial instruments are measured as described below:

A. Cash flow hedges

Changes in the fair value of the derivative hedging instruments designated as a cash flow hedge are recognized in other comprehensive income and held in cash flow hedging reserve, net of taxes, a component of equity, to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognized in the statement of profit and loss and reported within foreign exchange gains/(losses), net, within results from operating activities. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the statement of profit and loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, such cumulative balance is immediately recognized in the statement of profit and loss.

B. Others

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges are recognised in the statement of profit and loss and reported within foreign exchange gains/(losses), net, within results from operating activities.

Changes in fair value and gains/(losses), net, on settlement of foreign

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

currency derivative instruments relating to borrowings, which have not been designated as hedges are recorded in finance costs.

q) Taxes on Income:

Tax expense comprises of current and deferred tax.

I. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Tax Act.

II. Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is measured

III. based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

IV. Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent it is reasonably certain that the Company will pay normal income tax during the specified period. Such asset is reviewed at each reporting date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

r) Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. If effect of the time value of money is material, provisions are discounted using an appropriate discount 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 recognized as finance cost.

Contingent Liabilities are not recognized but are disclosed in the notes.

s) Offsetting:

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

t) Earnings per share:

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period.

u) Operating cycle

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.

v) Exceptional Items:

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities which are nonrecurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

1.2 Recent Indian Accounting Standards (Ind AS): Standards Issued.

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 w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that the Company has not entered into transactions covered under Ind 117 & amendments to Ind AS 116 and therefore, there is no impact on the financial statements.



Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

2. PROPERTY, PLANT & EQUIPMENT

Particulars	Gross Block			Depreciation / Adjustment		Net Block
	As at 01 April, 2024	Additions	Deduction/ Adjustment during the Year	For the Period	As at 31 March, 2025	
Tangible Assets						
i) Owned						
a) Borewell	12.28	-	-	0.57	10.95	1.33
b) Building	14,791.27	141.29	-	471.58	2,823.56	12,109.00
c) Canteen Equipment	69.42	-	-	11.07	52.29	17.13
d) Computer	808.67	34.05	(2.96)	56.60	728.82	110.94
e) Network Server equipment	308.28	-	-	38.54	206.95	101.33
f) Electrical Installation	4,162.56	18.53	(141.83)	308.04	2,316.83	1,722.43
g) ETP Machinery	126.63	-	-	6.01	24.99	101.64
h) Furniture	1,679.14	4.62	(1.43)	123.42	1,063.58	618.75
i) Land & Green Field	773.11	16.71	-	-	-	789.82
j) Lab Equipments	10,650.52	253.75	(1,663.58)	907.60	3,781.28	5,459.41
k) Office Equipment	158.31	0.41	-	14.27	136.31	22.41
l) P/M (Power Generation Unit)	3,843.04	-	-	103.97	2,627.77	1,215.27
m) Pipeline	1,367.42	40.79	-	63.90	457.70	950.51
n) Plant & Machinery	30,308.65	134.42	(228.40)	1,437.31	9,626.02	20,588.65
o) Pollution Control Equipment	9.17	-	-	0.40	1.24	7.93
p) Vehicle	291.78	-	-	29.00	122.59	169.19
q) EHS Equipment	117.14	-	-	11.12	45.72	71.42
r) Vehicles Electrical Operated	40.36	-	-	0.72	37.01	3.35
Total	69,517.75	644.57	(2,038.20)	3,584.12	24,063.61	44,060.51

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars	Gross Block			Depreciation / Adjustment			Net Block	
	As at 01 April, 2023	Additions	Deduction/ Adjustment during the Year	As at 31 March, 2024	As at 01 April, 2023	For the Period	As at 31 March, 2024	As at 31 March, 2024
Tangible Assets								
i) Owned								
a) Borewell	12.28	-	-	12.28	9.77	0.61	10.38	1.90
b) Building	14,688.71	102.56	-	14,791.27	1,858.31	493.67	2,351.98	12,439.29
c) Canteen Equipment	69.38	0.21	(0.17)	69.42	30.23	11.15	41.22	28.20
d) Computer	773.68	81.03	(46.04)	808.67	594.98	123.72	675.03	133.64
e) Network Server equipment	297.94	31.62	(21.28)	308.28	139.49	40.20	168.41	139.87
f) Electrical Installation	4,104.38	112.01	(53.83)	4,162.56	1,777.04	320.27	2,059.33	2,103.23
g) ETP Machinery	138.43	-	(11.80)	126.63	14.16	6.18	18.98	107.65
h) Furniture	1,694.52	18.46	(33.84)	1,679.14	820.57	134.14	940.69	738.45
i) Land & Green Field	773.11	-	-	773.11	-	-	-	773.11
j) Lab Equipments	12,183.59	263.98	(1,797.05)	10,650.52	3,375.66	1,051.89	3,410.12	7,240.40
k) Office Equipment	157.34	1.44	(0.47)	158.31	107.63	14.87	122.04	36.27
l) P/M (Power Generation Unit)	3,843.04	-	-	3,843.04	2,419.83	103.97	2,523.80	1,319.24
m) Pipeline	1,275.73	91.69	-	1,367.42	333.42	60.38	393.80	973.62
n) Plant & Machinery	27,765.68	2,723.25	(180.28)	30,308.65	6,972.32	1,353.69	8,290.62	22,018.03
o) Pollution Control Equipment	9.17	-	-	9.17	0.44	0.40	0.84	8.33
p) Vehicle	202.49	89.29	-	291.78	65.16	28.43	93.59	198.19
q) EHS Equipment	113.28	3.86	-	117.14	25.24	11.02	34.60	82.54
r) Vehicles Electrical Operated	40.36	-	-	40.36	35.58	0.71	36.29	4.07
Total	68,143.11	3,519.40	(2,144.76)	69,517.75	18,579.83	3,755.30	21,171.72	48,346.03



Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

2A Right to use of asset

Particulars	Gross Block			Accumulated Depreciation/Amortisation			Net block	
	As at 01.04.2024	Additions	Disposals	As at 31.03.2025	01.04.2024	For the period	Deductions/ Other adjustments	As at 31.03.2025
Leasehold Land	2,206.36	-	-	2,206.36	188.49	46.24	0.18	1,971.45
Leasehold Building	121.22	-	-	121.22	74.08	40.48	-	6.66
Total	2,327.58	-	-	2,327.58	262.56	86.72	0.18	1,978.11

Particulars	Gross Block			Accumulated Depreciation/Amortisation			Net block	
	As at 01.04.2023	Additions	Disposals	As at 31.03.2024	01.04.2023	For the period	Deductions/ Other adjustments	As at 31.03.2024
Leasehold Land	2,206.36	-	-	2,206.36	159.19	29.30	-	2,017.88
Leasehold Building	121.22	-	-	121.22	33.67	40.41	-	47.14
Total	2,327.58	-	-	2,327.58	192.86	69.70	-	2,065.02

Description of the property	Gross Carrying value (in Lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not held in name
Leasehold land located in Jadcherla, Telangana admeasuring 9 acres	349.26	Raichem Lifesciences Pvt. Ltd.	No	Since 2012	The title deeds are in the name of the erstwhile Company that was amalgamated with the Company pursuant to the Scheme of Amalgamation sanctioned by the Hon'ble High Court of Andhra Pradesh dated August, 31, 2012

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

3. CAPITAL WORK- IN- PROGRESS

Particulars	As at 01 April, 2024	Additions	Deletions/Transfer	As at 31 March, 2025
i) Machinery under erection	168.52	537.98	290.33	416.17
ii) Projects under erection	823.33	3,077.91	371.33	3,529.91
Total	991.85	3,615.89	661.66	3,946.08

Particulars	As at 01 April, 2023	Additions	Deletions/Transfer	As at 31 March, 2024
i) Machinery under erection	1,814.48	418.66	2,064.62	168.52
ii) Projects under erection	2,369.45	39.09	1,585.21	823.33
Total	4,183.93	457.75	3,649.83	991.85

4. INTANGIBLE ASSETS

Particulars	Gross Block			Depreciation / Adjustment		Net Block
	As at 01 April, 2024	Additions	Deduction/ Adjustment during the Year	As at 31 March, 2025	As at 31 March, 2025	
a) Computer software	1,229.68	34.60	-	1,264.28	-	426.88
b) Technical Know How	9,056.84	3,927.01	-	12,983.85	-	10,425.36
c) ANDA/Patents Fees	646.97	-	-	646.97	-	116.72
Total	10,933.49	3,961.61	-	14,895.10	3,926.14	10,968.96

Particulars	Gross Block			Depreciation / Adjustment		Net Block
	As at 01 April, 2023	Additions	Deduction/ Adjustment during the Year	As at 01 April, 2023	As at 31 March, 2024	
a) Computer software	1,067.15	162.53	-	515.65	-	556.50
b) Technical Know How	9,056.84	-	-	653.28	-	7,490.58
c) ANDA/Patents Fees	646.97	-	-	406.60	-	174.81
Total	10,770.96	162.53	-	1,575.53	2,711.60	8,221.89



Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

5. INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	As at 01 April, 2024	Additions	Deletions/ Transfer	As at 31 March, 2025
i) Software under installation	42.43	3.33	18.54	27.22
ii) Product under development	21,787.92	5,166.82	2,826.57	24,128.17
iii) ANDA Fees/Patents filing	1.56	-	1.56	-
Total	21,831.91	5,170.15	2,846.67	24,155.39

Particulars	As at 01 April, 2023	Additions	Deletions/ Transfer	As at 31 March, 2024
i) Software under installation	19.76	185.20	162.53	42.43
ii) Product under development	18,437.52	3,350.40	-	21,787.92
iii) ANDA Fees/Patents filing	1.56	-	-	1.56
Total	18,458.84	3,535.60	162.53	21,831.91

6 FINANCIAL ASSETS

Particulars	As at 31.03.2025	As at 31.03.2024
a) Investments in Equity Instruments (Unquoted)(At Cost)		
I) In Subsidiary Companies		
i) 1,837,634 (1,837,634) Shares of ₹ 10/- each in Shilpa Therapeutic Pvt. Ltd, Hyderabad.	1,112.46	1,112.46
ii) 15,00,000 (15,00,000) Shares of ₹ 10/- each in INM Technologies Pvt Ltd, Bangalore.	113.25	113.25
iii) 56,28,462 in which (30,00,000) shares of 100/- each of which 26,28,462 shares face value of 100/- each in Shilpa Biologicals Pvt. Ltd., Hubli issued @ premium of 2500/- each share (including deemed investment)	71,700.95	3,360.93
iv) 4,54,97,500 (2,00,00,000) shares of 10/- each of which 2,54,97,500 shares face value of 10/- each in Shilpa Biocare Pvt. Ltd.(Erstwhile Shilpa Albumin Private Limited) issued @ premium of ₹ 110/- each share	36,965.00	2,000.00
v) Deemed investment in Shilpa Biocare Pvt Ltd (Erstwhile Shilpa Albumin Pvt Limited)	52.44	52.44
vi) 1,00,00,000 (1,00,00,000) shares of 10/- each in Shilpa Pharma Lifesciences Limited (formerly known as Shilpa Corporate Holdings Pvt. Ltd., Raichur.)	1,000.00	1,000.00
vii) 95,10,000 (95,10,000) equity shares face value of 10/- each in Vegil Labs Pvt Ltd,Raichur	951.00	951.00
viii) 3,07,697 (3,07,697) equity shares of ₹ 10 each in FTF Pharma Pvt. Ltd. Ahmedabad	6,577.97	6,577.97
II) In Associate Companies		
1,00,000 (1,00,000) shares of ₹ 10/- each in Reva Pharmachem Pvt. Ltd., Raichur	-	10.00
III) In Joint Venture		
i) 5,001 (5,001) Equity share of ₹ 10/- each of Reva Medicare Pvt Limited Raichur	0.50	0.50

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars	As at 31.03.2025	As at 31.03.2024
ii) 81,996 (81,996) shares of ₹10/- each of Sravathi Advance Process Technologies Pvt Ltd, Bangalore	3,995.58	3,995.58
ii) Others (At Cost)		
2000 (2000) shares of ₹ 100 /- each of Mana Effluent Treatment Plant Limited, Hyderabad	2.00	2.00
b) Investments in Common Stock (Unquoted)(At Cost)		
In Subsidiary Companies		
i) 18,92,308 (18,92,308) common stock @ par value of USD 0.001 each of Makindus LLC, USA	454.20	454.20
ii) 100 (100) shares of 1 GBP each in Koanna Healthcare Limited, UK	0.10	0.10
iii) 1,00,000(1,00,000) common shares of Euro 10/- each in Koanna Healathcare GMBH, Austria	77.63	77.63
iv) 10 (10) shares of AED 1000 each in Koanna International FZ-LLC, Dubai.	1.98	1.98
v) 100 (100) shares of USD 1 each in Shilpa Pharma INC., USA.	0.08	0.08
vi) 2,39,71,020 (1000) common shares of CAD 0.1 each at par in Koanna Healthcare Canada Inc., Canada.	1,449.38	0.06
vii) 25,000 (25,000) shares of RM 1 each in Indo Biotech SDN.BHD. Malaysia.	4.42	4.42
viii) 7,000(7,000) common shares of Euro 1 each in Koanna Healthcare Spain S.L, Spain	6.24	6.24
ix) 100 Shares of USD 1 each of Pilnova Pharma INC USA	0.08	0.08
c) Investments in Preference Instruments (Unquoted)(At Cost)		
I) In Subsidiary Companies		
i) 4,00,000(4,00,000) cumulative shares of ₹ 10/- each in Shilpa Therapeutic Pvt.Ltd., Hyderabad.	40.00	40.00
ii) 3,25,37,670 (3,25,37,670) cumulative shares of ₹ 10 each in INM Technologies Pvt. Ltd., Bangalore.	3,253.77	3,253.77
iii) 99,30,000 (99,30,000) Non-cumulative shares of ₹ 10 each in INM Technologies Pvt. Ltd., Bangalore.	993.00	993.00
iv) 39,00,012(39,00,012) convertible preference shares of ₹ 10/- each of FTF Pharma PVt. Ltd., Ahemadabad	390.00	390.00
II) In Joint Venture/Associates Companies (At Cost)		
14,00,000 (14,00,000) Preferred Stock at par value of USD 0.0001 each in MAIA Pharmaceuticals INC.USA	795.69	795.69
d) Investment In Government Securities (Unquoted)(At Cost)		
National Savings Certificate	0.05	0.05
Total	1,29,937.77	25,193.43
Less: Prov for impairment loss in value of Investment in Subsidiaries/ Associates	(1,987.71)	(548.33)
Total value of unquoted investment	1,27,950.06	24,645.10
Aggregate value of unquoted investment	1,27,950.06	24,645.10
Agreement amount of impairment in the value of investments in the unquoted equity shares	1,987.71	548.33



Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

(ii) Loans

Particulars	As at 31.03.2025	As at 31.03.2024
Loans to Related Parties		
Considered good, unsecured		
a) Shilpa Therapeutics Pvt. Ltd., Hyderabad (Wholly owned subsidiary)	8,457.50	7,965.06
b) Shilpa Pharma Lifesciences Limited., Raichur (Formerly known as Shilpa Corporate Holdings Pvt. Ltd.-Wholly owned subsidiary)	13,876.50	291.81
c) Koanna Health Care GMBH, Austria (Wholly owned subsidiary)	4,712.69	4,514.93
d) Koanna Health Care Limited, UK (Wholly owned subsidiary)	954.27	907.35
e) Koanna Health Care Limited, Canada (Wholly owned subsidiary)	-	1,170.86
f) Shilpa Biologics Pvt. Ltd. Dharwad. (Wholly owned subsidiary)	4,970.49	55,396.34
g) Shilpa Pharma Inc., USA (Wholly owned subsidiary)	868.65	2,430.35
h) Indo Biotech SDN.BHD, Malaysia (Wholly owned subsidiary)	138.70	942.12
i) Koanna International FZ-LLC, Dubai (Wholly owned subsidiary)	624.74	608.63
j) Koanna Healthcare Spain S.L, Spain (wholly owned subsidiary)	1,167.91	870.60
k) Shilpa Biocare Pvt. Ltd., Kadechur (Erstwhile Shilpa Albumin Pvt Limited) (Wholly owned subsidiary)	3,673.00	21,467.29
l) Shilpa Lifesciences Pvt. Ltd., Raichur (Step-down subsidiary)	288.36	270.05
m) Pilnova Pharma Inc, Delaware, USA (Wholly owned subsidiary)	1,240.93	-
Total (Gross)	40,973.74	94,835.39
Less: Provision for impairment in advance in Subsidiaries	(2,103.51)	(2,146.02)
Total (Net)	38,870.23	94,689.37

(iii) Other Financial Assets

Particulars	As at 31.03.2025	As at 31.03.2024
a) Security deposits (unsecured considered good)		
i) Electricity deposits	248.10	236.36
ii) Rental deposits	19.79	19.79
iii) Telephone deposits	0.08	0.08
iv) Miscellaneous deposits	1.88	59.86
	269.85	316.09
Less: Provision for Doubtful Deposits	-	-
Total (a)	269.85	316.09
b) Fixed deposits having maturity more than 12 months held as Security	5.68	27.69
c) Share Application Money pending for allotment with Koanna Healthcare Canada Inc, Canada	136.77	-
Total (a+b+c)	412.30	343.78
Less: Prov for impairment loss in value of Share application money pending for allotment with Koanna Healthcare Canada Inc, Canada	(136.77)	-
Total	275.52	343.78

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

7 OTHER NON-CURRENT ASSETS

Particulars	As at 31.03.2025	As at 31.03.2024
a) Capital advances		
i) Unsecured, considered good	900.61	3,023.48
Less: Provision for doubtful	(168.15)	(168.15)
Total (a)	732.46	2,855.33
b) Others		
i) GST Paid under Protest	-	165.46
ii) Prepaid Expenses	0.35	10.05
Total (b)	0.35	175.51
Total (a+b)	732.81	3,030.84

8 INVENTORIES

Particulars	As at 31.03.2025	As at 31.03.2024
i) Raw materials	9,491.10	5,865.50
ii) Packing materials	1,108.14	997.75
iii) Stock-in-trade	623.85	417.72
iv) Finished goods	1,306.58	2,586.53
v) Work-in-progress	622.37	149.05
vi) Stores and Spares	1,705.95	1,175.19
Total	14,857.99	11,191.74

9 FINANCIAL ASSETS

i) Current Investments

Particulars	As at 31.03.2025	As at 31.03.2024
Investment in mutual funds / Bond's		
Investment in IL & FS Bonds (Refer Note.30 (ii)(b))	1,335.76	1,437.39
Total	1,335.76	1,437.39
Less : Provision for diminishing in the value of Investment	(1,335.76)	(1,437.39)
Total value of unquoted investment	-	-
Aggregate value of unquoted investments	-	-

(ii) Trade Receivables (Refer Note: 48)

Particulars	As at 31.03.2025	As at 31.03.2024
a) Trade receivables - credit impaired	16.53	39.55
Less: Expected Credit Losses (ECL)	(16.53)	(39.55)
Total (a)	-	-
b) Considered good - Unsecured	19,051.96	14,382.17
Total (b)	19,051.96	14,382.17
Total (a+b)	19,051.96	14,382.17



Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Expected Credit Losses (ECL)	As at 31.03.2025	As at 31.03.2024
Opening Balance	39.55	17.89
Considered during the period	-	21.66
Charged off	(23.03)	-
Closing Balance	16.53	39.55

Note: Trade receivable in above note no:9 (ii)(b) includes ₹1,959.20 Lakhs (PY ₹ 822.98 Lakhs) receivable from related parties (refer note no: 45 Related Party Transaction)

Additional disclosure pursuant to amendment of revised schedule III are in note no 50.

(iii) Cash and Cash Equivalents

Particulars	As at 31.03.2025	As at 31.03.2024
i) Cash on Hand	10.19	16.35
ii) Balance with Banks in Current Account	277.25	249.81
iii) Deposits with original maturity of less than 03 months	41.58	25.52
Total	329.02	291.68

(iv) Other Bank Balances other than (iii) above

Particulars	As at 31.03.2025	As at 31.03.2024
Earmarked balances		
i) Unclaimed dividend accounts	16.74	20.99
ii) Fixed deposits having maturity less than 12 months held as margin money	96.34	133.07
Total	113.08	154.06

(v) Other Financial Assets

Particulars	As at 31.03.2025	As at 31.03.2024
i) Revenue earned but not billed	2,913.01	55.63
ii) Staff advance	17.16	20.81
iii) Tender deposits	30.46	29.36
iv) Interest accrued on advances/fixed deposits/others	3,243.22	6,501.61
v) Dividend accrue on preference shares	2,304.57	2,018.26
Total	8,508.42	8,625.67
Less Provision for Impairment of interest accrued (not yet due) on advances to wholly-owned foreign subsidiaries	(492.76)	(314.95)
Total	8,015.66	8,310.72

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

10 OTHER CURRENT ASSETS

Particulars	As at 31.03.2025	As at 31.03.2024
a) Prepaid expenses	1,099.52	836.99
b) Export incentives receivables	16.88	78.59
c) Advances to suppliers/receivables	1,101.88	403.69
d) CGST/IGST/SGST receivable	2,374.91	1,121.11
e) Custom duty	-	11.80
Total	4,593.19	2,452.18

11 CURRENT TAX ASSETS (NET)

Particulars	As at 31.03.2025	As at 31.03.2024
Income Tax (Net)	767.64	913.99
Total	767.64	913.99

12 EQUITY SHARE CAPITAL

Particulars	As at 31.03.2025	As at 31.03.2024
Authorised share capital		
110,000,000 (PY 110,000,000) shares face value of Re. 1/- each.	1,100.00	1,100.00
	1,100.00	1,100.00
Issued, subscribed & fully paid up capital		
Opening Balance	868.02	868.02
Changes during the year	109.89	-
Closing Balance	977.91	868.02
9,77,90,909 (8,68,01,899) shares of Re.1 each		
	977.91	868.02

(a) Reconciliation of the number of shares.

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	Nos	Amount	Nos	Amount
Shares outstanding at the beginning of the year	8,68,01,898	868.02	8,68,01,898	868.02
Add : 1,09,89,011 (PY-Nil) issued during the year	1,09,89,011	109.89	-	-
Shares outstanding at the end of the year	9,77,90,909	977.91	8,68,01,898	868.02

(b) Rights, preference and restriction attached to each class of shares :

Equity Shares:

The Company has only one class of equity shares having par value of Re .1/- per share. Each holder of equity shares is entitle to one vote per share.

In the event of liquidation, the holders of equity are entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.



Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

(c) Shareholders holding more than 5% shares in the Company

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	No. of Shares	% Holding	No of Shares	% Holding
(i) Vishnukant .C. Bhutada	63,65,610	6.51	63,65,610	7.33
(ii) Dharmavati Bhutada	62,07,796	6.35	62,07,796	7.15

(d) Promoters Share Holding

SI no	Name of the Share Holder	Number of shares held at the beginning of the year 2024	Shareholding as a % of total no. of shares as on 31.03.2024	Number of shares held at the end of the year 2025	Percentage of shares held to total shares 31.03.2025	change in shareholding in the year 2024-25	change in percentage of shares held to total shares in the year 24-25
1	VISHNUKANT CHATURBHUI BHUTADA	63,65,610	7.33	63,65,610	6.51	-	(0.82)
2	DHARMAVATI BHUTADA	62,07,796	7.15	62,07,796	6.35	-	(0.80)
3	RAVI KUMAR INNANI	40,06,370	4.62	40,06,370	4.10	-	(0.52)
4	SURAJ KUMAR INNANI	39,80,695	4.59	39,20,695	4.01	60,000	(0.58)
5	OM PRAKASH INANI	28,67,691	3.30	28,67,691	2.93	-	(0.37)
6	DEEPAK KUMAR INNANI	27,33,960	3.15	27,33,960	2.80	-	(0.35)
7	KANTADEVI INANI	25,40,096	2.93	25,40,096	2.60	-	(0.33)
8	KESHAV BHUTADA	20,00,000	2.30	20,00,000	2.05	-	(0.25)
9	MADHAV VISHNUKANT BHUTADA	20,00,000	2.30	20,00,000	2.05	-	(0.25)
10	RAMAKANT INNANI	14,97,778	1.73	14,97,778	1.53	-	(0.20)
11	VISHNUKANTH C BHUTADA . -HUF	13,36,130	1.54	13,36,130	1.37	-	(0.17)
12	TARADEVI INNANI	12,49,998	1.44	12,49,998	1.28	-	(0.16)
13	VISHNUKANTA INANI	12,12,498	1.40	12,12,498	1.24	-	(0.16)
14	BRIJGOPAL INNANI	11,74,866	1.35	11,74,866	1.20	-	(0.15)
15	NATAMAL INNANI	11,31,232	1.30	11,31,232	1.16	-	(0.14)
16	SHAKUNTALABAI INNANI	11,29,186	1.30	11,29,186	1.15	-	(0.15)
17	SAGAR INNANI	10,00,000	1.15	10,00,000	1.02	-	(0.13)
18	TRIVENI INANI	2,94,810	0.34	2,94,810	0.30	-	(0.04)
19	PRIYA INNANI	1,80,696	0.21	80,696	0.08	1,00,000	(0.13)
20	KAMALKISHORE INNANI	1,65,236	0.19	1,65,236	0.17	-	(0.02)
21	MANJULATHA INNANI	1,57,546	0.18	1,57,546	0.16	-	(0.02)
22	KEERTI INNANI	1,55,021	0.18	1,55,021	0.16	-	(0.02)
23	NAMRATA BHUTADA	22,500	0.03	22,500	0.02	-	(0.01)
Total		4,34,09,715	50.01	4,32,49,715	44.24	1,60,000	(5.77)

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

13 OTHER EQUITY

Particulars	As at 31.03.2025	As at 31.03.2024
a) Securities Premium Account	121,386.67	72,495.15
b) General Reserves	5,182.68	5,182.68
c) Retained Earnings	142,882.32	135,902.03
d) Other comprehensive income (OCI):		
i) Remeasurement of defined benefit plan	(379.12)	(184.82)
e) Gain on forfeiture of equity share	8.76	8.76
Total	269,081.31	213,403.80

14 FINANCIAL LIABILITIES

Long Term Borrowings

Particulars	As at 31.03.2025	As at 31.03.2024
Term loans		
From others (Unsecured)		
a) INM Technologies Pvt.Ltd.,	1,039.33	974.33
Terms of repayment & interest rate:		
The applicable rate of interest is 7.50% on loan outstanding. The repayment will be made after 31.03.2025 in 3 equal installments		
b) Vegil Labs Pvt. Ltd.,	1,407.61	650.59
Terms of repayment & interest rate:		
Repayable in 12 equal Quarterly installments after moratorium period of 5 year along with interest if any due interest is payable, applicable rate of interest is 7.50%		
c) Shilpa Pharma Lifesciences Ltd.,	-	1,376.89
Terms of repayment & interest rate:		
Repayable in 12 equal quarterly installments after moratorium period of 5 year along with interest if any due interest is payable, applicable rate of interest is 7.50%		
Total	2,446.94	3,001.81

(ii) Lease Liability

Particulars	As at 31.03.2025	As at 31.03.2024
Land and Building	124.81	127.21
Total	124.81	127.21

15 PROVISIONS

Particulars	As at 31.03.2025	As at 31.03.2024
a) Provision for employee benefits		
Provision for gratuity	397.54	339.60
Total	397.54	339.60

16 DEFERRED TAX LIABILITIES (NET)



Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars	As at 31.03.2025	As at 31.03.2024
Deferred tax liability		
(Difference in tax base of property, plant, equipment & others)	10,289.88	10,776.19
Deferred tax asset		
(On account of disallowable items under Income Tax Act)	1,271.41	(689.10)
MAT Credit Entitlement	(4,775.61)	(7,600.12)
Total	4,242.86	2,486.97

17 OTHER NON-CURRENT LIABILITIES

Particulars	As at 31.03.2025	As at 31.03.2024
a) Deferred revenue	667.04	266.79
b) Capital subsidy/Deferred government grant	39.22	41.85
c) Corporate guarantee liability	-	62.59
Total	706.26	371.23

18 FINANCIAL LIABILITIES

(I) Borrowings

Particulars	As at 31.03.2025	As at 31.03.2024
Secured Loan		
i) Working capital loan.		
From Banks		
i) IDBI-WCDL [refer note 'a' & 'd(i)' below]	-	1,500.00
ii) IDBI-Cash Credit [refer note 'a' & 'd(ii)' below]	-	1,453.09
iii) IDBI Bank-PCFC [refer note 'a' & 'd(iii)' below]	-	500.24
iv) ICICI Bank-Cash Credit [refer note 'b' & 'd(iv)' below]	1,800.00	-
v) Axis Bank-WCDL [refer note 'c' & 'd(v)' below]	4,500.00	5,550.00
vi) Axis Bank-PCFC [refer note 'c' & 'd(vi)' below]	-	501.03
vii) Axis Bank-Cash Credit [refer note 'c' & 'd(vii)' below]	1,943.15	1,748.48
Nature of Security		
a) Working capital loan from IDBI Bank Ltd (IDBI) is secured by first pari passu charge on the entire current assets of the Company in line with other working capital banks by way of hypothecation. The sanction facility is inter changeable as PCFC/Cash Credit/WCDL and the applicable interest will be charge		
b) Working capital loan from ICICI Bank Ltd (ICICI) is secured by first pari passu charge on the entire current assets of the company in line with other working capital banks by way of hypothecation. The sanction facility is inter changeable as PCFC/Cash Credit/WCDL and the applicable interest will be charge.		
c) Working capital loan from Axis Bank (Axis) is secured by first pari passu charge on current assets (current and future) of the Company with additional collateral security given to other banks. The sanction facility is inter changeable as PCFC/Cash Credit/WCDL and applicable interest will be charge		
d) interest rate as at March 31, 2025 is as under:		

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars	As at 31.03.2025	As at 31.03.2024
i) IDBI-WCDL-Nil (PY 2024-8.80%)		
ii) IDBI-Cash Credit-Nil (PY 2024-8.15%)		
iii) IDBI Bank-PCFC-Nil (PY 2024-6.26%)		
iv) ICICI Bank-Cash Credit-8.85%(PY 2024 Nil)		
v) Axis Bank-WCDL -8.50.% (PY 2024-9.00%)		
vi) Axis Bank-PSFC/PCFC-Nil.-(PY 2024-8.27%)		
vii) Axis Bank-Cash Credit-9.10.% (PY 2024-9.05%)		
Total	8,243.15	11,252.84

(ii) Lease Liability

Particulars	As at 31.03.2025	As at 31.03.2024
Land and Building	13.61	52.93
Total	13.61	52.93

(iii) Trade Payables (Refer Note: 48)

Particulars	As at 31.03.2025	As at 31.03.2024
a) Total outstanding dues of Micro and Small enterprises	134.85	53.13
b) Total outstanding dues of creditors other than Micro and Small enterprises	2,084.33	5,216.02
Total	2,219.18	5,269.15

Note: Trade payable in above note no: 18 (iii) (b) includes ₹ 170.10 Lakhs (PY ₹ 3,046.09 Lakhs) is payable to related parties.

Additional disclosure pursuant to amendment of revised schedule III are in note no. 49.

(iv) Other Financial Liabilities

Particulars	As at 31.03.2025	As at 31.03.2024
a) Advance against sale of capital assets	634.99	289.99
b) Interest accrued but not due on borrowings.	128.98	92.90
c) Unclaimed dividends	16.74	20.99
d) Employee benefit liability	871.98	1,023.41
e) Deferred consideration payable	500.00	500.00
f) Deferred Revenue (Unamortised value of CG)	290.42	111.94
g) Capital creditors	2,589.12	571.91
h) Others	2.84	12.33
Total	5,035.07	2,623.47



Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

19 OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2025	As at 31.03.2024
a) Advances from customers	1,221.16	282.08
b) Tax deduction at source	276.17	270.96
c) Security trade deposit	0.59	0.59
d) Provident fund payable	80.28	85.31
e) ESI & Professional Tax	2.78	2.76
f) Unclaimed Bonus & Salary	69.00	50.56
g) Custom Duty	4.56	-
h) Capital subsidy	2.64	2.64
Total	1,657.18	694.90

20 PROVISIONS

Particulars	As at 31.03.2025	As at 31.03.2024
a) Provision for employee benefits		
i) Gratuity	191.34	58.06
b) Provision for Claim Settlement (Refer Note.30 (iv) (d))	2,909.77	-
c) Others	2,419.28	1,312.33
Total	5,520.39	1,370.39

21 REVENUE FROM OPERATIONS-GOODS

Particulars	For the Year ended 31.03.2025	For the Year ended 31.03.2024
a) Sales of goods		
i) Sales of Products	28,200.44	17,811.30
ii) Export incentives	16.88	-
iii) Energy Sales	472.19	528.04
Total	28,689.51	18,339.34
Abstract		
i) Formulation	26,149.14	15,896.13
ii) Export Incentives	16.88	-
iii) Power	472.19	528.04
iv) Trading and Others	2,051.29	1,915.17
Total	28,689.51	18,339.34

22 REVENUE FROM OPERATIONS-SERVICES AND LICENSE FEES

Particulars	For the Year ended 31.03.2025	For the Year ended 31.03.2024
Product development and License fees	19,044.69	12,639.33
Total	19,044.69	12,639.33

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

23 OTHER INCOME

Particulars	For the Year ended 31.03.2025	For the Year ended 31.03.2024
a) Interest income on :		
i) Deposits with bank	701.22	11.96
ii) Loans to subsidiaries and others	5,350.95	6,957.37
b) Liabilities written back	127.75	197.84
c) Corporate guarantee fees	587.47	172.81
d) Capital subsidy (Grants)	2.64	2.64
e) Reimbursement of expenses	1,279.60	1,207.65
f) Dividend on preference shares	286.31	284.43
g) Miscellaneous Income	47.41	76.90
Total	8,383.35	8,911.60

24 COST OF MATERIAL CONSUMED

Particulars	For the Year ended 31.03.2025	For the Year ended 31.03.2024
Inventory at the beginning of the year	6,863.25	4,991.07
Add: Purchases	13,718.52	9,259.07
Less: Inventory at the end of the year	10,599.25	6,863.25
Cost of raw materials and packing materials consumed	9,982.52	7,386.89
Material consumed comprises of :		
i) Raw material	9,039.36	6,402.76
ii) Packing material	943.16	984.13
Total	9,982.52	7,386.89

25 PURCHASE OF STOCK-IN-TRADE

Particulars	For the Year ended 31.03.2025	For the Year ended 31.03.2024
Purchase of Medicines / Bulk Drugs/ Others	1,467.77	1,274.89
Total	1,467.77	1,274.89

26 CHANGES IN INVENTORIES OF FINISHED GOODS,TRADED GOODS AND WORK-IN-PROGRESS

Particulars	For the Year ended 31.03.2025	For the Year ended 31.03.2024
Opening Inventories		
(i) Finished goods	3,004.25	2,557.23
(ii) Work-in-progress	149.05	859.53
Closing Inventories		
(i) Finished goods	1,930.43	3,004.25
(ii) Work-in-progress	622.37	149.05
(Increase) / decrease in inventory	600.49	263.46



Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

27 EMPLOYEE BENEFITS EXPENSE

Particulars	For the Year ended 31.03.2025	For the Year ended 31.03.2024
i) Salaries, wages, allowances and bonus	9,247.97	9,620.09
ii) Contribution to provident fund/gratuity and other funds	604.31	637.97
iii) Staff welfare expenses	108.31	105.79
Total	9,960.59	10,363.85

28 FINANCE COSTS

Particulars	For the Year ended 31.03.2025	For the Year ended 31.03.2024
Interest expense on financial liability measured at amortised cost:		
i) Working capital facility	487.84	1,055.73
ii) Term loans	-	388.95
iii) Interest on lease Liability	13.52	16.22
iv) Amortisation of loan processing fee	-	18.75
v) Interest on unsecured Loan	127.11	243.78
vi) Others	31.90	2.23
Total	660.37	1,725.66

29 OTHER EXPENSES

Particulars	For the Year ended 31.03.2025	For the Year ended 31.03.2024
a) Power and fuel	1,796.44	1,872.76
b) Repairs and maintenance		
Buildings	142.04	122.75
Plant and machinery	865.28	1,038.69
Others	142.78	176.49
c) Rent	1.93	2.17
d) Foreign exchange fluctuation (gain)/loss (net)	(926.15)	(422.24)
e) Rates,taxes and fees	116.74	146.50
f) Insurance	134.58	188.76
g) Travelling and conveyance	587.00	336.34
h) Contract labour charges	174.17	194.35
i) Legal & Professional fees	1,975.58	1,238.40
j) Facility fees	1,484.42	1,182.50
k) Payments to auditors (Refer note: 41)	26.75	26.20
l) Quality control / Research and development	4,538.22	1,025.94
m) Transportation Charges	37.96	38.62
n) Commission and brokerage	394.65	204.33
o) Directors Sitting fees	6.00	3.50
p) Sales promotion and advertisement	227.73	172.91

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars	For the Year ended 31.03.2025	For the Year ended 31.03.2024
q) Bad debts / advance written-off	30.63	277.94
r) Clearing and forwarding expenses	487.87	319.10
s) Loss/(gain) on sale/discard of assets	(112.39)	(59.71)
t) Custom duty & GST expenses	125.83	10.56
u) Corporate social responsibility (CSR) expenditure	133.24	241.71
v) Technology Transfer Expenses	-	78.44
w) Provision for Doubtful Debts	-	21.66
x) Provision for doubtful capital advance	-	84.08
y) Miscellaneous expenses	871.39	537.66
Total	13,262.69	9,060.41

30 EXCEPTIONAL ITEMS: (INCOME) / EXPENSE

Particulars	For the Year ended 31.03.2025	For the Year ended 31.03.2024
i) Provision for ECL on interest accrued on loans to subsidiaries	179.52	314.95
ii) Partial reversal of impairment provision on investments in IL & FS Mutual Fund on partial receipt of settlement amount	(101.63)	-
iii) Loss on Impairment on Investment and advances in subsidiaries	1,586.15	730.15
iv) Provision for claim settlement	2,909.77	-
Total	4,573.81	1,045.10

Note: Exceptional Loss for the year ended March 31, 2025 of ₹ 4,573.81 Lakhs (PY 1,045.10 Lakhs) is on account of

- ₹ 179.52 Lakhs provision for impairment of interest accrued (not yet due) on advances to its wholly owned foreign subsidiaries i.e ₹ 57.66 Lakhs of Indo Biotech SDN.BHD., Malaysia, ₹ 46.86 Lakhs of Koanna International FZ LLC, Dubai and ₹ 75.00 Lakhs of Koanna Healthcare GmbH, Austria
- ₹ 101.63 Lakhs reversal of impairment provision on investments in IL & FS Mutual Fund following the receipt of partial settlement amount
- ₹ 1,586.15 Lakhs provision towards impairment of investments and share application money pending allotment in its wholly owned foreign subsidiary Koanna Healthcare Canada, Canada
- ₹ 2,909.77 Lakhs (USD 3.4 million) provision has been made towards claim settlement agreement with Celtrion Inc vide its agreement dated April 17th, 2025, committing over 04 instalments starting from Apr'25 till Jul'25 to resolve its ongoing legal dispute of the execution petition of the Arbitral Award passed by the ICC International Court of Arbitration, Arbitral Tribunal on 22nd January 2024.
- In previous year is on account of ₹ 0.002 Lakhs investment write back in Zatoria Holdings Ltd, a wholly owned foreign subsidiary, ₹ 610.61 Lakhs provision towards impairment loss on account of investment in and advance to Koanna International FZ LLC, Dubai a wholly owned foreign subsidiary, ₹ 119.53 Lakhs provision towards impairment loss on account of investment in and advance.



Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

31 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at 31 March, 2025	As at 31 March, 2024
a) Bank guarantees / Corporate guarantee(Refer Note 1 below)	49,065.88	60,402.75
b) Claims against the Company not acknowledged as debt (Refer Note 2 below)	9.57	3,670.00
c) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances	1,180.84	1,451.57
Total	50,256.29	65,524.32

1. Out of the guarantee given of CY ₹49,065.88 Lakhs (PY ₹60,402.75 Lakhs), the outstanding liabilities against corporate guarantee given to banks/NCD holders to its wholly owned subsidiaries for the financial year ended 31.03.2025 is CY ₹20,663.69 Lakhs (PY ₹57,629.93 Lakhs).
2. The Company is involved in disputes, lawsuits, proceedings etc. including patent and commercial matters that arise from time to time in the ordinary course of business. Management is of the view that above matters are not tenable and will not have any material adverse effect on the Company's financial position and results of operations.

32 EMPLOYEE BENEFIT DEFINED CONTRIBUTION PLANS

Particulars	As at 31 March, 2025	As at 31 March, 2024
Defined Contribution Plan		
Provided fund	461.66	499.41
Movement of present value of the defined benefit obligation		
i) Change in defined benefit obligation		
Obligations at year beginning	445.25	266.58
Service cost	90.44	99.18
Interest on defined benefit obligation	22.47	12.98
Benefits settled	(267.94)	(186.95)
Actuarial (gain)/loss	298.66	253.47
Obligations at year end	588.88	445.25
ii) Change in plan assets		
Plans assets at year beginning, at fair value	47.59	142.21
Expected return on plan assets	-	6.90
Benefits Payout	(47.59)	(100.40)
Actuarial gain/(loss)	-	(1.12)
Plans assets at year end, at fair value	(0.00)	47.59
iii) Amount recognised in the balance sheet		
Closing BPO	588.88	445.25
Closing fair value of plan assets	(0.00)	47.59
Net asset/(liability) recognized in the balance sheet	588.88	397.66
iv) Expenses recognised in the statement of P & L account		
Service cost	90.44	99.18
Interest cost	22.47	12.98
Expected return on plan assets	-	6.90

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Expenses recognised in the statement of Other Comprehensive income		
Actuarial (Gain) / Losses due to Demographic Assumption changes in DBO	(8.10)	-
Actuarial (Gain) / Losses due to Financial Assumption changes in DBO	(48.28)	(11.41)
Actuarial (Gain)/ Losses due to Experience on DBO	305.74	264.87
Return on Plan Assets (Greater) / Less than Discount rate	-	1.12
Total actuarial (gain)/loss included in OCI	249.35	254.58
v) Assets Information		
i) Insured (fund is managed with Life insurance corporation of India)	-	47.59
%	-	10.69
ii) Non fund based (Company manages at its own)	588.88	397.66
%	100.00	89.31
vi) Principal actuarial assumptions		
Interest rate		
Discount rate (based on the market yields available on Government bond at the accounting date with a term that matches that of the Liabilities)	6.97%	7.50%
Expected rate of return on assets		
Salary increase (taking into account inflation, seniority, promotion and other relevant factor)	7.00%	10%
Attrition rate of employees	34.34%	29.00%
Retirement age of employees (Years)	58	58

Actuarial gain / loss is recognised immediately. The estimates of salary increase, inflation, promotion, Seniority etc taken in account. The Company has various schemes (funded/unfunded) for payment of gratuity to all eligible employees calculated at specific no. of days (ranging from 15 days to 1 month) of the last drawn salary depending upon tenure of service for each year of completed service subject to minimum of five years payable at the time of separation upon superannuation or on exit otherwise.

Sensitivity Analysis

The Sensitivity of the defined benefit obligation to changes in the weighted principal assumption are as below

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	Decrease	Increase	Decrease	Increase
Discounted rate	2.50%	-2.35%	3.47%	-3.22%
Salary increase	-2.76%	2.86%	-3.42%	3.55%
Attrition rate	0.25%	-0.24%	0.82%	-0.79%

Sensitivity of significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of defined benefit obligation by 100 basis points keeping all other actuarial assumption constant.



Notes Forming Part of Standalone Financial Statement

for the year ended 31 March 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

33 FAIR VALUE MEASUREMENT HIERARCHY:

[illegible]

Level 1: Hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds, ETFs and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: if one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

Valuation technique used to determine fair value:

- 1) The use of quoted market prices or dealer quotes for similar instruments
- 2) The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves
- 3) The fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date.

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

34 FINANCIAL RISK MANAGEMENT

The Company activities expose it to a variety of financial risks such as Market Risk, Credit Risk and Liquidity Risk. The company's focuses on minimizing potential adverse effect on its financial performance.

A) 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. The changes in the values of financial assets/liability may result from change in the foreign currency exchange rates (Foreign Currency Risk), change in interest rates (Cash flow & interest rate risk), and change in price of investments (Price Risk).

(i) Foreign Currency Risk

The Company operates internationally and a major portion of the business is transacted in USD, EURO & GBP currencies and consequently, the Company is exposed to foreign exchange risk through operating, financing and borrowing activities in foreign currency.

Particulars	As at 31 March, 2025				As at 31 March, 2024			
	USD	EURO	GBP	Others	USD	EURO	GBP	Others
Loan	33.57	63.69	8.62	-	51.25	59.69	8.62	19.00
Trade receivables	118.02	65.77	0.56	1.11	89.90	58.37	0.39	1.03
Other current financial assets	3.11	7.19	1.40	0.29	6.36	4.23	0.75	1.41
Cash and cash equivalents	0.91	0.75	0.01	-	1.22	0.36	0.01	-
Short-term borrowings	-	-	-	-	(6.00)	(5.55)	-	-
Trade payables	(0.58)	(1.16)	-	(0.11)	(2.12)	(1.82)	-	(0.01)
Other current financial liabilities	-	(3.48)	-	-	-	-	-	-
Net Foreign Currency Risk	155.03	132.76	10.59	1.30	140.61	115.28	9.77	21.43

Sensitivity analysis

Sensitivity analysis of 1% change in exchange rate at the ending of the reporting period net of hedges

Particulars	Impact on Profit & Loss		Impact on other component of equity	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
USD-Sensitivity				
Increase by 1% (gain/(loss))	132.68	117.23	-	-
Decrease by 1% (gain/(loss))	(132.68)	(117.23)	-	-
Euro-Sensitivity				
Increase by 1% (gain/(loss))	122.57	104.01	-	-
Decrease by 1% (gain/(loss))	(122.57)	(104.01)	-	-
GBP-Sensitivity				
Increase by 1% (gain/(loss))	11.73	10.29	-	-
Decrease by 1% (gain/(loss))	(11.73)	(10.29)	-	-

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest expenses/ income and to manage the interest rate risk, the Company



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weighted average balance manage its interest rate risk by having portfolio of fixed / variable interest rate on long / short term borrowings. The analysis is prepared assuming the amount of liability outstanding at the ending of the reporting period is the average weighted balance of the respective reporting period.

According to the Company interest rate risk exposure is only for floating rate borrowings, change in 0.5% in the interest rate component applicable to the short term borrowings would effect the Companies net profit before tax at the end of the reporting period year ended 31 March, 2025 and 31 March, 2024 respectively.

Particulars	31 March, 2025	31 March, 2024
Change in 0.50% interest on WCL	41.22	56.26

(iii) Price Risk

Company does not have any exposure to price risk , as there is no market based equity investment made by the Company.

B) 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. The credit risk arises from its operation activity primarily from trade receivable and from its financial activity. Customer credit risk is controlled by analysis of credit limit and credit worthiness of the customer on a continuous basis to whom the credit has been granted.

Long outstanding receivable from customer are regularly monitored and transaction with such customer are covered under letter of credit. The maximum exposure to credit risk at the reporting date is the carrying value of trade and other receivable. Two customer are accounted for more than 10% of the trade receivable as of 31 March, 2025 and two customer for 31 March, 2024. Since the Company is dealing with the customer from past several years, hence there is no concordent risk in dealing with said customers.

Expected credit loss assessment

The Group reviewed customers outstanding at the end of each reporting period and determine incurred and expected credit losses . Past trend of impairment of trade receivables do not reflect any significant credit losses.The movement in allowance for impairment in respect of trade and other receivables during the year was as follows:

Allowance for Impairment	31 March, 2025	31 March, 2024
Impairment loss recognised - trade receivable	16.53	39.55
%	0.09	0.28

C) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations of its financial liability. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for making liability when they are due, under normal and stressed condition without incurring losses and risk.

The present available working capital facility is sufficient to meet its current requirement. Accordingly no liquidity risk is perceived. In addition, the Company maintains the following line of credit facility

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

Particulars	On Demand	< 01 year	01 to 05 Years	> 05 years
Short term borrowing	8,243.15	-	-	-
Long term borrowings	-	-	2,446.94	-
Trade and other payable	-	2,219.18	-	-
Lease liability	-	13.61	124.81	-
Other Financial Liability	-	-	-	-
Total	8,243.15	2,232.79	2,571.75	-

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

Particulars	On Demand	< 01 year	01 to 05 Years	> 05 years
Short term borrowing	11,252.84	-	-	-
Long term borrowings	1,376.90	974.33	-	650.59
Trade and other payable	-	5,269.26	-	-
Lease liability	-	52.93	127.21	-
Other Financial Liability	-	2,333.47	-	-
Total	12,629.74	8,629.99	127.21	650.59

35 CAPITAL MANAGEMENT

The key objective of the Company's capital management is to ensure that it maintains a stable capital structure with the focus of safeguard their ability to continue as a going concern, benefits for stakeholders, creditors and market confidence. Continue to maintain excess liquidity to shareholders by distributing dividends in future.

Company's vision is to keep the ratio below 1.00 and its adjusted net debt to equity ratio was as follows

Particulars	31 March, 2025	31 March, 2024
Total Debts(A)	10,690.09	14,254.66
Total equity (B)	2,70,059.22	2,14,271.82
Net Debt to Equity Ratio A/B	0.04	0.07

36 EARNINGS PER SHARE ('EPS')

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Profit for the year before OCI	6,980.27	2,693.75
Shares		
Weighted average shares used for computing basic EPS	9,74,29,625	8,68,01,898
Weighted average shares used for computing diluted EPS	9,74,29,625	8,68,01,898
Earnings Per Share		
Basic (in ₹)	7.16	3.10
Diluted (in ₹)	7.16	3.10



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for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

37 RESEARCH AND DEVELOPMENT EXPENSES ELIGIBLE FOR WEIGHTED DEDUCTION UNDR INCOME TAX ACT, 1961

Particulars	For the year ended 31 March, 2025		For the year ended 31 March, 2024	
	Bengaluru Facility	Hyderabad Facility	Bengaluru Facility	Hyderabad Facility
A) ELIGIBLE EXPENSES				
a) Capital Expenditure	79.26	191.13	342.61	60.47
b) Revenue Expenditure				
i) Employee Cost	1,277.87	900.40	1,238.45	900.51
ii) Research & Development expenses	3,779.15	272.56	178.14	197.67
iii) Equipment Maintenance	32.40	104.74	53.02	107.41
iv) Power & Fuel	0.63	92.77	0.11	84.97
v) Other Expenses	16.75	59.08	37.06	55.75
Total	5,186.06	1,620.69	1,849.39	1,406.79
Less : Revenue Income	6,817.41	(28.52)	124.75	68.62
Less : Sale of Assets	1,343.22	28.28	856.57	0.78
Total (A)	(2,974.57)	1,620.94	868.06	1,337.39
B) IN-ELIGIBLE EXPENSES				
a) Revenue Expenditure				
i) Misc. Expenses	91.59	150.80	64.55	115.71
ii) Depreciation	964.68	396.34	1,116.65	430.88
Total	1,056.27	547.15	1,181.21	546.59
b) Capital Expenditure	112.41	24.69	2.01	2.76
Total (B)	1,168.68	571.83	1,183.21	549.34
Total (A+B)	(1,805.90)	2,192.77	2,051.27	1,886.73

38 CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a Company, has to spend 2% of its average net profits of three immediate preceding financial year. The Company has formed trust by name 'Shilpa Foundation' to commit the expenditure under the various activity like education, health & sanitation, environment, plantation & other CSR activities under Schedule VII with local bodies/NGO to make eco-friendly environment.

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
A) Amount required to be spent by the company during the year	133.24	241.71
B) Amount of expenditure on construction/acquisition of any asset	-	-
C) Amount of expenditure other than B above	133.24	241.71
D) Short fall at the end of the year	-	-
E) Total of previous year shortfall	-	-
F) Details of related party transaction	133.24	241.71

The Company has transferred ₹ 133.24 Lakhs (₹ 241.71 Lakhs) to "Shilpa Foundation". The amount of earmarked fund is insufficient to kick start the project, the committee has set aside the fund to take on the project when sufficient fund are available for initiating the project.

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

39 DISTRIBUTION OF DIVIDEND

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Dividend on equity shares declared and paid :		
Final dividend for the year ended March 31, 2024 : Nil (March 31, 2023: Nil)	-	-
Proposed Dividend on equity shares :		
Proposed dividend on equity shares for the year ended on March 31, 2025: ₹ 1.00 per share (March 31, 2024 : Nil)	977.91	-

40 RECONCILIATION OF TAX EXPENSES

(i) Income Tax

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Amount recognised in Statement of profit and loss		
Current Tax	4,707.76	1,128.65
Deferred Tax	(964.27)	(13.48)
Amount recognised in statement of profit & loss account	3,743.49	1,115.17
Profit before tax	10,723.76	3,808.91
Tax at enacted tax rate in India C.Y. @ 34.944% (P.Y. 34.944%)	3,747.31	1,330.99
Tax effects of amounts which are not deductible/(taxable) in calculating taxable income:		
Exempt income and other deductions	(468.02)	(140.85)
Non-deductible expenses for tax purpose	419.33	(34.75)
Others	44.87	(40.22)
Income tax expense	3,743.49	1,115.17

(ii) Recognised Deferred Tax Assets / Liabilities

Movement of Deferred Tax Assets / Liabilities	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Deferred Tax Liabilities		
Property, plant and equipment and intangible assets	10,289.88	10,776.19
Gross Deferred Tax Liabilities	10,289.88	10,776.19
Deferred Tax Assets		
Defined benefit obligations/Employees benefit liability	205.78	138.96
MAT Credit Entitlement Benefit	4,775.61	7,600.12
On Business Losses	-	235.30
On doubtful loans & investments	727.05	110.06
Others	338.58	204.78
Gross Deferred Tax Assets	6,047.02	8,289.22
Net Deferred Liabilities	4,242.86	2,486.97



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for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Movement of Deferred Tax Assets / Deferred Tax Liabilities	As at 01 April, 2024	Recognised in statement of profit & loss	Recognised in OCI	MAT Credit Utilised	As at 31 March, 2025
Deferred Tax Assets					
Defined benefit obligations / Employees benefit liability	138.96	(37.53)	104.35	-	205.78
MAT Credit Entitlement Benefit	7,600.12	-	-	(2,824.51)	4,775.61
On Business Losses	235.30	(235.30)	-	-	-
On provision loans, Investment & Advances	110.06	616.99	-	-	727.05
Others	204.78	133.80	-	-	338.58
Total	8,289.22	477.96	104.35	(2,824.51)	6,047.02
Deferred Tax Liabilities					
Property, plant and equipment, and intangible assets	10,776.19	(486.31)	-	-	10,289.88
Total	10,776.19	(486.31)	-	-	10,289.88
Net Deferred Liabilities recognised	2,486.97	(964.27)	(104.35)	2,824.51	4,242.86

41 PAYMENTS TO AUDITORS

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
For Statutory audit fees	15.00	12.00
For Tax audit	5.00	7.00
For Certification	6.75	7.20
Total	26.75	26.20

42 SEGMENT INFORMATION

In accordance with paragraph 3 of Indian Accounting Standard (Ind AS) 108 - 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 standalone financial statements.

43 OPERATING LEASE

The Company has entered into lease agreements for use of land for its production and R&D facility which expires over a period. Future minimum lease payments and payment profile of non-cancellable operating leases are as under:

(a) Land

Particulars	As at 31 March, 2025	As at 31 March, 2024
Not later than one year	33.48	33.48
Later than one year and not later than five year	133.90	133.90
Later than five years	1,713.66	1,747.14
Total	1,881.04	1,914.52

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

(b) Building

Particulars	As at 31 March, 2025	As at 31 March, 2024
Not later than one year	7.61	45.46
One to Five Year	-	7.61
Total	7.61	53.07

(c) The following are the amounts recognised in the statement of Profit or Loss :

Particulars	As at 31 March, 2025	As at 31 March, 2024
Depreciation expenses on right of use-assets	86.90	69.70
Interest expenses on lease liabilities	13.52	16.22
Total amount recognised in Profit or loss	100.42	85.92

(d) The following is the movement in lease liabilities during the year ended March 31, 2025

Particulars	Land	Buildings	Total
Balance as the beginning	128.54	51.61	180.14
Addition during the year	-	-	-
Finance cost accrued during the year	11.33	2.19	13.52
Disposals	-	-	-
Payment of lease liabilities	(9.95)	(45.28)	(55.24)
Balance as at March 31, 2025	129.91	8.52	138.43

(d) The following is the movement in lease liabilities during the year ended March 31, 2024

Particulars	Land	Buildings	Total
Balance as the beginning	127.00	89.70	216.70
Addition during the year	-	-	-
Finance cost accrued during the year	11.20	5.03	16.23
Disposals	-	-	-
Payment of lease liabilities	(9.66)	(43.13)	(52.79)
Balance as at March 31, 2024	128.54	51.60	180.14

(e) The following is the breakup of current and non current lease liability:

Particulars	As at 31 March, 2025	As at 31 March, 2024
Current lease liabilities	13.61	52.93
Non current lease liabilities	124.81	127.21
Total	138.42	180.14



Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

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44 FOREIGN EARNINGS AND OUTGO

(i) Earning in Foreign Currency

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Products & Services	43,820.88	28,238.38
Others	841.84	885.35
Total	44,662.72	29,123.73

(ii) Expenditure in foreign currency

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Import of raw material	1,684.78	852.12
Others	8,530.27	3,795.16
Total	10,215.05	4,647.28

45 RELATED PARTY TRANSACTIONS

Related parties where control exists and related parties with whom transactions have taken place during period 01st April 2024 to 31 March 2025 are listed below :

(All amounts are in Indian rupees in Lakhs unless otherwise stated)

List of Related Parties

1 Associates

- a) Maia Pharmaceuticals INC. USA

2 Subsidiaries

- a) Shilpa Therapeutics Pvt. Ltd. (Wholly-owned Subsidiary)
- b) INM Technologies Pvt. Ltd. (Wholly-owned Subsidiary) merged as per NCLT order dt 18 June 2025
- c) Koanna Healthcare Ltd. U.K (Wholly-owned Subsidiary)
- d) Koanna Healthcare GmbH. Austria (Wholly- owned Subsidiary)
- e) Makindus LLC. USA. (Subsidiary)
- f) Shilpa Pharma Inc. (Wholly-owned Subsidiary)
- g) Shilpa Biocare Pvt. Ltd (Formerly known as Shilpa Albumin Pvt. Ltd.) (Wholly-owned Subsidiary)
- h) Shilpa Biologicals Pvt. Ltd. (Wholly-owned Subsidiary)
- i) Shilpa Pharma Lifesciences Limited (Formerly known as Shilpa Corporate Holdings Pvt. Ltd.) (Wholly-owned Subsidiary)
- j) Koanna Healthcare Canada Inc.Canada (Wholly-owned Subsidiary)
- k) Indo Biotech SDN. BHD, Malaysia (Wholly-owned Subsidiary)
- l) FTF Pharma Private Limited (Wholly-owned Subsidiary)
- m) Koanna International FZ LLC. Dubai-UAE (Wholly-owned Subsidiary)
- n) Koanna Healthcare Spain S.L. Spain (Wholly-Owned Subsidiary)
- o) Vegil Labs Private Limited (Wholly-owned Subsidiary) now Sampra Corporate Holdings Pvt Ltd
- p) Shilpa Lifesciences Private Limited (Step down Subsidiary of WOS)
- q) Pilnova Pharma INC,USA (Wholly-owned Subsidiary)

Notes Forming Part of Standalone Financial Statement

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(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

3. Joint Venture (JV)

- a) Reva Medicare Pvt. Ltd.
- b) Sravathi Advance Process Technologies Pvt. Ltd.
- c) Sravathi AI Technologies Pvt. Ltd.
- d) Oncosol Ltd (Step down JV)

4. (i) Key Management Personnel-(KMP)

- a) Vishnukant C. Bhutada - Managing Director
- b) Alpesh Dalal - Chief Financial Officer
- c) Kalakota Sharath Reddy - Whole Time Director
- d) Ritu Tiwari- Company secretary

ii) Chariman & Independent Directors

- a) Omprakash Inani - Non-executive Chairman
- b) Arvind Vasudev - Independent Director (ceased w.e.f 17 September 2024)
- c) Hetal Gandhi - Independent Director
- d) Anita Bandyopadhyay- Independent Women Director
- e) Kamal Kishore Sharma - Independent Director

5. Relatives

- a) Deepak Kumar Inani
- b) Ramakant Inanni
- c) Sagar Innani
- d) Ravi Innani

6. Enterprises having common Directors/ Board of Trustees

- a) Shilpa Foundation
- b) Mohini Infra (P) Ltd

Sl. No.	Name of the related party	Relationship	Description of transaction	01st April 2024 to 31 Mar 2025 Transaction	Balance as at 31 Mar 2025 (Payable) / Receivable	01st April 2023 to 31 March 2024 Transaction	Balance as at 31 March 2024 (Payable) / Receivable
A	Remuneration paid to Key Management Personnel						
i)	Vishnukant.C. Bhutada	Managing Director	Remuneration	350.00	(12.07)	350.00	(14.48)
B	Remuneration paid to other Directors						
i)	Omprakash Inani	Chairman & Non-executive Chairman	Sitting Fees	6.00	(0.90)	3.50	-



Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Sl. No.	Name of the related party	Relationship	Description of transaction	01st April 2024 to 31 Mar 2025 Transaction	Balance as at 31 Mar 2025 (Payable) / Receivable	01st April 2023 to 31 March 2024 Transaction	Balance as at 31 March 2024 (Payable) / Receivable
C	Relative						
i)	Deepak Innani	Relative to Director	Remuneration	100.08	(5.14)	86.82	(4.60)
ii)	Ramakant Innani	Relative to Promoter Group	Remuneration	105.34	(5.16)	91.47	(4.89)
iii)	Ravi Kumar Innani	Relative to Promoter Group	Remuneration	72.01	(3.43)	62.86	(3.08)
iv)	Sagar Innani	Relative to Promoter Group	Remuneration	14.79	(0.92)	12.40	(0.82)
D	Others						
i)	Koanna Healthcare GmbH, Austria	Wholly owned Subsidiary	Reimbursement of Expense	2.97	-	-	-
			Interest Income (Loan)	344.29	-	318.98	-
			Loan given during the year	93.77	-	66.88	-
			Loan given during the year	-	-	-	-
			Loan Receivable	-	4,712.69	-	4,514.93
			Trade Receivable	-	2.95	-	30.34
			Trade Payable	-	(1,095.21)	-	-
			Interest accrued but not received (Loan)	-	586.65	-	320.76
			Investment in equity Shares	-	77.63	-	77.63
			Sales Return	-	-	390.21	-
			Purchase of Capital Goods	1,095.21	-	-	-
ii)	Koanna Healthcare Ltd, United Kingdom	Wholly owned Subsidiary	Interest Income (Loan)	69.23	-	77.73	-
			Loan given during the year	-	-	51.86	-
			Loan repaid during the year	-	-	26.91	-
			Loan Receivable	-	954.27	-	907.35
			Interest accrued but not received (Loan)	-	155.13	-	79.45
			Investment in equity Shares	-	0.10	-	0.10
			Purchases of intangible assets	565.60	-	-	-
			Trade payable	-	(565.60)	-	-

Notes Forming Part of Standalone Financial Statement

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(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Sl. No.	Name of the related party	Relationship	Description of transaction	01st April 2024 to 31 Mar 2025	Balance as at 31 Mar 2025 (Payable) / Receivable	01st April 2023 to 31 March 2024	Balance as at 31 March 2024 (Payable) / Receivable
				Transaction		Transaction	
iii)	Shilpa Therapeutics Pvt. Ltd.	Wholly owned Subsidiary	Purchases of Goods or Service	(0.16)	-	25.25	-
			Purchases of Capital goods	69.45	-	-	-
			Sales of Goods or Service	1.77	-	4.08	-
			Other Income	2.70	-		
			Sales of Capital Goods	8.62	-	-	-
			Interest Income (Loan)	620.91	-	545.43	-
			Dividend Income (Preference shares)	3.20	-	3.20	-
			Trade Receivable	-	-	-	-
			Loan given during the year	573.00	-	1,925.76	-
			Loan repaid during the year	80.56	-	-	-
			Loan Receivable		8,457.50	-	7,965.06
			Trade Payable	-		-	(0.58)
			Interest accrued but not received (Loan)	-	558.82	-	490.89
			Dividend accrued but not received (Pref Share)	-	35.21	-	32.01
			Income on Corp Gaurantee	-		-	-
			Investment in equity Shares	-	1,112.46	-	1,112.46
			Investment in Preference equity Shares	-	40.00	-	40.00
			Corporate Guarantee Income	-	-	12.10	
iv)	INM Technologies Pvt. Ltd.	Wholly owned Subsidiary	Interest Paid (Loan)	73.27		67.62	-
			Dividend Income (Preference shares)	260.30		260.30	-
			Loan received	65.00		84.00	-
			Loan Payable	-	(1,039.33)	-	(974.33)
			Interest due but not paid (Loan)	-	(65.95)	-	(60.86)
			Dividend accrued but not received (Preference shares)	-	2,225.62	-	1,965.32



Notes Forming Part of Standalone Financial Statement

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(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Sl. No.	Name of the related party	Relationship	Description of transaction	01st April 2024 to 31 Mar 2025	Balance as at 31 Mar 2025 (Payable) / Receivable	01st April 2023 to 31 March 2024	Balance as at 31 March 2024 (Payable) / Receivable
				Transaction		Transaction	
			Investment in Equity Shares	-	113.25	-	113.25
			Investment in Pref Shares	-	4,246.77	-	4,246.77
v)	Reva Medicare Pvt. Ltd.	Joint Venture	Commission charges	41.77		77.40	-
			Other Income	4.20		4.20	-
			Trade Payable	-	(48.78)	-	(8.25)
			Commission Accrued but not paid	-	(58.19)	-	(70.27)
			Trade Receivable	-	1.65	-	0.41
			Investment in equity shares	-	0.50	-	0.50
vi)	Maia Pharmaceuticals INC. USA	Associates	Investment in Pref shares		795.69	-	795.69
vii)	Shilpa Pharma INC. USA	Wholly-owned Subsidiary	Interest Income (Loan)	98.97		199.23	-
			Commission charges	-	-	83.23	-
			Interest accrued but not received (Loan)		100.84	-	201.20
			Loan Given during the year	638.16		593.40	-
			Loan repaid during the year	2,224.86		-	-
			Loan Receivable		868.65	-	2,430.35
			Investment in equity shares		0.07	-	0.07
viii)	Sravathi Advance Process Technologies Pvt. Ltd.	Joint Venture	Investment in equity shares		3,995.58	3,990.00	3,995.58
			Investment in Pref Shares redeemed	-	-	3,990.00	-
ix)	Shilpa Biocare Pvt. Ltd (Erstwhile Shilpa Albumin Pvt. Ltd.)	Wholly-owned Subsidiary	Sales of Capital Goods	138.04	-	64.00	-
			Other income	21.24	-		
			Purchase of Capital Goods	-	-	182.76	-
			Interest Income (Loan)	1,256.80	-	1,439.21	-
			Loan given during the year(incl Interest accrued till last year)	12,802.79	-	4,281.00	-
			Loan given recd back during the year	0.07	-	135.00	-
			Loan Receivable	-	3,673.00	-	21,467.29
			Interest accrued but not received (Loan)	-	19.42	-	1,295.29
			Trade Receivable		0.18	-	47.42

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(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Sl. No.	Name of the related party	Relationship	Description of transaction	01st April 2024 to 31 Mar 2025	Balance as at 31 Mar 2025 (Payable) / Receivable	01st April 2023 to 31 March 2024	Balance as at 31 March 2024 (Payable) / Receivable
				Transaction	Receivable	Transaction	Receivable
			Corp Guarantee to Banks ****(new)	14,042.00	14,042.00	-	-
			Corp Guarantee to Banks (Closed)	15,000.00	-	-	15,000.00
			Corporate Guarantee Income	112.98		14.26	-
			Investment in equity shares	4,368.00	37,017.44	52.44	2,052.44
			Advance to Vendor	-	0.51	-	-
			Loans converted into Equity	30,597.00	-	-	-
x)	Shilpa Biologicals Pvt. Ltd.	Wholly-owned Subsidiary	Sales of Goods or Service	38.42		31.40	-
			Sales of Capital Goods	32.12	-	1.52	-
			Other income	1.09		8.66	-
			Purchases of Goods or Service	87.38		12.47	-
			Purchases of Capital goods	60.30		83.28	-
			Interest Income (Loan)	1,432.59		4,017.50	-
			Trade Receivable		48.30	-	19.55
			Trade Payable		(38.56)	-	-
			Loan given during the year(incl Interest accrued till last year)	11,829.15		5,996.00	-
			Loan given received back	1,415.00		150.00	-
			Conversion of Loan into Equity	60,840.00			
			Loan Receivable		4,970.49	-	55,396.34
			Interest accrued but not received (Loan)		202.43	-	3,615.75
			Corp Gaurantee income	78.74		96.45	-
			Corporate Guarantees to Banks/NCD ***	-	-	10,000.00	10,000.00
			Investment in equity shares	7,500.00	71,700.95	-	3,360.93
			Advance to Vendor		0.44	-	-
xi)	Shilpa Foundation	Trust in which key management are the board of trustees or Director are Trustee	Corporate Social Responsibility Expenses	133.24		241.71	-



Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Sl. No.	Name of the related party	Relationship	Description of transaction	01st April 2024 to 31 Mar 2025	Balance as at 31 Mar 2025 (Payable) / Receivable	01st April 2023 to 31 March 2024	Balance as at 31 March 2024 (Payable) / Receivable
				Transaction		Transaction	
xii)	FTF PHARMA PVT LTD	Wholly-owned Subsidiary	Sales of Goods or Service	0.98	-	31.66	-
			Sales of Capital Goods	1,057.86	-	544.17	-
			Sale of Consumables	2.70	-	3.32	-
			Other Income	1.86	-		
			Purchases of Goods or Service	32.81	-	142.55	-
			Purchases of Capital Goods	430.47	-	-	-
			Advance to Vendor		0.38	-	-
			Trade Receivable		1,254.19	-	606.09
			Investment in Equity shares		6,577.97	-	6,577.97
			Investment in Pref shares		390.00	-	390.00
			Dividend on Pref Shares	22.81		20.93	-
			Dividend accrued but not received (Preference shares)	-	43.74	-	20.93
			Trade Payable	-	(62.29)	-	(1.17)
xiii)	Koanna Healthcare Canada INC	Wholly-owned Subsidiary	Interest Income (Loan)	91.70	-	86.73	-
			Loan given during the year	230.66	-	184.04	-
			Conversion of Loan into Inv in Equity (incl interest accrued)	1,449.32	-	-	-
			Loan Receivable	-	-	-	1,170.86
			Interest accrued but not received (Loan)	-	17.45	-	87.15
			Investment in equity shares	-	1,449.38	-	0.06
			Share application money	136.77	136.77	-	-
xiv)	Shilpa Pharma Lifesciences Limited (Formerly known as Shilpa Corporate Holdings Pvt. Ltd.)	Wholly owned Subsidiary	Reimbursement of Expense (cross charges)	1,275.40	-	1,207.65	-
			Sales of Goods or Service	13.46	-		
			Wind Energy Sales	272.58	-	228.29	-
			Sales of Capital Goods	213.16	-	204.97	-
			Purchase of goods/ services	14,380.00	-	8,146.55	-
			Other Expense (lab Consumables)	-	-		
			Interest Paid (Loan)		-	9.24	-

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Sl. No.	Name of the related party	Relationship	Description of transaction	01st April 2024 to 31 Mar 2025	Balance as at 31 Mar 2025 (Payable) / Receivable	01st April 2023 to 31 March 2024	Balance as at 31 March 2024 (Payable) / Receivable
				Transaction		Transaction	
			Interest Income (Loan)	1,130.57	-	25.67	-
			Interest accrued but not received (Loan)		1,017.51	-	-
			Trade Payable(including transit Pur)		(1,803.82)	-	(3,438.24)
			Loan given during the year	23,026.50		1,080.00	-
			Loan given received back	9,150.00		1,080.00	-
			Loan Receivable		13,876.50	-	-
			Trade Receivable		127.16	-	43.38
			Investment in Equity shares		1,000.00	-	1,000.00
			Loan Received			4,075.00	-
			Loan Repaid	1,376.89		2,675.00	-
			Loan Payable	-	-	-	(1,376.89)
			Interest due but not paid (Loan)			-	(8.32)
			Corporate Guarantees to Banks/NCD ***		7,500.00	35,000.00	35,000.00
			Corporate Guarantee Income	395.75	-	50.00	-
xv)	INDO BIOTECH SDN. BHD	Wholly owned Subsidiary	Interest Income (Loan)	56.58		85.32	-
			Interest accrued but not received (Loan)	-	57.65	-	231.80
			Loan Receivable	-	138.70	-	942.13
			Investment in equity shares	-	4.42	-	4.42
			Loan repaid during the year	835.23	-	-	-
xvi)	Koanna International FZ LLC. UAE	Wholly owned Subsidiary	Interest Income (Loan)	45.99		53.44	-
			Interest accrued but not received (Loan)		46.86	-	93.68
			Loan given during the year	-	-	37.17	-
			Loan Receivable	-	624.74	-	608.63
			Investment in Equity shares		1.98	-	1.98
			Advance to Vendor		9.09	-	-



Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Sl. No.	Name of the related party	Relationship	Description of transaction	01st April 2024 to 31 Mar 2025	Balance as at 31 Mar 2025 (Payable) / Receivable	01st April 2023 to 31 March 2024	Balance as at 31 March 2024 (Payable) / Receivable
				Transaction		Transaction	
xvii)	Koanaa Healthcare Spain, S.L. Spain	Wholly owned Subsidiary	Sales of Goods or Service	125.40		292.98	-
			Interest Income (Loan)	75.86		60.46	-
			Professional Fee paid	145.80			
			Interest accrued but not received (Loan)		77.28	-	60.80
			Purchase of Goods / Service			96.06	-
			Purchase of Intangible assets	531.27		21.25	-
			Loan given during the year	273.53	-	125.57	-
			Loan Receivable	-	1,167.91	-	870.60
			Investment in Equity shares		6.24	-	6.24
			Corp Guarantee		-	-	141.04
			Trade receivable		129.25	-	75.78
			Trade Payable		(421.23)	-	(115.98)
xviii)	Vegil Labs Private Limited	Wholly owned Subsidiary	Interest Income (Loan)			22.22	-
			Interest accrued but not received (Loan)			-	-
			Loan given during the year	-	-	150.00	-
			Loan repaid during the year	-		439.41	-
			Loan Receivable	-	-	-	-
			Investment in Equity shares		951.00	-	951.00
			Loan Received	807.02	-	650.59	-
			Loan repaid	50.00	-	-	-
			Loan Payable	-	(1,407.61)	-	(650.59)
			Interest Paid (Loan)	53.83		7.80	-
			Interest due but not paid (Loan)		(48.45)	-	(7.02)

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Sl. No.	Name of the related party	Relationship	Description of transaction	01st April 2024 to 31 Mar 2025	Balance as at 31 Mar 2025 (Payable) / Receivable	01st April 2023 to 31 March 2024	Balance as at 31 March 2024 (Payable) / Receivable
				Transaction	Receivable	Transaction	Receivable
xix)	Shilpa Lifesciences Private Limited	Step down Subsidiary	Interest Income (Loan)	21.63		20.35	-
			Interest accrued but not received (Loan)		19.46	-	18.32
			Loan given during the year (incl Interest accrued till last year)	18.32	-	19.47	-
			Loan repaid during the year	-	-	2.50	-
			Loan Receivable	-	288.36	-	270.05
xx)	Makindus LLC USA		Investment in Equity shares		454.20	-	454.20
xxi)	Pilnova Pharma INC USA	Wholly owned Subsidiary	Investment in Equity shares	-	0.08	0.08	0.08
			Loan given during the year	929.16	-	291.81	-
			Loan receivable	-	1,240.93	-	291.81
			Interest received	59.35		3.46	-
			Interest accrued but not received (Loan)		60.47	-	3.50
			Sales of Goods or Service	385.90		-	-
			Trade receivable		395.52	-	-

a) The above disclosures include related parties as per Ind AS 24 on "Related Party Disclosures" and Companies Act, 2013.

b) As the provisions for gratuity are obtained on an actuarial basis for the Company as a whole amounts pertaining to the Key Management Personnel are not specifically identified and hence not included in the above.

** the outstanding liabilities against corporate guarantee given to Non-convertible Debenture holders on behalf of Shilpa Pharma Lifesciences Ltd. is for the financial period ended 31.03.2025 is ₹ 7,500.00 Lakhs (As on 31.03.2024 ₹ 35,000.00 Lakhs)

*** the outstanding liabilities against corporate guarantee given to Non-convertible Debenture holders on behalf of Shilpa Biologicals Pvt. Ltd. is for the financial period ended 31.03.2025 is ₹ 0.00 (As on 31.03.2024 ₹ 10,000.00 Lakhs)

**** the outstanding liabilities against corporate guarantee given to banks on behalf of Shilpa Biocare Pvt Ltd. is for the financial period ended 31.03.2025 is ₹ 13,163.69 Lakhs (As on 31.03.2024 ₹ 12,485.56 Lakhs)

c) The Company INM Nuvent Paints Pvt. Ltd., (step down subsidiary) had applied for strike off and notice has been published by MCA, that the Company has been struck off on 01st May 2025 from the ROC records and dissolved.



Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

46 A sum of ₹ 134.85 lakhs is payable to Micro, Small and Medium Enterprises as at 31 March, 2025 (₹ 53.13 lakhs as at 31 March, 2024). There are no overdue payable to Micro, Small and Medium Enterprises by the Company which are outstanding for more than 45 days during the year and also as at 31 March, 2024. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act has been determined to the extent such supplier has been identified on the basis of information provided by suppliers with the Company and relied upon by the Auditors.

47 Investments are tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined by assessing the recoverable amount of each investment. When the recoverable amount of the investment is less than its carrying amount, an impairment loss is recognised.

The recoverable amounts of the above investments have been assessed using a value-in-use model. Value in use is generally calculated as the net present value of the projected post-tax cash flows plus a terminal value of the business. Initially, a post-tax discount rate is applied to calculate the net present value of the post-tax cash flows. Key assumptions upon which the Company has based its determinations of value-in-use include :

- Estimated cash flows based on internal budgets and industry outlook for a period of five years and a terminal growth rate thereafter.
- A terminal value arrived at by extrapolating the last forecasted year cash flows to perpetuity, using a constant long-term growth rate ranging from 1-3%. This long term growth rate takes into consideration external macroeconomic sources of data. Such long-term growth rate considered does not exceed that of the relevant business and industry sector.
- The after tax discount rates used reflect the current market assessment of the risks specific to the investment, the discount rate is estimated based on the weighted average cost of capital for respective investment. After tax discount rate used range from 12%-16%

The Company believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

48 Balance of trade receivables/ trade payables/advances /security deposits are subject to confirmation and MAT Credit are subject to reconciliation with IT returns.

49 ADDITIONAL DISCLOSURES REQUIRED BY SCHEDULE III (AMENDMENTS DATED 24 MARCH 2021) TO THE COMPANIES ACT, 2013;

- The Company do not have any Benami property and neither any proceedings have been initiated or is pending against the Company for holding any Benami property.
- The Company do not have any transactions with companies struck off.
- The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company has not been declared a wilful defaulter by any bank or financial institution or any other lender during the current period.
- No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds, other the in the ordinary course of business by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- 6) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year
- 7) The Company has not made 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).
- 8) The Company has complied with number of layers prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- 9) The quarterly returns of current assets filed by the Company with banks are in agreement with books of account

Ageing schedule for receivables as at March 31, 2025 is as follows

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	9,612.71	6,669.51	2,741.07	26.92	1.75	-	19,051.96
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	3.93	12.59	16.53
Total	9,612.71	6,669.51	2,741.07	26.92	5.69	12.59	19,068.49
Less: Allowance for credit loss							(16.53)
Net receivables							19,051.96



Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Ageing schedule for receivables as at March 31, 2024 is as follows

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	7,037.41	5,188.27	1,682.81	399.80	60.89	12.98	14,382.17
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	39.55	-	39.55
Total	7,037.41	5,188.27	1,682.81	399.80	100.44	12.98	14,421.72
Less: Allowance for credit loss							-39.55
Net receivables							14,382.17

Trade payables Ageing Schedule as at March 31, 2025

S NO	Particulars	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
a)	MSME	134.85	-	-	-	134.85
b)	Others	2,034.69	12.29	3.92	33.43	2,084.33
	Total	2,169.54	12.29	3.92	33.43	2,219.18

Trade payables Ageing Schedule as at March 31, 2024

S NO	Particulars	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
a)	MSME	53.13	-	-	-	53.13
b)	Others	5,136.71	63.93	8.65	6.73	5,216.02
	Total	5,189.84	63.93	8.65	6.73	5,269.15

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Capital Work in Progress (CWIP) Ageing Schedule as at March 31,2025

S NO	Particulars	Sum of Less Than 1 Year	Sum of 1-2 Years	Sum of 2-3 Years	Sum of More than 3 Years	Total
a)	Project in Progress	3,472.60	3.00	2.25	16.11	3,493.96
b)	Project temporarily suspended	-	-	-	452.12	452.12
	Total	3,472.60	3.00	2.25	468.23	3,946.08

Capital Work in Progress (CWIP) Ageing Schedule as at March 31,2024

S NO	Particulars	Sum of Less Than 1 Year	Sum of 1-2 Years	Sum of 2-3 Years	Sum of More than 3 Years	Total
a)	Project in Progress	247.05	66.47	39.36	155.21	508.09
b)	Project temporarily suspended	6.03	0.72	446.52	30.49	483.76
	Total	253.08	67.19	485.88	185.70	991.85

Intangible assets under development (IUAD) as at March 31, 2025

S NO	Particulars	Sum of Less Than 1 Year	Sum of 1-2 Years	Sum of 2-3 Years	Sum of More than 3 Years	Total
a)	Project in Progress	4,802.03	2,067.89	1,985.77	15,299.70	24,155.39
b)	Project temporarily suspended	-	-	-	-	-
	Total	4,802.03	2,067.89	1,985.77	15,299.70	24,155.39

Intangible assets under development (IUAD) as at March 31, 2024

S NO	Particulars	Sum of Less Than 1 Year	Sum of 1-2 Years	Sum of 2-3 Years	Sum of More than 3 Years	Total
a)	Project in Progress	3,141.52	2,265.73	4,216.64	12,208.02	21,831.91
b)	Project temporarily suspended	-	-	-	-	-
	Total	3,141.52	2,265.73	4,216.64	12,208.02	21,831.91

Sr No	Particular	Numerator	Denominator	31 March 2025	31 March 2024	Change in ratio	Reasons for variance
1	Current Ratio	Current Assets	Current Liabilities	2.10	1.77	19%	
2	Debt Equity Ratio	Total Debt	Share holder equity	0.04	0.07	-40%	Due to higher profit and Lower Borrowings during the year
3	Debt service coverage ratio	Earnings available for debt service	debt service	18.58	0.71	2525%	Due to higher profits during the year and Lower Finance cost in line with reduction in borrowing
4	Inventory turnover ratio	Cost of Goods sold	Average inventory	0.93	0.86	7%	



Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Sr No	Particular	Numerator	Denominator	31 March 2025	31 March 2024	Change in ratio	Reasons for variance
5	Return on equity	Net profit after taxes	Average shareholders equity	2.88%	1.26%	129%	This is mainly on account of higher sales with better margin and lower Finance cost during the year
6	Trade receivable turnover ratio	Revenue	Average Trade Receivables	2.86	2.42	18%	
7	Trade payable turnover ratio	Purchase of trade and services	Average Trade Payables	6.76	4.25	59%	The rise in Trade Payables Turnover Ratio is due to higher purchases and lower average trade payables, indicating faster supplier payments and reduced credit period.
8	Net Capital turnover ratio	Revenue	Average Working Capital	2.30	1.12	106%	The increase in Net Capital Turnover Ratio is due to higher revenue and lower average working capital, reflecting improved working capital efficiency through faster inventory turnover, better receivables collection.
9	Net Profit ratio	Net Profit	Revenue	12.09%	6.34%	91%	This is mainly on account of higher sales with better margin and lower Finance cost during the year
10	Return on Capital Employed	Earning Before Interest and Tax	Capital Employed	8.34%	5.74%	45%	This is mainly on account of higher sales with better margin and lower Finance cost during the year
11	Return on investment	Income generated from investments	Investments	NA	NA		

50 Issue of Equity Shares:

On April 13, 2024, the securities issue committee of the Board of Directors of the Company has approved an allotment of 1,09,89,010 Equity shares having face value Re.1/- per share at a premium of ₹454.00 per equity share aggregating to ₹50,000.00 Lakhs to eligible Qualified Institutional Buyers. Pursuant to said allotment, equity share capital of the Company has increased by ₹ 109.89 Lakhs and securities premium has increased by ₹49,890.11 Lakhs.

Notes Forming Part of Standalone Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

51 DISCLOSURE REQUIRED UNDER CLAUSE 22 OF MICRO, SMALL AND MEDIUM ENTERPRISE DEVELOPMENT ('MSMED') ACT, 2006

Particulars	As at 31st March, 2025	As at 31st March, 2024
a. Principal and interest amount remaining unpaid	134.85	53.13
b. Interest due thereon remaining unpaid*	-	-
c. Interest paid by The company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
e. Interest accrued and remaining unpaid	-	-
f. 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 enterprises	-	-

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors/suppliers.

The company has not provided for any interest on balances of trade payables outstanding for more than 45 days based on the historical data where no such claims have been made against the company by any of its vendors / suppliers.

52 EVENTS AFTER THE REPORTING PERIOD:

On 17 April, 2025, the Company entered into a settlement agreement with Celltrion Inc, of its ongoing legal dispute of the execution petition of the Arbitral Award passed by the ICC International Court of Arbitration, Arbitral Tribunal on 22nd January 2024 committing to pay ₹ 2,909.77 Lakhs (USD 3.40 Million) over 04 instalments starting from April'25 till July'25. As the underlying conditions existed at the reporting date, the settlement is considered an adjusting event in accordance with Ind AS 10 Events After the Reporting Period. Consequently, the entire amount has been recognised as exceptional item for the year ended 31 March, 2025 in the current year's financial statements.

53 Figures of the previous year have been regrouped/rearranged wherever necessary.

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached
for B N P S And Associates LLP
Chartered Accountants
Firm's Registration No.008127S/S200013

For and on behalf of the Board of Directors of
Shilpa Medicare Limited

Yogesh. R. Bung
Partner
M.No.143932

Omprakash Inani
Chairman
DIN : 01301385

Vishnukant Bhutada
Managing Director
DIN: 01243391

Place : Mumbai
Date :26.05.2025

Ritu Tiwary
Company Secretary

Alpesh Maheshkumar Dalal
Chief Financial Officer



Independent Auditor's Report

To the members of **Shilpa Medicare Limited**

REPORT ON THE AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the consolidated financial statements of SHILPA MEDICARE LIMITED (hereinafter referred to as the "Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and joint Ventures, which comprise the Consolidated Balance sheet as at March 31, 2025, and the consolidated Statement of Profit and Loss (including other comprehensive income), consolidated Statement of changes in equity and consolidated statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant 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 the reports of the other auditors on separate financial statements / financial information of such subsidiaries, associates and joint ventures as were audited by other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31, 2025, of its consolidated profit and other comprehensive loss, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of consolidated financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those SA's are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, 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 financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in "Other Matters" paragraph below is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement and based on the consideration of the reports of the other auditors on separate financial statements / consolidated financial statements and on the other financial information of the subsidiaries, associates and joint ventures, 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.

Key Audit Matters	Auditor's Response
Impairment of intangible assets under development The Group has significant intangible assets under development where certain products are under development or in their early stage of commercialization in certain key developed markets as of 31 March 2025.	Principal audit procedures <ul style="list-style-type: none"> Tested the design and operating effectiveness of the Group's controls around the impairment testing; Evaluating assumptions used by the Company in assessing the recoverability of assets - in particular, revenue and cash flow projections; We evaluated the valuation methodologies and assumptions used by the Company;

Key Audit Matters	Auditor's Response
<p>As the products are yet to be launched or in their initial stages of commercialization revenue and profitability are yet to reach its desired levels and hence, there is a risk of impairment in the event the carrying amount of the aforesaid assets are lower than its recoverable value. Company's assessment of recoverable value to test for impairment contains a number of parameters which involve significant judgements and estimates including weighted average cost of capital, revenue growth, expected market share and price erosion. Changes in these assumptions could lead to an impairment to the carrying value of these assets.</p> <p>For further information on the carrying value of intangible assets refer to:</p> <ul style="list-style-type: none"> Significant accounting policies which includes General accounting principles, Key accounting judgements, estimates and assumptions – Note.1.1(a), and financial disclosures as disclosed in Intangible assets – Note.04 of the Consolidated Financial Statements for the year ended March 31, 2025. 	<ul style="list-style-type: none"> Evaluating Company's assessment of key inputs by considering third party sources and the impact on future cash inflows due to actions by competitors or changes in relevant market conditions; Inquired with the Company about potential impact of USFDA warning letter situation and its assessment of the likelihood of delay in product approvals, thereby impacting valuation; Evaluating the sensitivity analysis carried out by the company in respect of certain key estimates to assess the level of sensitivity to key assumptions.
<p>Minimum Alternate Tax (MAT) Credit Entitlement – Deferred tax assets</p> <p>The Group pays minimum alternate tax (MAT) under section 115JB of the Income Tax Act, 1961. The MAT paid would be available as an offset over a period of 15 years. The MAT credit is recognized as a deferred tax asset to be available for offset when the Group pays taxes under the provision of Income Tax Act, 1961. The balance of MAT credit receivable as at 31 March 2025 is ₹5,037.35 Lakhs (refer note 1.1 (r) to the consolidated financial statements).</p> <p>The recognition and recoverability of deferred tax asset on account of MAT credit requires significant judgement regarding the Group's future profitability and taxable income which will result in utilization of the MAT credit within the time limits available under the applicable Income tax laws.</p>	<p>Principal audit procedures</p> <p>In respect of such deferred tax assets, we assessed recoverability from a tax perspective by performing the following procedures:</p> <ul style="list-style-type: none"> Understanding why the MAT credit entitlement arose and understanding whether the MAT credit entitlement can be utilized. assessing any restriction in use of the MAT credit entitlement and determining when the MAT credit entitlement will expire. <p>Further, we assessed the applicability of Ind AS 12 Income Taxes by assessing management's assessment of recoverability of MAT credit entitlement against forecast income streams.</p> <p>We validated the appropriateness of the related disclosures in the consolidated financial statements.</p>

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Board's Report, Management Discussion and Analysis, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon, and the remaining sections of the

Company's Annual Report, which are expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other sections of the Annual Report (other than those mentioned above), if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act 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 ventures in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group, and its associates and joint ventures covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each Company and for preventing and detecting frauds and other irregularities; 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the 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 ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and

using the going concern basis of accounting unless management either intends to liquidate the Group 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 ventures is responsible for overseeing the financial reporting process of each company.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint 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 such entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in sub-paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on 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 control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

- We did not audit the financial statements of 02 subsidiaries whose financial statement reflect total assets of ₹10,174.13 Lakhs as at March 31, 2025, total revenue of ₹ 3,383.76 Lakhs, total net (loss) after tax of ₹ (278.10) Lakhs, total comprehensive loss of ₹ (292.63) and net cash flows of ₹ (544.64) Lakhs for the year ended on that date as considered for 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, joint ventures and associates and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, associate and joint ventures covered under the Act, is based solely on the reports of the other auditors.

We did not audit the financial statements of nine subsidiaries whose financial statement reflect total assets of ₹ 6,881.02 Lakhs as at March 31, 2025 and total revenue of ₹ 2,662.16 Lakhs, total net (loss) after tax of ₹ (508.49) Lakhs, and net cash flows of ₹ 755.87 Lakhs for the year ended on that date as considered for the consolidated financial statements.

Further, in case of one (01) foreign associate, financial statements for the year ended March 31, 2025 are not concluded and have not been furnished to us by the Management, and



our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts included in respect of this associate is based solely on the information available for the period ended December 31, 2024. According to the information and explanations given to us by the Management, this interim financial information is not material to the Group. Our conclusion on the statement is not modified in respect of the above matter.

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 subsidiaries and associate and our report in terms of subsection (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and associate to the extent covered under the Act, are 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 information are not material to the Group.

Our opinion above on the consolidated financial statements, 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 by and reports of 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 report of the other auditors on separate financial statements and other financial information of the subsidiaries, associates and joint ventures, as noted in the "Other Matters" paragraph, 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 the preparation of the aforesaid consolidated financial statement have been kept so far as it appears from our examination of those books and reports of other auditors except for the matters stated in paragraph 2(h) below on

reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement and 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 Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.
- (e) On the basis of 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 Holding Company and the report of the statutory auditors of its subsidiaries, associate and joint ventures incorporated in India, none of the directors of the Group Companies, associate and joint ventures companies incorporated in India are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Companies Act;
- (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiaries, associate, and joint ventures incorporated in India, and the operating effectiveness of such controls, refer to our separate report in "Annexure A."
- (g) With respect to the Managerial remuneration 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 Holding Company and its subsidiaries covered under the Act 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, in our opinion and to the best of our information and according to the explanations given

to us and based on the report of the other auditors on the separate financial statements and other financial information of the subsidiaries, associates and joint ventures:

The Consolidated financial statements disclose the impact of pending litigations if any, on the consolidated financial position of the group and its associates and joint ventures.

- ii. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books except for the matters stated in paragraph 143(3)(1) (vii) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014
- iii. The Holding Company and its subsidiaries have made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iv. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company incorporated in India.
- v. (a) The respective Managements of the Holding Company, its subsidiaries, associate and joint Ventures which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) 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 and joint ventures to or in any other person or entity, including foreign entity ("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 and joint ventures ("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, associate and joint Ventures which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiaries, associate and joint ventures from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, associate and joint ventures 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 that have been considered reasonable and appropriate in the circumstances performed by us on the Holding Company, its subsidiaries, associate and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material misstatement.
- vi. During the year, neither the Holding Company nor any of its subsidiary companies have declared any interim dividend for the current financial year or any dividend relating to the previous financial year.

Further, the Board of Directors of the Holding Company have proposed final dividend for financial year 2024-2025, which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act as applicable.

- vii. Based on our examination, which included test checks, and that performed by the respective auditors of the subsidiaries, associates and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, except for the below mentioned entities, the company, its subsidiaries, associates and joint ventures have used an



accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares.

S. No	Name of the entity	Relationship	Audit trail enabled on
01	INM Technologies Private Limited	WOS	21.05.2024
02	INM Nuvent Paints Private Limited (Strike off from ROC records w.e.f. 01.05.2025)	Step down subsidiary	21.05.2024
02	Shilpa Lifesciences Private Limited	WOS	21.05.2024
03	Vegil Labs Private Limited	WOS	21.05.2024
04	Reva Medicare Private Limited	Joint Venture	21.05.2024
05	Sravathi AI Technologies Private Limited	Joint Venture	14.05.2024

Further, during the course of our audit, we and respective auditors of the subsidiaries, did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail, where enabled, has been preserved by the company, its subsidiaries, associates and joint ventures as per the statutory requirements for record retention.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us and by the auditors of other Companies included in the consolidated financial statements of the Holding Company, except for the following adverse remark, no unfavourable answers or qualifications or adverse remarks have been reported in their CARO reports.

Sr No	Name	CIN	Holding Company/ subsidiary/ Associate/Joint Venture	Clause number of the CARO report which is qualified or adverse
1	FTF Pharma Private Limited	U24230GJ2012PTC070818	Subsidiary	Clause (xx)

for **B N P S And Associates LLP.**
Chartered Accountants
Firm's Regn No. 0008127S/S200013

CA. Yogesh R Bung

Partner

Membership No. 143932

UDIN: 25143932BMIPLZ6565

Place: Mumbai

Date : 26.05.2025

Annexure – A to the Consolidated Auditor's Report

REPORT ON THE INTERNAL FINANCIAL CONTROLS 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 Shilpa Medicare Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as the Group), its associates and joint Ventures as at for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries, associate and joint ventures which are incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of Group, its associates and joint ventures which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 ('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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements 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") and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 aspects.

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 and error.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors of the subsidiaries, associates and joint ventures which are incorporated in India, in terms of their reports referred in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to consolidated financial statements.

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 expenditure 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 policies or procedures may deteriorate.

OPINION

In our opinion to the best of our information and according to the explanations given to us, the Group, its associates and joint ventures which are companies incorporated in India, have, in all material respects, an

adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025 based on the internal control over financial reporting criteria established by the Holding 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 ICAI.

OTHER MATTERS

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 02 subsidiary companies, which are incorporated in India, is based on the corresponding reports of the auditors of such companies.

for **B N P S And Associates LLP.**

Chartered Accountants

Firm's Regn No. 0008127S/S200013

CA. Yogesh R Bung

Partner

Place: Mumbai

Date : 26.05.2025

Membership No. 143932

UDIN: 25143932BMITPLZ6565

Consolidated Balance Sheet

as at 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars	Notes	As at 31 March, 2025	As at 31 March, 2024
ASSETS			
Non- Current Assets			
(a) Property, plant & equipment.	2	1,18,603.51	1,16,592.12
(b) Capital work-in-progress	3	46,252.16	40,300.13
(c) Goodwill		4,623.08	4,623.08
(d) Right-of-use asset	2A	2,640.29	2,727.20
(e) Intangible assets	4	15,917.03	14,543.83
(f) Intangible assets under development	5	35,924.67	31,577.91
(g) Financial assets	6		
(i) Investments		3,453.94	3,990.92
(ii) Other financial assets		625.20	674.71
(h) Deferred tax asset (net)	7	1,296.56	1,026.14
(l) Other Non- Current Assets	8	3,167.09	5,643.97
Total Non- Current Assets		2,32,503.54	2,21,700.01
Current Assets			
(a) Inventories	9	34,792.77	34,492.81
(b) Financial assets	10		
(i) Trade receivables		44,083.56	39,204.55
(ii) Cash and cash equivalents		2,596.83	3,022.56
(iii) Other bank balance		255.54	154.06
(iv) Others financial assets		3,003.72	141.86
(c) Other current assets	11	13,361.63	10,135.86
(d) Current tax assets (net)	12	473.20	472.56
Total Current Assets		98,567.25	87,624.26
Total Assets		3,31,070.79	3,09,324.27
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13	977.91	868.02
(b) Other equity	14	2,36,246.06	1,80,001.39
Equity attributable to owners of the Company		2,37,223.98	1,80,869.41
(c) Non-controlling interest		(853.82)	(873.72)
Total Equity		2,36,370.16	1,79,995.69
Liabilities			
Non- Current Liabilities			
(a) Financial liabilities	15		
(i) Borrowings		23,195.69	56,015.99
(ii) Lease Liability		124.81	127.21
(b) Provisions	16	2,554.13	2,242.92
(c) Other non-current financial liability	17	1,402.78	1,583.59
Total Non- Current Liabilities		27,277.41	59,969.71
Current Liabilities			
(a) Financial Liabilities	18		
(i) Borrowings		35,440.57	37,542.73
(ii) Lease Liability		13.61	52.93
(iii) Trade payables			
- Total outstanding dues of micro and small enterprises		822.77	558.53
- Total outstanding dues of creditors other than micro and small enterprises		8,715.38	16,856.63
(iv) Other financial liabilities		13,113.80	9,865.01
(b) Other current liabilities	19	4,325.84	2,417.01
(c) Provisions	20	4,991.25	2,066.02
Total Current Liabilities		67,423.22	69,358.86
Total Equity & Liabilities		3,31,070.79	3,09,324.27

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached
for **B N P S And Associates LLP**
Chartered Accountants
Firm's Registration No.008127S/S200013

Yogesh. R. Bung
Partner
M.No.143932

Place : Mumbai
Date :26.05.2025

For and on behalf of the Board of Directors of
Shilpa Medicare Limited

Omprakash Inani
Chairman
DIN : 01301385

Ritu Tiwary
Company Secretary

Vishnukant Bhutada
Managing Director
DIN: 01243391

Alpesh Maheshkumar Dalal
Chief Financial Officer



Consolidated Statement of Profit and Loss

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars	Notes	For the year ended 31 March, 2025	For the year ended 31 March, 2024
INCOME			
(a) Revenue from operations	21 & 22	1,28,641.40	1,15,160.30
(b) Other Income	23	2,315.34	817.05
Total Income		1,30,956.74	1,15,977.35
EXPENSES			
(a) Cost of materials consumed	24	35,027.39	42,479.96
(b) Purchases of stock-in trade	25	2,248.45	1,801.39
(c) Change in inventories of finished goods, work-in-progress and stock-in-trade	26	3,761.23	(3,477.76)
(d) Employee benefits expense	27	29,270.92	28,138.97
(e) Finance costs	28	7,553.29	9,180.37
(f) Depreciation and amortisation expenses	1&2	11,299.25	10,786.99
(g) Other Expenses	29	26,628.24	21,768.59
Total Expenses		1,15,788.79	1,10,678.51
Profit before share of profit/(loss) of an associates/a joint venture, exceptional items and tax		15,167.96	5,298.84
Share of profit / (loss) of an associate/a joint venture, net of tax		(126.53)	(477.84)
Profit/(loss) before exceptional items and tax		15,041.43	4,821.00
Exceptional Items- (Income) / Expense	30	2,808.14	(613.07)
Profit before tax		12,233.29	5,434.07
Tax Expenses			
(a) Current tax		7,334.90	4,529.50
(b) Deferred tax (net of MAT Credit)		(2,931.29)	(2,290.95)
Total Tax Expenses		4,403.61	2,238.55
Profit for the year		7,829.68	3,195.52
Other Comprehensive Income			
(a) Items that will not be reclassified to profit or loss			
Remeasurement of the net defined benefit (liability)/asset		(346.46)	(346.92)
Income Tax relating to the above		116.38	109.86
(b) Items that will be reclassified to profit or loss		-	-
Total Other Comprehensive Income for the year (net of tax)		(230.08)	(237.06)
Total Comprehensive Income for the year		7,599.59	2,958.46
Profit for the year attributable to:			
a) Owners of the Company		7,829.30	3,187.43
b) Non Controlling Interest		0.38	8.09
Other Comprehensive Income for the year attributable to:			
a) Owners of the Company		(230.08)	(237.06)
b) Non Controlling Interest		-	-
Total Comprehensive Income for the year attributable to:			
a) Owners of the Company		7,599.22	2,950.37
b) Non Controlling Interest		0.38	8.09
Earning per equity share , par value of Re. 1/- each (refer note.36)			
Basic (₹)		8.04	3.67
Diluted (₹)		8.04	3.67

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached
for **B N P S And Associates LLP**
Chartered Accountants
Firm's Registration No.008127S/S200013

For and on behalf of the Board of Directors of
Shilpa Medicare Limited

Yogesh. R. Bung

Partner
M.No.143932

Omprakash Inani

Chairman
DIN : 01301385

Vishnukant Bhutada

Managing Director
DIN: 01243391

Place : Mumbai
Date :26.05.2025

Ritu Tiwary
Company Secretary

Alpesh Maheshkumar Dalal
Chief Financial Officer

Consolidated Statement of Changes in Equity

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Total
Balance as at 01 April, 2023	868.02
Changes in equity share capital during the year	-
Balance as at 31 March, 2024	868.02
Changes in equity share capital during the year	109.89
Balance as at 31 March, 2025	977.91

B. OTHER EQUITY

Particulars	Securities Premium	General Reserves	Retained Earnings	Other Comprehensive Income (OCI)		Debenture redemption reserve	Foreign Currency Monetary Translation Difference Account	Gain on forfeiture of equity shares	Total
				Cash flow hedge reserve	Remeasurement of defined benefit plan				
Balance as at 01 April, 2023	72,495.15	5,182.68	100,118.04	(2.59)	(100.86)	-	(241.50)	8.76	177,459.68
Addition/Deletion during the year			74.10	-	37.21	-	(519.96)	-	(408.65)
Profit for the year	-	-	3,187.43	-	-	-	-	-	3,187.43
Other Comprehensive income, net of tax	-	-	-	-	(237.06)	-	-	-	(237.06)
Balance as at 31 March, 2024	72,495.15	5,182.68	103,379.56	(2.59)	(300.71)	-	(761.46)	8.76	180,001.39
Addition/Deletion during the year	-	-	(1,500.00)	-	-	1,500.00	(155.28)	-	(155.28)
Profit for the year	-	-	7,829.29	-	-	-	-	-	7,829.29
Other Comprehensive income, net of tax	-	-	-	-	(230.08)	-	-	-	(230.08)
Premium on issue of equity shares (Refer Note 46)	49,890.11								49,890.11
share issue expenses (Refer Note 46)	(1,089.36)								(1,089.36)
Balance as at 31 March, 2025	121,295.89	5,182.68	109,708.85	(2.59)	(530.79)	1,500.00	(916.74)	8.76	236,246.06

The accompanying notes form an integral part of the consolidated financial statements



Consolidated Statement of Changes in Equity

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Note:

- Securities premium:** This reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Section 52 of the Companies Act, 2013.
- General Reserve:** This Reserve is created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilised in accordance with the provisions of the Companies Act, 2013.
- Retained Earnings:** This Reserve represents the cumulative profits of the Company. This Reserve can be utilised in accordance with the provisions of the Companies Act, 2013.
- Cash flow hedge reserve:** This Reserve represents the cumulative effective portion of changes in Fair Value of derivatives that are designated as Cash Flow Hedges. It will be reclassified to profit or loss or included in the carrying amount of the non-financial asset in accordance with the Company's accounting policy.
- Remeasurements of the net defined benefits plan:** This reserve comprises the cumulative net gains/losses on actuarial valuation of post-employment obligations.
- Debenture redemption reserve:** This reserve is created to ensure a Company has sufficient funds available to repay debenture holders when their debentures mature, thereby protecting investors from the risk of default. This Debenture Redemption Reserve (DRR) can only be utilized for the redemption of debentures for which it was created.

As per our report of even date attached
for B N P S And Associates LLP
 Chartered Accountants
 Firm's Registration No.0081275/S200013

For and on behalf of the Board of Directors of
Shilpa Medicare Limited

Yogesh. R. Bung
 Partner
 M.No.143932

Omprakash Inani
 Chairman
 DIN : 01301385

Vishnukant Bhutada
 Managing Director
 DIN: 01243391

Place : Mumbai
 Date :26.05.2025

Ritu Tiwary
 Company Secretary

Alpesh Maheshkumar Dalal
 Chief Financial Officer

Consolidated Statement of Cash Flow

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Cash Flows from Operating Activities		
Profits Before Tax (PBT)	12,233.29	5,434.07
Adjustment for:		
Finance cost	7,553.29	9,180.94
Depreciation & Amorisation expenses	11,299.25	10,786.99
Provision for Gratuity & Compensated absence	496.38	535.73
Bad debts / Advances written off	446.68	472.09
Provision for doubtful debts	137.92	176.91
Provision for advances to suppliers	-	84.08
Liabilities written back	(833.16)	(213.52)
Government Grant	(149.99)	(150.36)
(Profit)/ Loss on sale of Assets	(27.14)	(54.36)
Unrealized foreign exchange (Gain) / Loss	(430.68)	85.30
Share of (profit) / Loss of associates and Joint Ventures	126.53	477.84
Interest Income	(795.82)	(138.40)
Impairment of property, plant & equipment	250.00	-
MTM gain	(11.78)	-
Reversal of provision for Impairment on Investment	(101.63)	-
Inventories written off	1,931.60	1,566.57
Profit on sale of investments	(387.10)	(666.12)
Operating profit before working capital changes	31,737.64	27,577.76
Movement in working capital		
(Decrease) / Increase in financial & non-financial liabilities	5,453.27	(585.40)
Decrease / (Increase) in Financial & non-financial Assets	(4,499.96)	(904.87)
Decrease / (Increase) in Inventory	(2,231.56)	(4,077.29)
Decrease / (Increase) in Trade receivables	(5,544.82)	(7,589.87)
(Decrease) / Increase in Trade payables	(6,994.44)	3,365.47
Net Cash flow generated from Operations	17,920.13	17,785.80
Taxes paid	(4,702.27)	(4,118.90)
Net Cash flow generated from Operating activities (A)	13,217.86	13,666.90
Cash Flows From Investing Activities		
Purchase of Property, plant and equipment including intangible assets (Refer Note No.ii)	(24,363.40)	(18,456.05)
Proceeds from sale of assets	2,750.51	1,209.85
Investments in Group Companies and Others	93.92	(650.64)
Sale of Investments in Joint venture / Associate	805.26	1,100.00
Interest received	805.23	138.40
Net cash used in Investing Activities (B)	(19,908.48)	(16,658.44)
Cash Flows From Financing Activities		
Interest paid	(7,672.64)	(9,236.90)
Payment of Lease liabilities (Net)	(55.23)	(52.78)
Long-term loans and borrowings (net)	(29,529.87)	12,330.07



Consolidated Statement of Cash Flow

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Short-term loans and borrowings (net)	(5,387.22)	1,637.11
Proceeds from Issuance of share capital (Net of issue expenses)	48,910.35	-
Net Cash earned from Financing Activities (C)	6,265.39	4,677.50
Net Increase/(decrease)in Cash and Cash Equivalents	(425.23)	1,685.96
Change in foreign currency translation arising on consolidation	102.00	(417.50)
Cash & Cash Equivalents at the Beginning of the year	3,175.60	1,907.14
Cash & Cash Equivalents at the end of the period	2,852.37	3,175.60

Components of Cash and Cash Equivalents	For the year ended 31 March, 2025	For the year ended 31 March, 2024
- Cash in Hand	25.01	32.62
- Balances with banks - on current accounts	2,505.24	2,261.97
- Balances with banks - on unpaid dividend accounts	16.74	20.99
- Deposits with original maturity of less than 03 months	66.58	727.98
- Fixed deposits having maturity less than 12 months and held as margin money	238.80	133.06
- Book overdraft	-	(1.02)
Total Cash and Cash Equivalents	2,852.37	3,175.60

The Company can utilise these balances only towards settlement of the respective unpaid dividend liabilities

The accompanying notes form an integral part of the consolidated financial statements

Notes:

- Previous year figures have been reclassified wherever necessary.
- Purchase and sale of property, plant and equipment and intangibles represents additions and deletions to property, plant and equipment, intangibles, intangibles under development further adjusted for movement of capital work in progress, capital advances, capital creditors during the year.
- Adjusted for bank-overdraft of ₹ Nil (PY: ₹1.02 Lakhs) in for the year ended March 31, 2025.
- Cash flow statement has been prepared under indirect method as per Ind AS-7 "Statement of Cash Flows" as prescribed under Companies (Accounting Standard) Rules, 2015.

As per our report of even date attached
for B N P S And Associates LLP
 Chartered Accountants
 Firm's Registration No.008127S/S200013

For and on behalf of the Board of Directors of
Shilpa Medicare Limited

Yogesh. R. Bung
 Partner
 M.No.143932

Omprakash Inani
 Chairman
 DIN : 01301385

Vishnukant Bhutada
 Managing Director
 DIN: 01243391

Place : Mumbai
 Date :26.05.2025

Ritu Tiwary
 Company Secretary

Alpesh Maheshkumar Dalal
 Chief Financial Officer

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

I. Statement of Compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as specified under section 133 of the Companies Act 2013 read together with the Rule 4 of Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) Amendment Rules 2016 to the extent applicable and the other relevant provisions of the Act, pronouncements of the regulatory bodies applicable to the Company.

These financial statements have been prepared by the Company as a going concern on the basis of relevant Ind AS that are effective or elected for early adoption at the Company's annual reporting date March 31, 2025. The accounting policies are applied consistently to all the periods presented in the financial statements. The consolidated financial statements of the Company for the year ended March 31, 2025 were approved by the Board of Directors on May 26, 2025.

II. Basis of Measurement

The consolidated financial statements have been prepared on the historical cost convention and on accrual basis, except for the following assets and liabilities which have been measured at fair value wherever applicable

- Derivative financial instruments
- Certain financial assets / liability measured at fair value,
- Net defined benefit assets/(liability) are measured at fair value of plan assets, less present value of defined benefit obligations.

III. Current Vs Non-current classification

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

An asset is current when it satisfies the below mentioned criteria:

- (i) Expected to be realised or intended to be sold or consumed in normal operating cycle, or

- (ii) Held primarily for the purpose of trading, or

- (iv) Expected to be realised within twelve months after the reporting period, or

- (v) 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 satisfies the below mentioned criteria:

- (i) Expected to be settled in normal operating cycle, or

- (ii) Held primarily for the purpose of trading, or

- (iii) Due to be settled within twelve months after the reporting period, or

- (iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are treated as non-current

IV. Principles of consolidation

The consolidated financial statements relate to Shilpa Medicare Limited ('the Company'), and its subsidiaries, associates and joint ventures ("the Group").

Subsidiaries

The Consolidated financial statements have been prepared on the following basis:

Subsidiaries are all entities (including special purpose entities) that are controlled by the Company. Control exists when the Company is exposed to, or has rights, to variable returns from its involvement with the entity, and has the ability to affect those returns through power over the entity. The net assets and results of acquired businesses are included in the consolidated financial statements from their respective dates of acquisition, being the date on which the Group obtains control. The results of disposed businesses are included in the consolidated financial statements up to their date of disposal, being the date control ceases.



Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group Companies are eliminated. Unrealised losses are eliminated, but only to the extent that there is no evidence of impairment. All temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions are recognised as per Ind AS 12, Income Taxes. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

The excess of cost to the Group of its investment in subsidiaries, on the acquisition dates over and above the Group's share of equity in the subsidiaries, is recognised as 'Goodwill on Consolidation' being an asset in the consolidated financial statements. The said Goodwill is not amortised, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for. On the other hand, where the share of equity in subsidiaries as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Other Equity' in the consolidated financial statements.

Non-controlling interests in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately within equity. Non-controlling interests in the net assets of consolidated subsidiaries consists of:

- (a) The amount of equity attributable to non-controlling interests at the date on which investment in a subsidiary is made; and
- (b) The non-controlling interests share of movements in equity since the date parent subsidiary relationship came into existence.

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, even if this results in the non-controlling interests having a deficit balance. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

Associates and joint arrangements

(equity accounted investees)

The Group's interests in equity accounted investees comprise interests in associates and a joint venture.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investment in Associates and Joint Ventures has been accounted under the equity method as per Ind AS 28 –

The Company accounts for its share of post-acquisition changes in net assets of associates and joint ventures, after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its Consolidated Statement of Profit and Loss, to the extent such change is attributable to the associates Statement of Profit and Loss and through its reserves for the balance based on available information.

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

I) The subsidiaries considered in the Consolidated Financial Statements are as under:

Sl. No.	Name of the Subsidiary	Country	Extent of Holding
1	Shilpa Therapeutics Pvt. Ltd. (Shilpa Therapeutics')	India	100.00%
2	Makindus. Inc ('Makindus')	Delaware (USA)	55.78%
3	INM Technology Private Limited ('INM')	India	100.00%
4	INM Nuvent Paint Pvt Ltd (Step-down Subsidiary) * Struck off w.e.f 1 May 2025	India	75.00%
5	Koanna Healthcare Limited	United Kingdom	100.00%
6	Koanna Healthcare GmbH	Austria	100.00%
7	Shilpa Pharma Inc.	USA	100.00%
8	Shilpa Biologicals Private Limited	India	100.00%
9	Shilpa Biocare Pvt. Ltd.(Erstwhile Shilpa Albumin Private Limited)	India	100.00%
10	Shilpa Pharma Lifesciences Limited (Previously referred Shilpa Corporate Holdings Pvt. Ltd.)	India	100.00%
11	FTF Pharma Private Limited	India	100.00%
12	Koanna Healthcare Canada Inc.	Canada	100.00%
13	Koanna International FZ LLC	Dubai	100.00%
14	Indo Biotech SDN. BHD	Malaysia	100.00%
15	Koanna Healthcare Spain S.L	Spain	100.00%
16	Vegil Labs Private Limited	India	100.00%
17	Pilnova Pharma Inc	USA	100.00%
18	Shilpa Lifesciences Pvt Ltd, (Step-down subsidiary)	India	100.00%

II) The Associates considered in the Consolidated Financial Statements are as under:

Sl. No.	Name of the Associate	Country	Extent of Holding
1	Maia Pharmaceuticals INC. USA, New Jersey (USA)		34.79%

III) The Joint Venture considered in the Consolidated Financial Statements are as under:

Sl. No.	Name of the Joint Venture	Country	Extent of Holding
1	Reva Medicare Pvt. Ltd.	India	50.001%
2	Sravathi Advance Process Tech Private Limited	India	65.00%
3.	Sravathi AI Technologies Private Limited	India	26.50%
4.	Oncosol Limited	UK	50.00%

1.1 Significant Accounting Policies

a) Critical accounting estimates and judgments:

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Revisions to accounting estimates are recognised prospectively.



Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

The areas involving critical estimates or judgments are:

- Measurement of defined benefit obligation (Note 1.1 (h))
- Estimation of useful life of property, plant and equipment and intangibles (Note 1.1(a))
- Recognition of deferred taxes (Note 1.1 (r))
- Estimation of impairment (Note 1.1 (d))
- Estimation of provision and contingent liabilities (Note 1.1 (s))
- Business Combination (Note-1.1(e))

a) Property, Plant and Equipment & Depreciation:

- i. Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises of purchase price and any attributable cost of bringing the assets to its working condition for its intended use.
- ii. Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest.
- iii. Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.
- iv. Depreciation on Fixed Assets is provided on ascertain useful life of assets under Straight Line Method (SLM) prescribed in Schedule II of the Companies Act 2013, with exception of those assets whose useful life is ascertain by the management.
- v. The Company follows the policy of charging depreciation on pro-rate basis on the assets acquired or disposed off during the year.

b) Intangible Assets:

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the assets can be measured reliably.

Intangible Assets are stated at cost less accumulated amortization. Cost includes only such expenditure that is directly attributable to making the asset ready for its intended use.

Intangible assets are amortized over their useful life.

Intangible Assets include capitalized expenditure on filing and registration of any Drug Master File (DMF) or Abbreviated New Drug Application (ANDA) and compliance with regulatory procedures of the USFDA, in filing such DMF or ANDA, which are in respect of products for which commercial value has been established by virtue of third party agreements/ arrangements. The cost of each DMF/ANDA is amortized over its estimated useful life from the date on which the amount has been capitalized.

c) Research and Development:

All expenditure on research activities are recognized in the Profit and Loss Statement when incurred. Expenditure on development activities are also recognized in the Profit and Loss Statement in the year such expenditure is incurred. However, development expenditure is capitalized only in cases where such costs can be measured reliably, the technological feasibility has been established in respect of the product or process for which costs are incurred, future economic benefits are probable and the Company intends to and has sufficient resources to complete development and to use or sell the asset.

Payments to third parties that generally take the form of up-front payments and milestones for in-licensed product are capitalized. The Company's criteria for capitalization of such assets are consistent with the guidance given in paragraph 25 of Ind AS 38 (receipt of economic benefit out of the separately

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

purchased transaction is considered to be probable).

Acquired research and development intangible assets that are under development are recognized as Intangible Assets under Development. These assets are not amortized, but evaluated for potential impairment on an annual basis or when there are indications that the carrying value may not be recoverable. Where a determination of impairment in respect of any such asset is made, the impairment of such asset is recognized in the Profit and Loss Statement in the year in which such determination is made. Where a determination is made to the effect that future economic benefits are probable, the total cost is capitalized in the year in which such determination is made.

Amortization of capitalized development expenditure is recognized on a straight-line basis, over the useful life of the asset

d) Impairment of Assets:

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable value being higher of value in use and fair value less cost of disposal. Value in use is computed at net present value of cash flow expected over the balance useful life of the assets. An impairment loss is recognized as an expense in the Profit and Loss Account in the year in which an asset is identified as impaired.

e) Business Combination and Goodwill

The Company uses the acquisition method of accounting to account for business combinations. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Company is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control,

potential voting rights are considered only if the rights are substantive.

The Company measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred, including the recognised amount of any non-controlling interest in the acquiree, less the net recognized amount of the identifiable assets acquired and liabilities assumed.

Any goodwill that arises on account of such business combination is tested annually for impairment.

f) Non-Current assets held for sale:

Assets are classified as held for sale and stated at the lower of carrying amount and fair value less costs to sell if the asset is available for immediate sale and its sale is highly probable. Such assets or group of assets are presented separately in the Balance Sheet as "Assets Held for Sale".

g) Inventory:

Inventories are valued at the lower of cost and net realisable value. The cost is determined on FIFO basis. Cost of finished goods and work in- progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

h) Employee Benefits:

Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined Contribution plans

Contribution towards Provident Fund for employees is made to the regulatory



Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

authorities, where the Company has no further obligations. Such benefits are classified as defined contribution schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Defined benefit plans

Gratuity liability is defined benefit obligation and is provided on the basis of an actuarial valuation on projected unit credit method made at the end of each year. The Company funds the benefit through contributions to LIC.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss

i) Cash and Cash Equivalent.

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. Cash flow statement is prepared under the indirect method as per Ind AS 7. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits net of book overdraft.

j) Dividend to Shareholders:

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in other equity.

k) Leases

The Company assesses whether a contract contains a lease, at the inception of 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 use of an identified asset, the Company assesses whether:

- The contract involves use of an identified asset;
- The Company has substantially all the economic benefits from the use of the asset through the period of lease; and
- The Company has the right to direct the use of an asset.

At the date of commencement of lease, the Company recognises a Right-of-use asset ("ROU") and a corresponding liability for all lease arrangements in which it is a lessee, except for leases with the term of twelve months or less (short term leases) and low value leases. For short term and low value leases, the Company recognises the lease payment as an operating expense on straight line basis over the term of lease.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of 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 explicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

Lease liability and ROU asset have been separately presented in the Balance Sheet and the lease payments have been classified as financing cash flows.

l) Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

(i) Sale of products:

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable. Amount disclosed as revenue are inclusive of excise duty, excluding goods and service tax (GST), sales tax or value added taxes or service taxes or duties collected on behalf of the government, and net off returns, trade discounts, rebates and any amount collected on behalf of third parties.

(ii) Development Revenue:

Development revenue are recognized over the time period of the development activity and are recognized on the completion of each milestones as per term of the agreement.

(iii) Recognition of Export benefits

Export benefit entitlements in respect of incentive schemes including Merchandise Export Incentive Scheme (MEIS) and Focus Product Scheme (FPS) of the government of India are recognized in the period in which they are approved.

(v) Milestone payments and out licensing arrangements

The Company enters into certain dossier sales, licensing and supply arrangements that, in certain instances, include certain performance obligations. Based on an evaluation of these obligations, the Company recognise or defer the upfront payments received under these arrangements. Milestone payments which are contingent on achieving certain clinical milestones are recognised

as revenues either on achievement of such milestones.

Income from out-licensing agreements typically arises from the receipt of upfront, milestone and other similar payments from third parties for granting a license to product- or technology- related intellectual property (IP). Milestone payments which are contingent on achieving certain clinical milestones are recognised as revenues either on achievement of such milestones, if the Milestones are considered substantive, or over the period we have continuing performance obligations, if the milestones are not considered substantive.

The Company recognises a deferred income (contract liability) if consideration has been received (or has become receivable) before the company transfers the promised goods or services to the customer."

m) other Income

- i. Interest Income is recognized using the Effective interest rate (EIR) method.
- ii. Dividend income is recognized when right to receive is established.
- iii. The Company recognises government grants only when there is reasonable assurance that the conditions attached to them will be complied with and the grants is received. Government grants received in relation to assets are recognised as deferred income and amortized over the useful life of such asset. Grants related to income are recognised in the profit & loss account under other income.

n) Foreign Currency Transactions/Translations: Initial Recognition

Foreign Currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of the transaction.



Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Translations

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange Differences

The exchange difference arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in the previous financial statements, are recognized in the Statement of Profit and Loss in the period in which they arise as income or as expense.

o) Government Grant

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Grants related to revenue items are presented as part of profit or loss under general heading such as other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as 'Deferred Government Grant' and are credited to profit & loss account under other income on a straight line basis over the expected lives of the related assets.

The benefit of a government loan at a below market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

p) Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily

takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred. Further, interest earned out of borrowed funds from temporary investments are reduced from the borrowing cost.

Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

q) Financial Instrument:

A financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

l) Financial Asset:

Initial recognition and measurement

All financial instruments are recognized initially at fair value plus, in case of financial assets not recorded at fair value through P&L, transaction costs that are attributable to the acquisition of the financial asset, purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognized on the trade date i.e. the date that the company commits to purchase or sell the asset.

Subsequent Measurement

For the purpose of subsequent measurement financial assets are classified as measured at:

- Amortised cost
- Fair value through profit and loss (FVTPL)
- Fair value through other comprehensive income (FVTOCI).

(a) Financial Asset measured at amortized cost

Financial Assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost using effective interest rate (EIR) method. The EIR amortization is recognized as finance income in the statement of Profit & Loss. The company while applying above criteria has classified the following at amortized cost:

- Trade receivables
- Loans
- Other Financial Assets

(b) Financial Assets Measured at fair value through other comprehensive income (FVTOCI)

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income.

Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognized in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

(c) Financial Assets at fair value through profit or loss (FVTPL)

Financial Assets are measured at Fair value through Profit & Loss if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the statement of Profit & Loss.

Equity Instruments

All investments in equity instruments classified under financial assets are initially measured at fair value, the group may, on initial recognition, irrevocably elect to measure the same either at FVTOCI or FVTPL. The classification is based on initial recognition and is irrevocable

De-recognition of Financial Assets:

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred and the transfer qualifies for Derecognition. On Derecognition of a financial asset in its entirety, the difference between the carrying amount (measured on the date of recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in the statement of Profit & Loss.

Impairment of Financial Assets:

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model by adopting the simplified approach using a provision matrix reflecting current condition and forecasts of future economic conditions for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial Assets that are debt instruments, and are measured at amortized cost e.g. loans, debt securities, deposits, trade receivables and bank balance
- Financial Assets that are debt instruments and are measured at FVTOCI.
- Lease receivables under Ind AS 17.
- Trade receivables or any contractual right to receive cash or another financial asset



Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

- Loan commitments which are not measured at FVTPL
- Financial guarantee contracts which are not measured at FVTPL

II) Financial Liability

Initial recognition and measurement

Financial liabilities are recognized initially at fair value plus any transaction cost that are attributable to the acquisition of the financial liability except financial liabilities at FVTPL that are measured at fair value.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Financial Liabilities at amortized cost:

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount.

The company is classifying the following under amortized cost

- Borrowings from banks
- Borrowings from others
- Trade payables
- Other financial liabilities

Derecognition:

A financial liability shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

III) Derivative financial instrument and hedge accounting:

The Company is exposed to foreign currency fluctuations on foreign currency assets, liabilities, net investment in foreign operations and forecasted cash flows denominated in foreign currency. The Company limits the effect of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Company enters into derivative financial instruments where the counterparty is primarily a bank.

Derivative financial instruments are recognized and measured at fair value. Attributable transaction costs are recognized in the statement of profit and loss as cost.

Subsequent to initial recognition, derivative financial instruments are measured as described below:

A. Cash flow hedges

Changes in the fair value of the derivative hedging instruments designated as a cash flow hedge are recognized in other comprehensive income and held in cash flow hedging reserve, net of taxes, a component of equity, to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognized in the statement of profit and loss and reported within foreign exchange gains/(losses), net, within results from operating activities. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively.

If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

flow hedging reserve is transferred to the statement of profit and loss upon the occurrence of the related forecasted transaction.

If the forecasted transaction is no longer expected to occur, such cumulative balance is immediately recognized in the statement of profit and loss.

B. Others

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges are recognised in the statement of profit and loss and reported within foreign exchange gains/(losses), net, within results from operating activities. Changes in fair value and gains/(losses), net, on settlement of foreign currency derivative instruments relating to borrowings, which have not been designated as hedges are recorded in finance costs.

r) Taxes on Income:

Tax expense comprises of current and deferred tax.

- i. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Tax Act
- ii. Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.
- iii. Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent it is reasonably certain that the Company will pay normal income tax

during the specified period. Such asset is reviewed at each reporting date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

s) Provisions, Contingent Liabilities and Contingent Assets.

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. If effect of the time value of money is material, provisions are discounted using an appropriate discount 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 recognized as finance cost. Contingent Liabilities are not recognized but are disclosed in the notes.

t) Offsetting

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

u) Earnings per share

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period.

v) Operating cycle

The Group classifies an asset as current asset when:



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for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;

- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is 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 classified as current when –

- it expects to settle the liability or consume it, in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Group's normal operating cycle is twelve months.

w) Exceptional Items:

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Group.

1.1 Recent Indian Accounting Standards (Ind AS): Standards Issued.

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 w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that the Company has not entered into transactions covered under Ind 117 & amendments to Ind AS 116 and therefore, there is no impact on the financial statements.

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

2 PROPERTY, PLANT AND EQUIPMENT

Particulars	Gross Block			Depreciation / Adjustment			Net Block	
	As at 01.04.2024	Additions	Deduction/ Adjustment during the Year	FCTR	As at 31 March, 2025	For the Year	FCTR	As at 31 March, 2025
a) Borewell	30.69	4.67	-	-	35.36	1.79	-	28.36
b) Building	32072.11	1176.81	(18.84)	-	33,230.08	1025.91	-	6,982.86
c) Canteen Equipment	79.10	-	-	-	79.10	11.59	-	61.33
d) Computer	1733.27	169.37	(6.38)	(0.12)	1,896.14	102.80	(0.10)	1,587.50
e) Electrical Installation	10192.16	761.20	(162.07)	-	10,791.29	792.13	(58.12)	5,681.19
f) ETP Building	584.46	-	-	-	584.46	18.82	-	278.02
g) ETP Machinery	909.68	0.28	-	-	909.96	40.95	-	350.57
h) EHS Equipment	204.49	24.78	-	-	229.27	19.99	-	97.80
i) Furniture	3261.16	293.21	(3.12)	0.31	3,551.56	280.90	(1.92)	1,952.37
j) Land & Green Field	3291.01	16.71	-	-	3,307.72	-	-	3,307.72
k) Lab Equipments	21456.19	2173.99	(1,736.04)	-	21,894.14	1741.70	(565.87)	9,990.34
l) Network Server equipment	379.30	6.74	-	-	386.04	45.93	-	262.69
m) Office Equipment	447.93	46.10	(1.01)	0.79	493.81	51.69	(0.96)	383.90
n) P/M (Power Generation Unit)	3843.04	-	-	-	3,843.04	103.97	-	2,627.77
o) Pipeline	9376.41	600.70	-	-	9,977.11	439.63	-	2,894.32
p) Plant & Machinery	78696.61	6700.40	(309.09)	-	85,087.92	3788.06	(138.01)	24,706.84
q) Pollution Control Equip.	44.02	-	-	-	44.02	0.79	-	34.16
r) Vehicle	355.48	-	-	-	355.48	30.53	-	177.06
s) Vehicles Electrical Operated	40.36	-	-	-	40.36	0.72	-	37.02
t) Weigh bridge	8.42	-	-	-	8.42	0.47	-	7.67
Total	167,005.89	11,974.96	(2,236.55)	0.98	176,745.28	8,498.37	(770.89)	58,141.77
					50,413.77		0.52	118,603.51



Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

2 PROPERTY, PLANT AND EQUIPMENT

Particulars	Gross Block				Depreciation / Adjustment			Net Block		
	As at 01.04.2023	Additions	Deduction/ Adjustment during the Year	FCTR	As at 31 March, 2024	For the Year	Deduction/ Adjustment during the Year	FCTR	As at 31 March, 2024	As at 31 March, 2024
a) Borewell	28.59	2.10	-	-	30.69	2.22	0.82	-	26.57	4.12
b) Building	29466.17	2605.94	-	-	32,072.11	966.43	(0.95)	-	5,956.95	26,115.16
c) Canteen Equipment	78.89	0.21	-	-	79.10	11.73	0.10	-	49.74	29.36
d) Computer	1657.51	126.06	(50.37)	0.07	1,733.27	165.38	(46.18)	0.04	1,490.81	242.46
e) Electrical Installation	9877.74	344.21	(29.79)	-	10,192.16	776.31	(49.64)	-	4,947.18	5,244.98
f) ETP Building	565.85	18.61	-	-	584.46	240.92	18.28	-	259.20	325.26
g) ETP Machinery	921.48	-	(11.80)	-	909.68	269.82	(1.31)	-	309.62	600.06
h) EHS Equipement	197.12	7.37	-	-	204.49	56.82	19.75	-	77.81	126.68
i) Furniture	3126.24	160.81	(26.04)	0.15	3,261.16	251.97	(11.93)	0.11	1,673.13	1,588.03
j) Land & Green Field	3252.93	38.08	-	-	3,291.01	-	-	-	-	3,291.01
k) Lab Equipments	22591.40	811.30	(1,946.51)	-	21,456.19	1801.12	(1,056.03)	-	8,814.51	12,641.68
l) Network Server equipment	361.05	39.53	(21.28)	-	379.30	180.36	(11.28)	-	216.76	162.54
m) Office Equipment	440.70	6.54	0.54	0.15	447.93	278.44	(0.38)	0.15	332.81	115.12
n) P/M (Power Generation Unit)	3843.04	-	-	-	3,843.04	2419.83	103.97	-	2,523.80	1,319.24
o) Pipeline	8959.67	416.76	(0.02)	-	9,376.41	418.86	0.02	-	2,454.69	6,921.72
p) Plant & Machinery	72962.64	6095.55	(361.58)	-	78,696.61	3451.69	(135.71)	-	21,056.79	57,639.82
q) Pollution Control Equip.	46.24	-	(2.22)	-	44.02	32.64	0.59	-	33.37	10.65
r) Vehicle	282.32	89.28	(16.12)	-	355.48	115.75	30.00	-	146.53	208.95
s) Vehicles Electrical Operated	40.92	-	(0.56)	-	40.36	35.58	0.72	-	36.30	4.06
t) Weigh bridge	8.42	-	-	-	8.42	6.73	0.47	-	7.20	1.22
Total	158,708.92	10,762.35	(2,465.75)	0.37	167,005.89	8,162.88	(1,310.31)	0.30	50,413.77	116,592.12

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

2A Right to use of asset

Particulars	Gross Block			Accumulated Depreciation/Amortisation			Net block	
	As at 01.04.2024	Additions	Disposals	As at 01.04.2024	For the period	Deductions/ Other adjustments	As at 31 March, 2025	As at 31 March, 2025
Leasehold Land	2,878.83	-	-	198.78	46.24	0.18	245.20	2,633.63
Leasehold Building	121.22	-	-	74.08	40.48	-	114.56	6.66
Total	3,000.05	-	-	272.85	86.72	0.18	359.75	2,640.29

Particulars	Gross Block			Accumulated Depreciation/Amortisation			Net block	
	As at 01.04.2023	Additions	Disposals	As at 01.04.2023	For the period	Deductions/ Other adjustments	As at 31 March, 2024	As at 31 March, 2024
Leasehold Land	2,878.83	-	-	169.48	29.30	-	198.78	2,680.05
Leasehold Building	121.22	-	-	33.67	40.40	-	74.08	47.15
Total	3,000.05	-	-	203.15	69.70	-	272.85	2,727.20

Description of the property	Gross Carrying value (in Lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not held in name
Leasehold land located in Jadcherla, Telangana admeasuring 9 acres	349.26	Raichem Lifesciences Pvt. Ltd.	No	Since 2012	The title deeds are in the name of the erstwhile Company that was amalgamated with the Company pursuant to the Scheme of Amalgamation sanctioned by the Hon'ble High Court of Andhra Pradesh dated August, 31, 2012



Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

3. CAPITAL WORK- IN- PROGRESS

Particulars	As at 01 April, 2024	Additions	Deletions/Transfer	As at 31 March, 2025
i) Machinery under erection	4,416.22	3,884.11	4,699.53	3,600.80
ii) Projects under erection	35,883.91	14,702.16	7,934.71	42,651.36
Total	40,300.13	18,586.27	12,634.24	46,252.16

Particulars	As at 01 April, 2023	Additions	Deletions/Transfer	As at 31 March, 2024
i) Machinery under erection	7,066.08	1,850.76	4,500.62	4,416.22
ii) Projects under erection	28,737.78	13,480.87	6,334.74	35,883.91
Total	35,803.86	15,331.63	10,835.36	40,300.13

4. INTANGIBLE ASSETS

Particulars	As at 01.04.2024	Additions	Gross Block Deduction/ Adjustment during the Year	FCTR	As at 31 March, 2025	For the Year	Depreciation / Adjustment Deduction/ Adjustment during the Year	FCTR	As at 31 March, 2025	Net Block As at 31 March, 2025
a) Computer software	2,002.78	81.78	-	-	2,084.56	194.43	-	-	1,531.39	553.17
b) DMF/ANDA/Patents Fees	1,962.59	1,330.20	(1,078.39)	10.78	2,225.18	713.73	-	4.93	2,083.34	141.84
c) Non compete Agreement	1,045.00	-	-	-	1,045.00	-	-	-	1,045.00	-
d) Acquired Assets through fair valuation	247.48	-	-	-	247.48	24.75	-	-	74.24	173.24
e) Others/Technical knowhow	14,787.99	3,927.01	(1,086.29)	-	17,628.71	1,015.51	(141.46)	-	2,579.93	15,048.78
Total	20,045.84	5,338.99	(2,164.68)	10.78	23,230.93	1,948.42	(141.46)	4.93	7,313.90	15,917.03

Particulars	As at 01.04.2023	Additions	Gross Block Deduction/ Adjustment during the Year	FCTR	As at 31 March, 2024	As at 01.04.2023	For the Year	Depreciation / Adjustment Deduction/ Adjustment during the Year	FCTR	As at 31 March, 2024	Net Block As at 31 March, 2024
a) Computer software	1,792.84	192.92	17.02	-	2,002.78	1,108.67	196.34	31.95	-	1,336.96	665.82
b) ANDA/Patents Fees	1,915.26	51.03	(3.90)	0.20	1,962.59	1,003.50	365.01	(3.86)	0.03	1,364.68	597.91
c) Non compete Agreement	1,245.00	-	(200.00)	-	1,045.00	991.37	68.56	(14.93)	-	1,045.00	-
d) Acquired Assets through fair valuation	247.48	-	-	-	247.48	11.66	24.75	13.08	-	49.49	197.99
e) Others/Technical knowhow	13,205.78	2,512.71	(939.79)	9.29	14,787.99	955.30	959.90	(212.66)	3.34	1,705.88	13,082.11
Total	18,406.36	2,756.66	(1,126.67)	9.49	20,045.84	4,070.50	1,614.56	(186.42)	3.37	5,502.01	14,543.83

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

5 INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	As at 01 April, 2024	Additions	Deletions/ Transfer	As at 31 March, 2025
i) Software under installation	43.32	38.43	53.65	28.10
ii) Product under development	29,631.81	9,067.78	2,904.81	35,794.78
iii) DMF,ANDA & Patent Fees	1,902.78	78.87	1,879.86	101.79
Total	31,577.91	9,185.08	4,838.32	35,924.67

Particulars	As at 01 April, 2023	Additions	Deletions/ Transfer	As at 31 March, 2024
i) Software under installation	30.37	205.87	192.91	43.32
ii) Product under development	27,970.29	4,132.07	2,470.55	29,631.81
iii) DMF,ANDA & Patent Fees	1,728.25	267.72	93.19	1,902.78
Total	29,728.91	4,605.66	2,756.65	31,577.91

6 FINANCIAL ASSETS

I) Non-Current Investment

Particulars	As at 31 March, 2025	As at 31 March, 2024
Trade Investments (Unquoted) (At Cost) fully paid up		
i) In associate companies		
a) Investments in equity instruments (unquoted)		
i) 100,000 (100,000) Equity Shares of ₹ 10/- each - Reva Pharmachem (P) Ltd, Raichur	-	10.00
ii) 63,728 Equity shares of ₹ 10/- each with a premium of ₹746.09 (55,000 equity shares of ₹ 10/- each) in Sravathi AI Technology Pvt Ltd , Bangalore	32.06	5.50
iii) Deemed Investment in Sravathi AI Technology Pvt Ltd , Bangalore	-	99.21
ii) In joint venture companies		
a) Investments in equity instruments (unquoted)		
i) 5001(5001) share of ₹ 10/- each in Reva Medicare Pvt Ltd.,Raichur	140.70	173.70
ii) 81,996 (81,996) shares of ₹10/- each of which 26,147 (26,147) shares with premium of ₹15,250/- each in Sravathi Advance Process Technologies Pvt Ltd, Bangalore	2,747.06	2,602.87
b) Investments in preference instruments (unquoted))(At Cost)		
i) 14,00,000 (14,00,000) Preferred Stock at par value of 0.0001 USD of MAIA Pharmaceuticals INC .USA	-	250.00
ii) 4,91,000 (P.Y. 4,41,000), Non Cumulative compulsory Convertible share of ₹ 100/- each of Sravathi AI Technology Pvt Ltd Bangalore	-	321.75
iii) Investments in Government Securities (Unquoted)		
i) National Savings Certificate.	0.20	0.20



Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
iv) Others		
i) 2000 (2000) shares of ₹100/- each in Mana Effluent Treatment Plant Ltd., Hyderabad	2.00	2.00
ii) 1,35,335 (1,35,335) of ₹100/- each in Atria Wind Power (Chitradurga) Private Limited issued at a premium of ₹151/-.	339.69	339.69
ii) 99,457 (99,457) of ₹100/- each in Atria Wind Power (Basavana Bagewadi) Private Limited issued at a premium of ₹93.28 each	192.23	196.00
Total Value of unquoted Investment	3,453.94	4,000.92
Less: Provision for diminution in the value of investments	-	10.00
Net Amount of investments	3,453.94	3,990.92
Aggregate value of Unquoted investment	3,453.94	3,990.92
Aggregate value of impairment in the value of investment in the unquoted equity shares	3,453.94	3,990.92

III) Other Financial Assets

Particulars	As at 31 March, 2025	As at 31 March, 2024
a) Security Deposits (Unsecured Considered Good)		
i) Electricity deposits	542.25	513.47
ii) Rental deposits	30.70	30.54
iii) Telephone deposits	0.92	0.92
iv) Miscellaneous deposits	32.66	91.10
Total	606.53	636.03
Less: Provision for doubtful deposits	-	-
Total (a)	606.53	636.03
b) Interest accrued but not received	-	0.99
c) Fixed deposited having maturity more than 12 month held has Security	18.68	37.69
Total	625.21	674.71

7 OTHER NON-CURRENT ASSETS

Particulars	As at 31 March, 2025	As at 31 March, 2024
i) Deferred Tax Liability		
Difference in tax base of property, plant, equipment & others)	(17,767.20)	(17,598.00)
ii) Deferred Tax Asset		
(On account of disallowable items under Income Tax Act)	14,039.15	10,953.53
iii) MAT Credit Entitlement Benefit		
	5,024.61	7,670.61
	1,296.56	1,026.14

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

8 OTHER NON-CURRENT ASSETS

Particulars	As at 31 March, 2025	As at 31 March, 2024
a) Capital Advances		
i) Unsecured, considered good	3,216.58	4,398.56
Less: Provision for doubtful advances	(168.15)	(168.15)
Total (a)	3,048.43	4,230.41
b) Others		
i) Prepaid Expenses	9.33	154.54
ii) Unamortised -NCD Expenses	109.33	793.95
iii) GST Paid under Protest	-	465.07
TOTAL (b)	118.66	1,413.57
Total (a+b)	3,167.09	5,643.97

9 INVENTORIES

Particulars	As at 31 March, 2025	As at 31 March, 2024
i) Raw materials	15,869.61	13,134.02
ii) Work-in-progress	6,129.37	6,954.51
iii) Finished goods	4,942.22	8,245.49
iv) Stock-in-trade	885.20	518.03
v) Stores and Spares	5,156.40	3,972.55
vi) Packing materials	1,809.97	1,668.21
Total	34,792.77	34,492.81

10 FINANCIAL ASSETS

(i) Current investment

Particulars	As at 31 March, 2025	As at 31 March, 2024
Investment in mutual funds / Bond's		
Investment in IL & FS Bonds (Refer note.30(c)(b))	1,335.76	1,437.39
Total	1,335.76	1,437.39
Less : Provision for diminishing in the value of Investment	(1,335.76)	(1,437.39)
Aggregate value of unquoted investment	-	-

(ii) Trade Receivables (Refer Note: 43)

Particulars	As at 31.03.2025	As at 31.03.2024
a) Trade receivables - credit impaired	261.37	146.48
Less: Expected Credit Losses (ECL)	(261.37)	(146.48)
Total (a)	-	-
b) Considered good - Unsecured	44,083.56	39,204.55
Total (b)	44,083.56	39,204.55
Total (a+b)	44,083.56	39,204.55



Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Expected Credit Losses (ECL)	As at 31.03.2025	As at 31.03.2024
Opening Balance	146.48	70.51
Considered during the period	137.92	75.96
Charged off	(23.03)	-
Closing Balance	261.37	146.48

Note: Trade receivable in above note no 10 (ii)(b) includes ₹1.65 Lakhs (₹201.57 Lakhs) in receivable from related parties (refer note no: 41 Related Party Transaction)

Additional disclosure pursuant to amendment of revised schedule III are in note no: 44

(iii) Cash and Cash Equivalents

Particulars	As at 31 March, 2025	As at 31 March, 2024
i) Cash on Hand	25.01	32.62
ii) Balance with Banks in Current Account	2,505.24	2,261.97
iii) Deposit with original maturity of less than 3 months	66.58	727.97
TOTAL	2,596.83	3,022.56

(iv) Other Bank Balances other than (iii) above

Particulars	As at 31 March, 2025	As at 31 March, 2024
Earmarked Balances		
i) Unclaimed dividend accounts	16.74	20.99
ii) Fixed deposit having maturity less than 12 months and held as margin money	238.80	133.07
Total	255.54	154.06

(v) Other Financial Assets

Particulars	As at 31 March, 2025	As at 31 March, 2024
i) Revenue earned but not billed	2,915.53	55.63
ii) Staff advance	32.31	22.05
iii) Tender deposits	30.46	29.36
iv) Interest accrued on fixed deposit/advances	25.42	34.82
TOTAL	3,003.72	141.86

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

11 OTHER CURRENT ASSETS

Particulars	As at 31 March, 2025	As at 31 March, 2024
i) Custom duty	-	11.80
ii) Prepaid expenses	1,557.95	1,515.05
iii) VAT receivable	45.03	17.50
iv) Advances to supplier	2,472.61	1,456.64
v) Revenue earned but not billed	70.43	20.80
vi) Export incentive receivables	164.30	78.59
vii) Refund receivable from custom	85.48	85.48
viii) CGST /SGST /IGST Receivable	9,061.14	7,047.85
ix) Excess TDS deposited receivable	0.11	0.21
x) Derivative asset	11.78	-
	13,468.83	10,233.92
Less: Provision for doubtful advances	(107.20)	(98.06)
TOTAL	13,361.63	10,135.86

12 CURRENT TAX ASSETS (NET)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Income Tax (Net)	473.20	472.56
Total	473.20	472.56

13 EQUITY SHARE CAPITAL

Particulars	As at 31 March, 2025	As at 31 March, 2024
Authorised share capital		
110,000,000 (PY 110,000,000) shares face value of Re. 1/- each.	1,100.00	1,100.00
	1,100.00	1,100.00
Issued, subscribed & fully paid up capital		
Opening Balance	868.02	868.02
Changes during the year	109.89	-
Closing Balance	977.91	868.02
9,77,90,909 (8,68,01,899) shares of Re.1 each		
	977.91	868.02

(a) Reconciliation of the number of shares.

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	Nos	Amount	Nos	Amount
Shares outstanding at the beginning of the year	8,68,01,898	868.02	8,68,01,898	868.02
Add : 1,09,89,010(PY-Nil) issued during the year	1,09,89,011	109.89	-	-
Shares outstanding at the end of the year	9,77,90,908	977.91	8,68,01,898	868.02



Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

(b) Rights, preference and restriction attached to each class of shares :

Equity Shares:

The Company has only one class of equity shares having par value of Re .1/- per share. Each holder of equity shares is entitle to one vote per share.

In the event of liquidation, the holders of equity are entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shareholders holding more than 5% shares in the Company

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	No. of Shares	% Holding	No of Shares	% Holding
(i) Vishnukant .C. Bhutada	63,65,610	6.51	63,65,610	7.33
(ii) Dharmavati Bhutada	62,07,796	6.35	62,07,796	7.15

(d) Promoters Share Holding

Sl no	Name of the Share Holder	Number of shares held at the beginning of the year 2024	Shareholding as a % of total no. of shares as on 31 March, 2024	Number of shares held at the end of the year 2025	Percentage of shares held to total shares 31 March, 2025	change in shareholding in the year 2024-25	change in percentage of shares held to total shares in the year 24-25
1	VISHNUKANT CHATURBHUI BHUTADA	63,65,610	7.33	63,65,610	6.51	-	(0.82)
2	DHARMAVATI BHUTADA	62,07,796	7.15	62,07,796	6.35	-	(0.80)
3	RAVI KUMAR INNANI	40,06,370	4.62	40,06,370	4.10	-	(0.52)
4	SURAJ KUMAR INNANI	39,80,695	4.59	39,20,695	4.01	60,000	(0.58)
5	OM PRAKASH INANI	28,67,691	3.30	28,67,691	2.93	-	(0.37)
6	DEEPAK KUMAR INNANI	27,33,960	3.15	27,33,960	2.80	-	(0.35)
7	KANTADEVI INANI	25,40,096	2.93	25,40,096	2.60	-	(0.33)
8	KESHAV BHUTADA	20,00,000	2.30	20,00,000	2.05	-	(0.25)
9	MADHAV VISHNUKANT BHUTADA	20,00,000	2.30	20,00,000	2.05	-	(0.25)
10	RAMAKANT INNANI	14,97,778	1.73	14,97,778	1.53	-	(0.20)
11	VISHNUKANTH C BHUTADA . -HUF	13,36,130	1.54	13,36,130	1.37	-	(0.17)
12	TARADEVI INNANI	12,49,998	1.44	12,49,998	1.28	-	(0.16)
13	VISHNUKANTA INANI	12,12,498	1.40	12,12,498	1.24	-	(0.16)
14	BRIJGOPAL INNANI	11,74,866	1.35	11,74,866	1.20	-	(0.15)
15	NATAMAL INNANI	11,31,232	1.30	11,31,232	1.16	-	(0.14)
16	SHAKUNTALABAI INNANI	11,29,186	1.30	11,29,186	1.15	-	(0.15)
17	SAGAR INNANI	10,00,000	1.15	10,00,000	1.02	-	(0.13)
18	TRIVENI INANI	2,94,810	0.34	2,94,810	0.30	-	(0.04)
19	PRIYA INNANI	1,80,696	0.21	80,696	0.08	1,00,000	(0.13)
20	KAMALKISHORE INNANI	1,65,236	0.19	1,65,236	0.17	-	(0.02)
21	MANJULATHA INNANI	1,57,546	0.18	1,57,546	0.16	-	(0.02)
22	KEERTI INNANI	1,55,021	0.18	1,55,021	0.16	-	(0.02)
23	NAMRATA BHUTADA	22,500	0.03	22,500	0.02	-	(0.01)
Total		4,34,09,715	50.01	4,32,49,715	44.23	1,60,000	(5.77)

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

14 OTHER EQUITY

Particulars	As at 31 March, 2025	As at 31 March, 2024
i) Securities Premium Account	1,21,295.89	72,495.15
ii) General Reserves	5,182.68	5,182.68
iii) Retained Earning	1,09,708.85	1,03,379.56
iv) Others		
a) Cash flow hedge reserve	(2.59)	(2.59)
b) Remeasured of defined benefit plan	(530.79)	(300.71)
v) Debenture redemption reserve	1,500.00	-
vi) Gain on forfeiture of equity shares	8.76	8.76
vii) Foreign Currency Monetary Translation Difference Account	(916.78)	(761.46)
TOTAL	2,36,246.02	1,80,001.39

15 FINANCIAL LIABILITIES

I. Long Term Borrowings

Particulars	As at 31 March, 2025	As at 31 March, 2024
Term Loans		
i. From Banks (secured)		
a) Axis Bank-Term Loan	9,651.69	-
Nature of Security		
Shilpa Biocare: The term loan of ₹ 1,40,42.00 Lakhs was sanctioned by the bank on 22.10.2024. The term loans is secured by way of first charge on Current assets & Fixed assets of the company (both present & future) and Corporate Gurantee, provided by Shilpa Medicare Limited (Holding Co)		
Terms of Repayment & Interest Rate		
The said loan is repayable in 16 quarterly installments of 878.00 Lakhs each and Interest is chargeable at the rate of 8.6% p.a. calculated on the basis of repo + 2.1%.		
b) Axis Bank-Term Loan	6,044.00	-
Nature of Security		
Term loan of ₹ 7,500.00 Lakhs taken from Axis, Bangalore and is secured by first pari passu charge on the movable fixed assets at Unit1,Deosugur & Unit 2,Chicksugur,Raichur along with NCD holders		
Shilpa Pharma:		
Terms of Repayment & Interest Rate		
Term loan from Axis would be repayable within 71 equal monthly instalment of ₹104.00 Lakhs & Last installment of 116.00 Lakhs from the date of first disbursement fall due on Dec'2030. Interest payable monthly in arrears.		



Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
c) IDFC First Bank	-	11,015.99
Nature of Security		
Shilpa Biocare-The term loan of ₹ 15,000.00 Lakhs was sanctioned by the bank on 27.09.2022. The term loans is secured by way of first charge on Current assets & Fixed assets of the company (both present & future) and Corporate Gurantee, jointly provided by Shilpa Medicare Limited (Holding Co) & Shilpa Pharma Lifesciences Limited.During the current financial year said term loan is take over by Axis Bank on 28.11.2024		
Terms of Repayment & Interest Rate:		
The loan is repayable in 17 quarterly installments starting from December 2024. Interest is payable monthly.		
ii. Redeemable Non Convertible Debenture (Secured)	-	-
a) 13.05% NCD-ICICI Prudential Corp Cre Opp (22500 Non Convertible Debenture of C 1,00,000/- each payable @ par)- Series 1. During the current financial year these debentures has been fully prepaid.	-	22,500.00
b) 12.53% NCD-OCM Asia Credit I Pte Ltd (22500 Non Convertible Debenture of C 1,00,000/- each payable @ par) -Series 2. During the current financial year the group has prepaid the amount of ₹ 15,000.00 Lakhs	7,500.00	22,500.00
Nature of security		
i. First charge on all movable & immovable Fixed Assets of Shilpa Pharma Lifesciences. Ltd (SPLL) wholly owned subsidiaries and hypothecation of all receivables /loans from inter-company made by SPLL to other group entities.		
ii. Second charge on all current assets of SPLL.		
iii. Pledge of 100% equity shares of SPLL.		
iv. Corporate guarantee provided by the holding Company.		
Terms of Repayment & Interest Rate:		
During the Previous year the Company has issued 45,000 redeemable Non Convertible Debentures (NCD) in 2 series each having a face value of Rs 1,00,000 with agreed coupon rate of 13.05% p.a. for series-1 and 12.53% p.a. for series 2 respectively. They are redeemable over a period of 5 years starting from 27th month and ending at 60th month from the date of allotment or earlier based on agreed terms of the debenture trust deed. Catalyst Trusteeship Limited is appointed as Debenture Trustee for the said issue. The company has fully repaid NCD availed from ICICI prudential Corporation during the year.		
TOTAL	23,195.69	56,015.99

(ii) Lease Liability

Particulars	As at 31 March, 2025	As at 31 March, 2024
Land and Building	124.81	127.21
Total	124.81	127.21

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

16 PROVISIONS

Particulars	As at 31 March, 2025	As at 31 March, 2024
a) Provision for employee benefits		
i) Provision for gratuity	2,239.73	1,977.26
ii) Provision for leave encashment	314.40	265.66
TOTAL	2,554.13	2,242.92

17 OTHER NON-CURRENT FINANCIAL LIABILITIES

Particulars	As at 31 March, 2025	As at 31 March, 2024
i) Capital subsidy/Deferred government grant	1,399.53	1,583.59
ii) Interest Accrued but Not due	3.25	-
TOTAL	1,402.78	1,583.59

18 FINANCIAL LIABILITIES

(i) Borrowings

Particulars	As at 31 March, 2025	As at 31 March, 2024
Secured Loan		
a) Working Capital Loan:		
From Banks		
i) Axis Bank-WCDL [refer note 'b' & f(vi) below]	4,500.00	5,550.00
ii) Axis Bank-WCDL(SPLL) [refer note 'c' & f(ii) below]	8,475.00	11,850.00
iii) HSBC-WCDL(SPLL) [refer note 'a' & f(iii) below]	-	1,500.00
iv) ICICI-WCDL [refer note 'd' & f(iv) below]	6,000.00	6,000.00
v) IDBI-WCDL [refer note 'e' & f(v) below]	-	1,500.00
vi) Axis Bank- PCFC [refer note 'b' & f(i) below]	-	501.03
vii) IDBI-PCFC [refer note 'e' & f(vii) below]	-	500.24
viii) IDBI-Cash Credit [refer note 'e' & f(vii) below]	-	1,453.09
ix) Axis Bank-Cash Credit [refer note 'b' & f(ix) below]	1,943.15	1,748.48
x) Axis Bank-Cash Credit [SPLL] [refer note 'c' & f(ix) below]	5,317.23	2,049.10
xi) ICICI-Cash Credit [refer note 'd' & f(viii) below]	2,645.19	3,421.22
xii) ICICI -Cash Credit [refer note 'd' & f(viii) below]	1,800.00	-
Nature of Security		
a) Working capital loan from HSBC is secured by first pari passu charge on current assets and charge on moveable fixed assets (except those created through other loans) in line with other working capital lenders and personal Gurantee of 02 Directors of it's Holding Company		
b) Working capital from Axis Bank (Axis) is secured by first pari passu charge on current assets (current and future) of the Company with additional collateral security given to other banks. The sanction facility is inter changeable as PCFC/Cash Credit/ WCDL and applicable interest will be charge.		



Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
c) Shilpa Pharma: Working capital from Axis Bank (AXIS) is secured by first pari passu charge on current assets of the Company in line with other working capital lenders and secured by on movable and immovable fixed assets of Raichur Unit-I situated at Deosugur Industrial Area, Shaktinagar		
d) Working capital from ICICI Bank (ICICI) is secured by first pari passu charge on current assets (both current and future) of the Company. The sanction facility is inter changeable as PCFC/Cash Credit/WCDL and applicable interest will be charge.		
e) Working capital from IDBI Bank Ltd (IDBI) is secured by first pari passu charge on the entire current assets of the Company in line with other working capital banks by way of hypothecation. The sanction facility is interchangeable as PCFC/Cash credit/WCDL/LC and applicable interest will be charge.		
f) Interest rate as at March 31, 2025 is as under:		
(i) AXIS-PSFC/PCFC- Nil (PY 2024- 8.27%)		
(ii) AXIS-WCDL(SPLL)-8.50 % (PY 2024-9.00%)		
(iii) HSBC-WCDL(SPLL)-Nil (PY 2024-9.42%)		
(iv) ICICI-WCDL(SPLL) 8.55.% (PY 2024 8.75%)		
(v) IDBI-WCDL Nil (PY 2024 8.80%)		
(vi) Axis Bank-WCDL-8.50 % (PY 2024 9.00%)		
(vii) IDBI-Cash Credit Nil (PY 2024 8.90%)		
(viii) ICICI -Cash Credit-8.60% (PY 2024 8.90%)		
(ix) Axis Bank-Cash Credit-9.15% (PY 2024 8.70%)		
b) Current maturities of long term bebt	4,760.00	1,469.57
TOTAL	35,440.57	37,542.73

(ii) Lease Liability

Particulars	As at 31 March, 2025	As at 31 March, 2024
Land and Building	13.61	52.93
TOTAL	13.61	52.93

(iii) Trade Payables (Refer Note.43)

Particulars	As at 31 March, 2025	As at 31 March, 2024
a) Total outstanding dues of micro and small enterprises	822.77	558.53
b) Total outstanding dues of creditors other than Micro and Small enterprises	8,715.38	16,856.63
TOTAL	9,538.15	17,415.16

Note: Trade payable in above note no: 18 (iii) (b) includes ₹ 48.78 Lakhs (PY ₹77.14 Lakhs) payable to related parties (refer note no: 41 Related Party Transaction)

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

(iv) Other Financial Liabilities

Particulars	As at 31 March, 2025	As at 31 March, 2024
i) Current maturities of government grants	131.33	131.33
ii) Interest accrued but not due on borrowings.	72.60	205.46
iii) Unclaimed dividends	16.74	20.99
iv) Employee benefit liability	2,929.56	2,980.93
v) Books overdraft	-	1.02
vi) Advance against sale of investment/asset	634.99	289.99
vii) Capital creditors	7,957.07	5,639.68
viii) Provision for Credit Notes	49.05	-
ix) Deferred consideration payable	500.00	500.00
x) Provision for expenses	822.46	95.61
TOTAL	13,113.80	9,865.01

19 OTHER CURRENT LIABILITIES

Particulars	As at 31 March, 2025	As at 31 March, 2024
i) Advances from customers	1,420.11	515.01
ii) Tax deduction at source	1,141.07	1,621.12
iii) ESI, professional tax, etc.	7.28	7.61
iv) Provident fund payable	195.93	175.38
v) Credit card payable	0.27	-
vi) Capital subsidy	13.69	13.69
vii) Security /trade deposit	0.59	0.59
viii) Unclaimed bonus & salary	89.42	83.60
ix) Custom duty Payable	4.58	-
x) Other advances	1,452.91	-
TOTAL	4,325.85	2,417.00

20 PROVISIONS

Particulars	As at 31 March, 2025	As at 31 March, 2024
i) For employee benefits		
a) Leave encashment	105.04	84.29
b) Gratuity	651.56	475.32
ii) a) Provision for others Claim settlement	2,909.77	-
iii) Others	1,324.88	1,506.41
TOTAL	4,991.25	2,066.02



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for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

21 REVENUE FROM OPERATIONS-GOODS

Particulars	For the Year ended 31 March, 2025	For the Year ended 31 March, 2024
a) Sales of goods		
i) Sales of Products	97,390.63	92,524.78
ii) Export incentives	164.30	76.62
ii) Energy Sales	199.97	299.75
Total	97,754.90	92,901.15
Abstract		
i) Bulk Drugs/Intermediates	64,344.18	70,301.70
ii) Formulations	26,323.86	16,592.52
iii) Export Incentives	164.30	76.62
iv) Power	199.97	299.75
v) Trading	3,355.34	2,286.93
vi) Others	3,367.25	3,343.63
Total	97,754.90	92,901.15

22 REVENUE FROM OPERATIONS-SERVICES AND LICENSE FEES

Particulars	For the Year ended 31 March, 2025	For the Year ended 31 March, 2024
Product development and License fees	30,886.50	22,259.15
Total	30,886.50	22,259.15

23 OTHER INCOME

Particulars	For the Year ended 31 March, 2025	For the Year ended 31 March, 2024
a) Interest Income on:		
i) Deposit with banks	721.08	56.77
ii) Others	82.07	81.30
b) Liabilities written back	851.52	213.54
c) Gain on sale of Investment in JV	387.10	-
d) Realised gain on derivatives instruments	3.32	-
e) MTM gain on derivatives instruments	11.78	-
f) Reimbursement of Expenses	4.20	-
g) Government grant	149.99	150.36
h) Miscellaneous Income	104.28	315.08
TOTAL	2,315.34	817.05

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

24 COST OF MATERIAL CONSUMED

Particulars	For the Year ended 31 March, 2025	For the Year ended 31 March, 2024
Inventory at the beginning of the year	14,802.23	29,294.55
Add: Purchases	37,904.74	27,987.64
Less: Inventory at the end of the year	17,679.58	14,802.23
Cost of raw materials and packing materials consumed	35,027.39	42,479.96
Material consumed comprises of :		
i) Raw Material / Chemiclas	33,757.55	41,099.65
ii) Packing Material	1,269.84	1,380.31
TOTAL	35,027.39	42,479.96

25 PURCHASE OF STOCK-IN-TRADE

Particulars	For the Year ended 31 March, 2025	For the Year ended 31 March, 2024
Medicines/Bulk Drugs/Others	2,214.99	1,770.23
Packing Material	33.46	31.16
TOTAL	2,248.45	1,801.39

26 CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	For the Year ended 31 March, 2025	For the Year ended 31 March, 2024
Opening Inventories		
a) Finished goods	8,763.52	7,010.49
b) Work-in-progress	6,954.51	5,229.77
Closing Inventories		
a) Finished goods	5,827.43	8,763.52
b) Work-in-progress	6,129.37	6,954.51
(Increase) / Decrease in Inventory	3,761.23	(3,477.76)

27 EMPLOYEE BENEFIT EXPENSES

Particulars	For the Year ended 31 March, 2025	For the Year ended 31 March, 2024
a) Salaries, wages, allowances and bonus	27,147.13	26,192.72
b) Contribution to provident fund/gratuity and other funds	1,636.86	1,566.61
c) Staff welfare expenses	486.93	379.64
TOTAL	29,270.92	28,138.97



Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

28 FINANCE COST

Particulars	For the Year ended 31 March, 2025	For the Year ended 31 March, 2024
a) Interest expense on:		
i) Working capital facility	2,135.17	3,056.16
ii) Interest on lease liability	13.52	16.22
iii) Term loans	241.73	1,142.05
b) Amortised of processing fees	-	18.75
c) Interest on unsecured loan	-	159.11
d) Factoring Charges	387.79	392.81
e) NCD		
i) Interest on NCD	3,486.04	3,997.82
ii) Finance cost-NCD expenses	1,177.58	285.16
f) Others	111.46	112.29
TOTAL	7,553.29	9,180.37

29 OTHER EXPENSES

Particulars	For the Year ended 31 March, 2025	For the Year ended 31 March, 2024
a) Power and fuel	5,374.41	5,241.15
b) Repairs & maintenance		
i) Buildings	667.72	487.07
ii) Plant and machinery	3,194.71	2,719.29
iii) Others	503.64	341.59
c) Rent	147.23	125.36
d) Exchange loss / (gain)-net	(1,311.86)	(844.22)
e) Rates and taxes	296.65	235.70
f) Insurance	347.08	394.66
g) Traveling and conveyance	910.58	506.23
h) Contract labour charges	1,440.35	1,373.39
i) Legal and professional fees	2,381.06	1,714.71
j) Facility fees	1,554.85	1,233.23
k) Payment to auditors (Note no 38)	60.94	57.62
l) Research and development expenses	4,837.34	3,096.92
m) Transportation charges	315.00	171.15
n) Brokerage and commission	717.41	467.19
o) Directors sitting fees	6.00	4.00
p) Sales promotion and advertisement	455.98	286.81
q) Advance written-off	-	20.61
r) Bad Debts	458.91	451.48
s) Clearing and forwarding expenses	904.29	808.39

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for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars	For the Year ended 31 March, 2025	For the Year ended 31 March, 2024
t) (Gain)/loss on sale /discard of assets.	27.14	(54.36)
u) Custom duty & GST expenses	575.25	579.34
v) CSR Expenses	318.41	318.69
w) Product filing fees/patent application fees	33.76	48.83
x) Tech transfer expenses	-	78.44
y) Provision for ECL/doubtful debt	137.92	75.96
z) Provision for capital advance	-	185.03
aa) Impairment of Plant & Machinery under CWIP	250.00	-
ab) Service Expenses	163.81	-
ac) Miscellaneous Expenses	1,859.66	1,644.33
TOTAL	26,628.24	21,768.59

30 EXCEPTIONAL ITEM: INCOME/(EXPENSES)

Particulars	For the Year ended 31 March, 2025	For the Year ended 31 March, 2024
a) Gain on sale of stake in Auxilla Pharmaceuticals and Research LLP	-	(613.07)
b) Claim Settlement Expenses	2,909.77	-
c) Excess provision for impairment on Investment	(101.63)	-
TOTAL	2,808.14	(613.07)

Note: Exceptional loss for the year ended March 31, 2025 of ₹2,808.14 Lakhs (PY exceptional gain of ₹613.07 Lakhs) is on account of

- During current financial year, ₹2,909.77 Lakhs (USD 3.4 million) (PY ₹ Nil) provision has been made towards claim settlement agreement with Celtrion Inc vide its agreement dated April 17th, 2025, committing over 04 instalments starting from Apr'25 till Jul'25 to resolve its ongoing legal dispute of the execution petition of the Arbitral Award passed by the ICC International Court of Arbitration, Arbitral Tribunal on 22nd January 2024.
- During the current financial year, ₹101.63 Lakhs (PY ₹ Nil) reversal of impairment provision on investments in IL & FS Mutual Fund following the receipt of partial settlement amount.
- During previous year, the group through its wholly owned subsidiary Vegil Labs Private Limited has sold its entire 40% stake in Auxilla Pharmaceuticals and Research LLP for a consideration of ₹1,100.00 Lakhs. Consequently the group has recognised a gain of ₹613.07 Lakhs after considering its share of loss upto the date of sale i.e March 5th, 2024.



Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

31 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at 31 March, 2025	As at 31 March, 2024
a) Foreign letter of credit	658.58	732.75
b) Bank guarantees	306.29	268.73
c) Claims against the Company not acknowledged as debt (Refer Note 1 below)	3,035.57	3,870.00
d) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances	3,621.41	5,168.13
Total	7,621.85	10,039.61

- The Company is involved in disputes, lawsuits, proceedings etc. including patent and commercial matters that arise from time to time in the ordinary course of business. Management is of the view that above matters are not tenable and will not have any material adverse effect on the Company's financial position and results of operations.

32 EMPLOYEE BENEFIT DEFINED CONTRIBUTION PLANS

Particulars	As at 31 March, 2025	As at 31 March, 2024
Defined Contribution Plan		
Provided fund	1,077.64	998.33
Movement of present value of the defined benefit obligation		
i) Change in defined benefit obligation		
Obligations at year beginning	2,517.90	2,188.65
Service cost	318.25	302.60
Interest on defined benefit obligation	168.28	147.16
Benefits settled	(426.93)	(462.23)
Actuarial (gain)/loss	317.99	348.47
Obligations at year end	2,893.77	2,524.64
ii) Change in plan assets		
Plans assets at year beginning, at fair value	65.32	281.72
Expected return on plan assets	(16.66)	8.12
Benefits Payout	(64.10)	(260.92)
Actuarial gain/(loss)	-	(1.12)
Plans assets at year end, at fair value	(15.44)	27.80
iii) Amount recognised in the balance sheet		
Closing BPO	2,893.77	2,523.94
Closing fair value of plan assets	1.07	65.32
Net asset/(liability) recognized in the balance sheet	2,892.70	2,458.62
iv) Expenses recognised in the statement of P & L account		
Service cost	310.13	300.18
Interest cost	165.95	145.29
Expected return on plan assets		

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for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Expenses recognised in the statement of Other Comprehensive income		
Actuarial (Gain) / Losses due to Demographic Assumption changes in DBO	(7.22)	7.71
Actuarial (Gain) / Losses due to Financial Assumption changes in DBO	(42.58)	(22.40)
Actuarial (Gain)/ Losses due to Experience on DBO	320.07	350.09
Return on Plan Assets (Greater) / Less than Discount rate	17.11	1.38
Total actuarial (gain)/loss included in OCI	287.39	336.77
v) Assets Information		
i) Insured (fund is managed with Life insurance corporation of India)	(15.44)	27.80
%	(0.53%)	1.10%
ii) Non fund based (Company manages at its own)	2,892.70	2,433.25
%	100%	96%
vi) Principal actuarial assumptions		
Interest rate		
Discount rate (based on the market yields available on Government bond at the accounting date with a term that matches that of the Liabilities)	6.96%	7.22%
Expected rate of return on assets	7.22%	7.22%
Salary increase (taking into account inflation, seniority, promotion and other relevant factor)	8.67%	9.67%
Attrition rate of employees	20.35%	19.42%
Retirement age of employees (Years)	58	58

Actuarial gain / loss is recognised immediately. The estimates of salary increase, inflation, promotion, Seniority etc taken in account. The Company has various schemes (funded/unfunded) for payment of gratuity to all eligible employees calculated at specific no. of days (ranging from 15 days to 1 month) of the last drawn salary depending upon tenure of service for each year of completed service subject to minimum of five years payable at the time of separation upon superannuation or on exit otherwise.

Sensitivity Analysis

The Sensitivity of the defined benefit obligation to changes in the weighted principal assumption are as below

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	Decrease	Increase	Decrease	Increase
Discounted rate	2.96%	-2.43%	2.99%	-2.44%
Salary increase	-2.13%	2.39%	0.25%	0.08%
Attrition rate	0.95%	-0.31%	0.98%	-0.35%

Sensitivity of significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of defined benefit obligation by 100 basis points keeping all other actuarial assumption constant.



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33 FAIR VALUE MEASUREMENT HIERARCHY:

Particulars		As at 31 March, 2025						As at 31 March, 2024					
		Carrying Amount			FVTOCI			Carrying Amount			FVTOCI		
		Amortised Cost	FVTPL Level 1	FVTPL Level 2	FVTPL Level 3	Total	Amortised Cost	Level 1	FVTPL Level 2	FVTPL Level 3	Level 1	FVTPL Level 2	FVTPL Level 3
FINANCIAL ASSETS													
I. At Amortized Cost													
Non-current investments		3,453.94	-	-	-	3,453.94	3,990.92	-	-	-	-	-	3,990.92
Trade receivable		44,083.56	-	-	-	44,083.56	39,204.55	-	-	-	-	-	39,204.55
Cash & bank balance		2,596.83	-	-	-	2,596.83	3,022.56	-	-	-	-	-	3,022.56
Other bank balance		255.54	-	-	-	255.54	154.06	-	-	-	-	-	154.06
Other financial assets		3,628.92	-	-	-	3,628.92	816.57	-	-	-	-	-	816.57
Total		54,018.79	-	-	-	54,018.79	47,188.66	-	-	-	-	-	47,188.66
FINANCIAL LIABILITIES													
Borrowings		58,636.26	-	-	-	58,636.26	93,558.73	-	-	-	-	-	93,558.73
Trade payables		9,538.15	-	-	-	9,538.15	17,415.17	-	-	-	-	-	17,415.17
Other financial liabilities		14,516.58	-	-	-	14,516.58	11,448.61	-	-	-	-	-	11,448.61
Lease Liability		138.42	-	-	-	138.42	180.14	-	-	-	-	-	180.14
Total		82,829.41	-	-	-	82,829.41	1,22,602.64	-	-	-	-	-	1,22,602.64

Level 1: Hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds, ETFs and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

Valuation technique used to determine fair value:

- 1) The use of quoted market prices or dealer quotes for similar instruments
- 2) The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves
- 3) The fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date.

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34 FINANCIAL RISK MANAGEMENT

The Group activities expose it to a variety of financial risks such as Market Risk, Credit Risk and Liquidity Risk. The company's focuses on minimizing potential adverse effect on its financial performance.

A) 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. The changes in the values of financial assets/liability may result from change in the foreign currency exchange rates (Foreign Currency Risk), change in interest rates (Cash flow & interest rate risk), and change in price of investments (Price Risk).

(i) Foreign Currency Risk

The Company operates internationally and a major portion of the business is transacted in USD, EURO & GBP currencies and consequently, the Company is exposed to foreign exchange risk through operating, financing and borrowing activities in foreign currency.

Particulars	As at 31 March, 2025				As at 31 March, 2024			
	USD	EURO	GBP	Others	USD	EURO	GBP	Others
Trade receivables (+)	229.69	99.07	0.56	4.46	216.61	67.93	0.39	1.51
Cash and cash equivalents (+)	2.08	0.84	0.01	1.94	19.69	0.63	0.01	-
Short-term borrowings (-)	-	-	-	-	(6.00)	(5.55)	-	-
Trade payables (-)	(45.67)	(2.93)	-	(0.11)	(71.91)	(4.32)	-	-
Other Financial Liability(-)	(1.62)	(1.65)	-	(6.72)	(0.08)	(2.01)	-	-
Net Foreign Currency Risk	184.48	95.33	0.57	(0.43)	158.31	56.68	0.40	1.51

Sensitivity analysis

Sensitivity analysis of 1% change in exchange rate at the ending of the reporting period net of hedges

Particulars	Impact on Profit & Loss		Impact on other component of equity	
	31 March, 2025	31 March, 2024	31 March, 2025	31 March, 2024
USD-Sensitivity				
Increase by 1% (gain/(loss))	157.88	131.99	-	-
Decrease by 1% (gain/(loss))	(157.88)	(131.99)	-	-
Euro-Sensitivity				
Increase by 1% (gain/(loss))	88.01	51.13	-	-
Decrease by 1% (gain/(loss))	(88.01)	(51.13)	-	-
GBP-Sensitivity				
Increase by 1% (gain/(loss))	0.63	0.42	-	-
Decrease by 1% (gain/(loss))	(0.63)	(0.42)	-	-

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest expenses/ income and to manage the interest rate risk, the Company weighted average balance manage its interest rate risk by having portfolio of fixed / variable interest rate on long / short term borrowings. The analysis is prepared assuming the amount of liability outstanding at the ending of the reporting period is the average weighted balance of the respective reporting period.



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(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

According to the Company interest rate risk exposure is only for floating rate borrowings, change in 0.5% in the interest rate component applicable to the short term borrowings would effect the Companies net profit before tax at the end of the reporting period year ended 31 March, 2025 and 31 March, 2024 respectively.

Particulars	31 March, 2025	31 March, 2024
Change in 0.50% interest on WCL	153.40	180.37

(iii) Price Risk

Company does not have any exposure to price risk, as there is no market based equity investment made by the Company.

B) 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. The credit risk arises from its operation activity primarily from trade receivable and from its financial activity. Customer credit risk is controlled by analysis of credit limit and credit worthiness of the customer on a continuous basis to whom the credit has been granted.

Long outstanding receivable from customer are regularly monitored and transaction with such customer are covered under letter of credit. The maximum exposure to credit risk at the reporting date is the carrying value of trade and other receivable. Two customer are accounted for more than 10% of the trade receivable as of 31 March, 2025 and two customer for 31 March, 2024. Since the Company is dealing with the customer from past several years, hence there is no significant risk in dealing with said customers.

Expected credit loss assessment

The Group reviewed customers outstanding at the end of each reporting period and determine incurred and expected credit losses. Past trend of impairment of trade receivables do not reflect any significant credit losses. The movement in allowance for impairment in respect of trade and other receivables during the year was as follows:

Allowance for Impairment	31 March, 2025	31 March, 2024
Impairment loss recognised - trade receivable	137.92	75.96
%	0.31	0.19

C) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations of its financial liability. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for making liability when they are due, under normal and stressed condition without incurring losses and risk.

The present available working capital facility is sufficient to meet its current requirement. Accordingly no liquidity risk is perceived. In addition, the Company maintains the following line of credit facility

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(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

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

Particulars	On Demand	< 01 year	01 to 05 Years	> 05 years
Short term borrowing	30,680.57	1,248.00	-	-
Long term borrowings	-	3,512.00	16,267.23	18,295.18
Trade and other payable	-	14,101.76	-	-
Lease liability	-	13.61	124.81	-
Other Financial Liability	-	7,838.20	-	-
Total	30,680.57	26,713.57	16,392.04	18,295.18

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

Particulars	On Demand	< 01 year	01 to 05 Years	> 05 years
Short term borrowing	36,073.17	-	-	-
Long term borrowings	1,376.90	974.33	35,000.00	650.59
Trade and other payable	-	21,633.39	2.59	-
Lease liability	-	52.93	127.21	-
Other Financial Liability	-	5,465.62	-	-
Total	37,450.07	28,126.27	35,129.80	650.59

35 CAPITAL MANAGEMENT

The key objective of the Company's capital management is to ensure that it maintains a stable capital structure with the focus of safeguard their ability to continue as a going concern, benefits for stakeholders, creditors and market confidence. Continue to maintain excess liquidity to shareholders by distributing dividends in future.

Company's vision is to keep the ratio below 1.00 and its adjusted net debt to equity ratio was as follows.

Particulars	31 March, 2025	31 March, 2024
Total Debts(A)	58,636.26	93,558.73
Total equity attributable to the equity shareholders of the Group (B)	2,36,370.16	1,79,995.69
Net Debt to Equity Ratio A/B	0.25	0.52

36 EARNINGS PER SHARE ('EPS')

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Profit for the year before OCI	7,829.31	3,187.42
Shares		
Weighted average shares used for computing basic EPS	9,74,29,625	8,68,01,898
Weighted average shares used for computing diluted EPS	9,74,29,625	8,68,01,898
Earnings Per Share		
Basic (in ₹)	8.04	3.67
Diluted (in ₹)	8.04	3.67



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37 RECONCILIATION OF TAX EXPENSES

(I) Income Tax

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Amount recognised in Statement of profit and loss		
Current Tax	7,334.90	4,529.50
Deferred Tax	(2,931.29)	(2,290.95)
Amount recognised in statement of profit & loss account	4,403.61	2,238.55
Profit before tax	12,233.29	5,434.07
Tax at enacted tax rate in India C.Y. @ 34.944% (P.Y. 34.944%)	4,274.80	1,898.88
Tax effects of amounts which are not deductible/(taxable) in calculating taxable income:		
Difference in overseas/domestic tax rates	266.66	510.11
Exempt income and other deductions	(567.13)	(166.81)
Non-deductible expenses for tax purpose	619.83	(87.10)
Others	(190.55)	83.47
Income tax expense	4,403.61	2,238.55

(II) Recognised Deferred Tax Assets / Liabilities

Movement of Deferred Tax Assets / Liabilities	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Deferred Tax Liabilities		
Property, plant and equipment and intangible assets	17,767.20	17,598.00
Gross Deferred Tax Liabilities	17,767.20	17,598.00
Deferred Tax Assets		
Defined benefit obligations/Employees benefit liability	943.19	720.98
MAT Credit Entitlement Benefit	5,024.61	7,670.61
On Business Losses	9,178.51	8,135.94
Government Grants	252.97	281.98
Stock Reserves	1,628.18	945.82
Provision	727.05	110.06
Timing Difference on Deferred revenue		
On doubtful loans & investments		
Others	1,309.25	758.74
Gross Deferred Tax Assets	19,063.76	18,624.13
Net Deferred Asset	1,296.56	1,026.13

Recognised Deferred Tax Assets / Liabilities	As at 01 April, 2024	Recognised in statement of profit & loss	Recognised in OCI	MAT credit utilised	As at 31 March, 2025
Deferred Tax Assets					
Defined benefit obligations / Employees benefit liability	720.98	105.83	116.38		943.19
MAT Credit Entitlement Benefit	7,670.61	131.15	-	(2,777.15)	5,024.61
Business Losses	8,135.94	1,042.57	-		9,178.51
Provisions (loans, Investment & Advances)	110.06	616.99	-		727.05
Government Grants	281.98	(29.01)	-		252.97
Stock Reserve	945.82	682.36	-		1,628.18
Others	758.74	550.51	-		1,309.25
Total	18,624.13	3,100.40	116.38	(2,777.15)	19,063.76

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Recognised Deferred Tax Assets / Liabilities	As at 01 April, 2024	Recognised in statement of profit & loss	Recognised in OCI	MAT credit utilised	As at 31 March, 2025
Deferred Tax Liabilities					
Property, plant and equipment, and intangible assets	17,598.00	169.20	-		17,767.20
Total	17,598.00	169.20	-	-	17,767.20
Net Deferred Asset recognised	1,026.13	2,931.20	116.38	(2,777.15)	1,296.56

38 PAYMENTS TO AUDITORS

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
For Statutory audit fees	38.31	31.46
For Tax audit	11.15	15.14
For Limited review	1.33	1.33
For Income tax matters	-	0.53
For Certification	10.10	9.17
For Others	0.05	-
Total	60.94	57.62

39 SEGMENT INFORMATION

The Company is mainly engage in the business of manufacturing of pharmaceutical product and wind power generation. The formulation and product development are inter related and integral part of business of "pharmaceutical products". In accordance with the provisions of IND AS - 108 power segment is not falling in the prescribed limit specified, hence segment reporting is not applicable.

(a) Information about Products and Services:

Particulars	As at 31 March, 2025	As at 31 March, 2024
Pharmaceutical product and services	1,28,277.13	1,14,783.93
Power sales	199.97	299.75
others	164.30	76.62
Total	1,28,641.40	1,15,160.30

(b) Information about geographical areas

Particulars	As at 31 March, 2025	As at 31 March, 2024
(i) Revenues		
(A) Within India	48,047.87	53,500.77
(B) Outside India		
(i) USA	23,459.37	18,035.11
(ii) Europe	30,081.64	22,540.22
(iii) ROW	27,052.52	21,084.21
Total	1,28,641.40	1,15,160.30



Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

(b) Information about geographical areas

Particulars	As at 31 March, 2025	As at 31 March, 2024
ii) Non-current Assets		
(A) Within India	2,27,092.00	2,13,930.16
(B) Outside India	35.83	2,078.07
Total	2,27,127.83	2,16,008.23

Note: Non-current Assets excludes financial assets

(c) Information about major customer

The Company has two customers who contributed more than 10% of the Company's total revenue during the current year and one customers during the previous year.

40 OPERATING LEASE

The Company has entered into lease agreements for use of land for its production and R&D facility which expires over a period. Future minimum lease payments and payment profile of non-cancellable operating leases are as under:

(a) Land

Particulars	As at 31 March, 2025	As at 31 March, 2024
Not later than one year	33.48	33.48
Later than one year and not later than five year	133.90	133.90
Later than five years	1,713.66	1,747.14
Total	1,881.04	1,914.52

(b) Building

Particulars	As at 31 March, 2025	As at 31 March, 2024
Not later than one year	7.61	45.46
One to Five Year	-	7.61
Total	7.61	53.07

(c) The following are the amounts recognised in the statement of Profit or Loss :

Particulars	As at 31 March, 2025	As at 31 March, 2024
Depreciation expenses on right of use-assets	86.72	69.70
Interest expenses on lease liabilities	13.52	16.22
Total amount recognised in Profit or loss	100.24	85.92

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

(d) The following is the movement in lease liabilities during the year ended March 31, 2025

Particulars	Land	Buildings	Total
Balance as the beginning	128.54	51.61	180.14
Addition during the year	-	-	-
Finance cost accrued during the year	11.33	2.19	13.52
Disposals	-	-	-
Payment of lease liabilities	(9.95)	(45.28)	(55.24)
Balance as at March 31, 2025	129.91	8.52	138.42

(d) The following is the movement in lease liabilities during the year ended March 31, 2024

Particulars	Land	Buildings	Total
Balance as the beginning	127.00	89.70	216.70
Addition during the year	-	-	-
Finance cost accrued during the year	11.20	5.03	16.23
Disposals	-	-	-
Payment of lease liabilities	(9.66)	(43.13)	(52.79)
Balance as at March 31, 2024	128.54	51.60	180.14

(e) The following is the breakup of current and non current lease liability:

Particulars	As at 31 March, 2025	As at 31 March, 2024
Current lease liabilities	13.61	52.93
Non current lease liabilities	124.81	127.21
Total	138.42	180.14

41 CONSOLIDATED RELATED PARTY TRANSACTIONS

Related parties where control exists and related parties with whom transactions have taken place during period 01st April 2024 to 31st Mar 2025 are listed below ;

(All amounts are in Indian rupees in Lakhs unless otherwise stated)

List of Related Parties

1. Associates

- Maia Pharmaceuticals INC. USA
- Auxilla Pharmaceuticals and Research LLP (Investment Entity)

2. Joint Venture (JV)

- Reva Medicare Pvt. Ltd.
- Sravathi Advance Process Technologies Pvt. Ltd.
- Sravathi AI Technologies Pvt. Ltd. (JV)
- Oncosol Ltd (Stepdown JV)



Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

3. (i) Key Management Personnel-(KMP)

- a) Vishnukant C. Bhutada - Managing Director
- b) Alpesh Dalal - Chief Financial Officer
- c) Kalakota Sharath Reddy - Whole Time Director
- d) Madhav Bhutada-Managing Director -Shilpa Biocare Pvt Ltd
- e) Keshav Bhutada -Executive Director & CEO -Shilpa Pharma Lifesciences Limited
- f) Ritu Tiwary- Company Secretary
- g) Michel Roy-Director-Koana Canada
- h) Santosh Kumar Mahil-CEO-Shilpa Pharma Lifesciences Limited (ceased w.e.f 24 May 2025)
- i) Venkatesh Katakam CEO-Shilpa Therapeutics Pvt Ltd
- j) Jayant Shrikant Karajgi -Director FTF Pharma Pvt Ltd
- k) Ramakant Innani-Managing Director-Shilpa Biologicals Pvt Ltd
- l) Venkatesh Sharma -Chief Financial Officer -Shilpa Biologicals Pvt Ltd
- m) Amarnath Sulakhe -Chief Financial Officer-Shilpa Biocare Pvt Ltd
- n) Sangeetha Laxmi Kandari -Company Secretary-Shilpa Biocare Pvt Ltd
- o) Anushiya Bhandari -Company Secretary-Shilpa Biologicals Pvt Ltd (appointed w.e.f 24.08.2024)
- p) Dr.Sridevi Khambhampaty -CEO-Shilpa Biologicals P Ltd (appointed w.e.f 19.09.2024)
- q) Seshu Akula-Director Pilnova Pharma INC
- r) Gurpreet Sing Sandu-Director-Reva Medicare Private Limited

(ii) Remuneration paid to Directors

- a) Omprakash Inani - Non-executive Chairman
- b) Arvind Vasudev - Independent Director
- c) Hetal Gandhi - Independent Director
- d) Anita Bandyopadhyay- Independent Women Director
- e) Kamal Kishore Sharma - Independent Director

4. Relatives

- a) Deepak Kumar Inani
- b) Ramakant Inanni
- c) Sagar Innani
- d) Ravi Innani

5. Enterprises having common Directors/ Board of Trustees

- a) Shilpa Foundation
- b) Mohini Infra (P) Ltd

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Sl. No.	Name of the related party	Relationship	Description of transaction	01st April 2024 to 31 March, 2025 (Income)/ Expenses Other Transaction	Balance as at 31 March, 2025 (Payable) / Receivable	01st April 2023 to 31 March, 2024 (Income)/ Expenses Other Transaction	Balance as at 31 March, 2024 (Payable) / Receivable
A	Remuneration paid to Key Management Personnel						
i)	Vishnukant.C. Bhutada	Managing Director	Salary and perquisites/ Managerial commission*	802.50	(271.18)	1,100.00	(439.66)
ii)	Madhav Bhutada	Managing Director -Shilpa Biocare P Ltd	Salary and perquisites	100.00	(5.83)	25.60	(1.42)
iii)	Keshav Bhutada	Executive Director -Shilpa Pharma Lifesciences Limited	Salary and perquisites	88.17	(6.10)	25.60	(1.42)
B	Remuneration paid to other Directors						
i)	Omprakash Inani	Chairman & Non-executive Chairman	Sitting Fees	6.00	(0.90)	3.50	-
C	Relative						
i)	Deepak Kumar Inani	Relative to Director	Salary and perquisites	100.08	(5.14)	86.82	(4.60)
ii)	Ramakant Innani	Relative to Promoter Group	Salary and perquisites	105.34	(5.16)	91.47	(4.89)
iii)	Ravi Kumar Innani	Relative to Promoter Group	Salary and perquisites	72.01	(3.43)	62.86	(3.08)
iv)	Sagar Innani	Relative to Promoter Group	Salary and perquisites	14.79	(0.92)	12.40	(0.82)
D	Others						
i)	Reva Medicare Pvt. Ltd.	Joint Venture					
			Commission charges	101.89	-	149.07	-
			Sales of Goods or Service	4.20	-	4.20	-
			Trade Payable		(48.78)	-	(76.44)
			Commission Accrued but not paid		(58.19)	-	(78.46)
			Trade Receivable		1.65	-	0.41
			Investment in equity shares		0.50	-	0.50
ii)	Maia Pharmaceuticals INC. USA	Associate					



Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Sl. No.	Name of the related party	Relationship	Description of transaction	01st April 2024 to 31 March, 2025 (Income)/ Expenses Other Transaction	Balance as at 31 March, 2025 (Payable) / Receivable	01st April 2023 to 31 March, 2024 (Income)/ Expenses Other Transaction	Balance as at 31 March, 2024 (Payable) / Receivable
			Trade receivable	-	-	-	201.16
			Trade receivable written off	202.16	-	-	-
iii)	Slavathi Advance Process Technologies Pvt. Ltd.	Joint Venture					
			Purchases of Goods or Service	-	-	55.00	-
			Investment in equity shares	-	3,995.58	-	3,995.58
			Investment in Pref Shares	-	-	257.50	-
			Conversion of Pref into Equity	-	-	3,990.00	-
			Advance paid receivable	90.00	86.00	25.00	25.00
iv)	Shilpa Foundation	Trust in which key management are the board of trustees or Director are Trustee					
			Corporate Social Responsibility Expenses	308.47	-	318.69	-
v)	Mohini Infra (P) Ltd	Company in which key management are the board of Director					
			Godown Rent	9.08	-	7.80	-
			Trade Payable	-	-	-	(0.70)
vi)	Auxilla Pharmaceuticals and Research LLP	Investment Entity					
			Sale Consideration received	-	-	1,100.00	-
			Interest received on delay in payment of Sale Consideration	-	-	10.00	-
vii)	Slavathi AI Technology Pvt Ltd	Joint Venture of Vegil Labs					
			Investment in Equity Shares	-	481.84	-	5.50
			Investment in Preference shares	-	-	148.25	875.94
			Preference shares converted into Equity	900.00	-	-	-
viii)	Oncosol Ltd	Joint Venture- Joint Venture of Koana Austria					
			Product Development Income	861.01	-	491.07	-
			Reimbursement of Expenses incurred	-	-	27.76	-
			Trade receivable	-	797.82	-	433.94

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

*** The investment in Maia Pharmaceuticals INC. USA is Nil as the share of loss is adjusted (under Equity Method) against investment.*

- a) *The above disclosures include related parties as per Ind AS 24 on "Related Party Disclosures" and Companies Act, 2013.*
- b) *As the provisions for gratuity are obtained on an actuarial basis for the Company as a whole amounts pertaining to the Key Management Personnel are not specifically identified and hence not included in the above.*
- c) *Managerial Commission for FY 2024-25 ₹ 452.50 Lakhs and for FY 2023-24 ₹ 750.00 Lakhs*
- d) *The Company INM Nuvent Paints Pvt. Ltd., (step down subsidiary) had applied for strike off and notice has been published by MCA, that the Company has been struck off on 01st May 2025 from the ROC records and dissolved.*

42 A sum of ₹822.77 lakhs is payable to Micro, Small and Medium Enterprises as at 31 March, 2025 (₹ 558.53 lakhs as at 31 March, 2024). There are no overdue payable to Micro, Small and Medium Enterprises by the Company which are outstanding for more than 45 days during the year and also as at 31 March, 2024. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act has been determined to the extent such supplier has been identified on the basis of information provided by suppliers with the Company and relied upon by the Auditors.

43 Balance of trade receivables/ trade payables/advances /security deposits are subject to confirmation and MAT Credit are subject to reconciliation with IT returns

44 Additional disclosures required by Schedule III (amendments dated 24 March 2021) to the Companies Act, 2013;

- 1) The Group do not have any Benami property and neither any proceedings have been initiated or is pending against the Company for holding any Benami property.
- 2) The Group do not have any transactions with companies struck off.
- 3) The Group has not been declared a wilful defaulter by any bank or financial institution or any other lender during the current period.
- 4) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds, other than in the ordinary course of business by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has not received any fund from any party(s) (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 5) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year
- 6) The Group has not made 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).



Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

- 7) The Group has complied with number of layers prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- 8) Borrowings obtained by the Group from banks and financial institutions have been applied for the purposes for which such loans were taken

Ageing schedule for receivables as at March 31, 2025 is as follows

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	25,227.59	13,230.51	3,446.59	284.83	605.22	185.77	42,980.51
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	1.40	-	1.40
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	55.08	25.23	80.31
(iv) Disputed Trade Receivables–considered good	-	-	-	-	140.00	961.65	1,101.65
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	82.84	3.93	94.29	181.06
Total	25,227.59	13,230.51	3,446.59	367.67	805.64	1,266.94	44,344.93
Less: Allowance for credit loss							261.37
Net receivables							44,083.56

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Ageing schedule for receivables as at March 31,2024 ia as follows

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	22,679.78	12,229.15	1,857.06	1,038.16	283.16	14.18	38,101.49
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	25.23	-	-	25.23
Disputed Trade receivables - considered good	-	-	-	140.00	963.06	-	1,103.06
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	23.40	25.77	-	72.08	-	121.25
Total	22,679.78	12,252.55	1,882.83	1,203.39	1,318.30	14.18	39,351.03
Less: Allowance for credit loss							-146.48
Net receivables							39,204.55

Trade payables Ageing Schedule as at March 31, 2025

S NO	Particulars	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
a)	MSME	818.64	1.65	0.70	1.78	822.77
b)	Others	8339.51	170.90	25.46	179.51	8,715.38
	Total	9,158.15	172.55	26.16	181.29	9,538.15

Trade payables Ageing Schedule as at March 31, 2024

S NO	Particulars	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
a)	MSME	558.53	-	-	-	558.53



Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

b) Others	16,209.05	112.37	54.56	480.65	16,856.63
Total	16,767.58	112.37	54.56	480.65	17,415.16

Capital Work in Progorss (CWIP) Ageing Schedule as at March 31, 2025

S NO	Particulars	Sum of Less Than 1 Year	Sum of 1-2 Years	Sum of 2-3 Years	Sum of More than 3 Years	Total
a)	Project in Progress	16,849.33	20,783.12	5,015.92	974.12	43,622.49
b)	Project temporarily suspended	-	0.38	2,148.85	480.44	2,629.67
	Total	16,849.33	20,783.50	7,164.77	1,454.56	46,252.16

Capital Work in Progorss (CWIP) Ageing Schedule as at March 31, 2024

S NO	Particulars	Sum of Less Than 1 Year	Sum of 1-2 Years	Sum of 2-3 Years	Sum of More than 3 Years	Total
a)	Project in Progress	23,137.77	7,195.72	7,004.04	301.29	37,638.82
b)	Project temporarily suspended	6.41	2,149.56	474.85	30.49	2,661.31
	Total	23,144.18	9,345.28	7,478.89	331.78	40,300.13

Intangible assets under development (IUAD) as at March 31, 2025

S NO	Particulars	Sum of Less Than 1 Year	Sum of 1-2 Years	Sum of 2-3 Years	Sum of More than 3 Years	Total
a)	Project in Progress	2,861.78	3,286.06	4,726.43	25,050.40	35,924.67
b)	Project temporarily suspended	-	-	-	-	-
	Total	2,861.78	3,286.06	4,726.43	25,050.40	35,924.67

Intangible assets under development (IUAD) as at March 31, 2024

S NO	Particulars	Sum of Less Than 1 Year	Sum of 1-2 Years	Sum of 2-3 Years	Sum of More than 3 Years	Total
a)	Project in Progress	2,890.21	305.20	14,878.49	13,504.01	31,577.91
b)	Project temporarily suspended	-	-	-	-	-
	Total	2,890.21	305.20	14,878.49	13,504.01	31,577.91

45 DISCLOSURE REQUIRED UNDER CLAUSE 22 OF MICRO, SMALL AND MEDIUM ENTERPRISE DEVELOPMENT ('MSMED') ACT, 2006

Particulars	As at 31 March, 2025	As at 31 March, 2024
a. Principal and interest amount remaining unpaid	822.77	558.53
b. Interest due thereon remaining unpaid*	-	-
c. Interest paid by The company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-

Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
e. Interest accrued and remaining unpaid	-	-
f. 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 enterprises	-	-

The above disclosures are provided by The company based on the information available with The company in respect of the registration status of its vendors/suppliers.

The company has not provided for any interest on balances of trade payables outstanding for more than 45 days based on the historical data where no such claims have been made against The company by any of its vendors / suppliers.

46 ISSUE OF EQUITY SHARES:

On April 13, 2024, the securities issue committee of the Board of Directors of the Company has approved an allotment of 1,09,89,010 Equity shares having face value Re.1/- per share at a premium of ₹454.00 per equity share aggregating to ₹50,000.00 Lakhs to eligible Qualified Institutional Buyers. Pursuant to said allotment, equity share capital of the Company has increased by ₹ 109.89 Lakhs and securities premium has increased by ₹49,890.11 Lakhs.

47 EVENTS AFTER THE REPORTING PERIOD:

On 17 April, 2025, the Company entered into a settlement agreement with Celltrion Inc, of its ongoing legal dispute of the execution petition of the Arbitral Award passed by the ICC International Court of Arbitration, Arbitral Tribunal on 22nd January 2024 committing to pay ₹2,909.77 Lakhs (USD 3.40 Million) over 04 instalments starting from April'25 till July'25. As the underlying conditions existed at the reporting date, the settlement is considered an adjusting event in accordance with Ind AS 10 Events After the Reporting Period. Consequently, the entire amount has been recognised as exceptional item for the year ended 31st March, 2025 in the current year's financial statements.

48 Figures of the previous year have been regrouped/rearranged wherever necessary.

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached
for B N P S And Associates LLP
Chartered Accountants
Firm's Registration No.008127S/S200013

For and on behalf of the Board of Directors of
Shilpa Medicare Limited

Yogesh. R. Bung
Partner
M.No.143932

Omprakash Inani
Chairman
DIN : 01301385

Vishnukant Bhutada
Managing Director
DIN: 01243391

Place : Mumbai
Date :26.05.2025

Ritu Tiwary
Company Secretary

Alpesh Maheshkumar Dalal
Chief Financial Officer



Notes Forming Part of Consolidated Financial Statement

for the year ended 31 March, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and per share data, unless otherwise stated)

ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 OF COMPANY CONSOLIDATED AS SUBSIDIARY/ASSOCIATES/JOINT VENTURE.

Particulars	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit & Loss Account		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit/(Loss)	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
A Holding Company								
Shilpa Medicare Limited	74.02	2,70,059.22	67.24	6,980.29	86.45	(194.31)	66.82	6,785.99
B (A) Subsidiaries - Indian								
1 Shilpa Therapeutics Private Limited	(1.25)	(4,573.84)	(6.51)	(676.01)	0.14	(0.31)	(6.66)	(676.31)
2 INM Technology Private Limited	(1.37)	(4,990.56)	(1.82)	(188.76)	-	-	(1.86)	(188.76)
3 Shilpa Biologicals Private Limited	14.31	52,208.84	(16.74)	(1,738.15)	0.17	(0.37)	(17.12)	(1,738.53)
4 Shilpa Biocare Pvt Ltd (Erstwhile Shilpa Albumin Pvt Ltd)	9.97	36,365.34	(5.99)	(621.34)	0.59	(1.32)	(6.13)	(622.66)
5 Shilpa Pharma Lifesciences Limited-Consol	5.08	18,538.87	60.47	6,276.85	8.70	(19.54)	61.61	6,257.31
6 FTF Pharma Pvt Ltd	0.95	3,449.80	3.83	397.91	6.33	(14.23)	3.78	383.68
7 Vegil Labs Private Limited-Consol	0.44	1,620.16	3.40	353.06	-	-	3.48	353.06
(B) Subsidiaries - Foreign								
1 Mankindus.INC	0.00	0.00	3.97	412.03	-	-	4.06	412.03
2 Koanaa Heakthcar Limited(UK)	(0.13)	(463.06)	(1.24)	(128.67)	-	-	(1.27)	(128.67)
3 Koanaa Heakthcar GMBH(Austria)	(0.58)	(2,108.84)	1.64	169.83	-	-	1.67	169.83
4 Zatoria Holding Limited	-	-	-	-	-	-	-	-
5 Koanaa Healthcare Spain,S.L	(0.11)	(404.45)	0.06	6.17	-	-	0.06	6.17
6 Shilpa Pharma Inc.	(0.65)	(2,364.99)	(2.11)	(219.05)	-	-	(2.16)	(219.05)
7 Koanna Healthcare Canada Inc.	0.01	46.09	(3.24)	(336.40)	-	-	(3.31)	(336.40)
8 Indo Biotech SDN.BHD	0.00	4.20	3.59	372.19	-	-	3.66	372.19
9 Koanna International FZ LLC.	(0.20)	(744.67)	(0.45)	(46.52)	-	-	(0.46)	(46.52)
10 Pilnova Pharma Inc	(0.26)	(945.94)	(7.11)	(738.06)	-	-	(7.27)	(738.06)
C Non Controlling Interests in all Subsidiaries	(0.23)	(853.48)	(0.00)	(0.38)			(0.00)	(0.38)
D Associates (Investment as per equity method) - Indian								
1 Reva Pharmachem Private Limited	-	-	-	-	-	-	-	-
E Joint Ventures (Investment as per equity method) - Indian								
1 Reva Medicare Private Limited	-	-	(0.32)	(33.01)	-	-	(0.32)	(33.01)
2 Sravathi Advance Process Technologies Private Limited	-	-	1.34	138.87	(2.37)	5.32	1.42	144.20
Gross Total	100.00	3,64,842.70	100.00	10,380.86	100.00	(224.76)	100.00	10,156.10
Adjustment arising on consolidation		(1,28,472.54)		(2,551.55)		(5.32)		(2,556.87)
Total		2,36,370.16		7,829.31		(230.08)		7,599.23

Notice

Notice is hereby given that the 38 Annual General Meeting ("AGM") of the members of Shilpa Medicare Limited will be held on Tuesday, September 23, 2025 at 11.00AM(IST) through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited standalone and consolidated financial statements of the company for the financial year ended 31 March 2025, together with the report of Board of Directors and Auditors thereon.
2. To declare dividend of ₹1.00/- per equity shares for the financial year ended March 31, 2025
3. To appoint a director in place of Mr. Omprakash Inani (DIN:03101385), who retires by rotation and being eligible, offers himself for re- appointment.

SPECIAL BUSINESS:

4. Ratification of remuneration of Cost Auditors:

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 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), a remuneration of ₹ 75000/- (Rupees Seventy Five Thousand only) (Excluding taxes, as applicable), in addition to reimbursement of all out of pocket expenses at actuals, if any, be paid to M/s.V.J. Talati & Co, Cost Accountants (Regd. No. M/2203), to audit the cost records maintained by the Company for the financial year ending March 31, 2026 be and is hereby approved and ratified.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts deeds and things as may be necessary to give effect to this resolution."

5. Re-appointment of Mr. Sharath Reddy Kalakota (DIN: 03603460) as a Whole Time Director

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to provisions of Section 152, 196 , 203 and other applicable provisions, if any, of the Companies Act 2013 read with Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, Articles of Association of the Company, SEBI (LODR) Regulations 2015, (including any statutory modifications or re-enactment, clarifications thereof, for the time being in force), and subject to such other approvals as may be necessary, on recommendation of Nomination and Remuneration Committee and the Board of Directors, consent of the members be and is hereby accorded to re-appoint Mr. Sharath Reddy Kalakota (DIN: 03603460) as a Whole Time Director of the Company w.e.f. October 01, 2025 for a period of 5 (five) years and whose office shall be liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to Section 197, 198 and other applicable provisions, if any, of the Companies Act 2013 read with Schedule V, Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, SEBI (LODR) Regulations 2015 (including any statutory modifications or re-enactment, clarifications thereof, for the time being in force) and subject to such approvals as may be necessary, Mr. Sharath Reddy Kalakota (DIN: 03603460) be paid a remuneration of ₹ 16,62,662/- (Rupees Sixteen Lakhs Sixty Two Thousand Six Hundred and Sixty Two Only) per month inclusive of all perquisites, leave encashment, gratuity and other benefits as applicable to other employees as per the Company policy, with an annual increment of minimum 5% and maximum as per HR policies for a period of 5 years w.e.f October 01, 2025.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the currency of the tenure of his service, the remuneration specified here-in above shall be paid as minimum remuneration as per the



provisions of Section II of Part of II of Schedule V to the Act, including any statutory modification(s) thereof.

FURTHER RESOLVED THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for the purpose of giving effect to this resolution."

6. Appointment of Mr. Ashraf Loutfy Abdelhamid Allam (DIN: 11192531), as an Independent Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special resolution:

"RESOLVED THAT pursuant to the provisions of Section 149, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV and other applicable regulations, if any of SEBI(LODR) Regulations 2015 (including any statutory modifications or re-enactment, clarifications thereof, for the time being in force) Mr. Ashraf Loutfy Abdelhamid Allam (DIN: 11192531), who has been appointed as an Additional Independent Director of the Company w.e.f 13 August 2025., on recommendation of Nomination and Remuneration Committee & the Board of Directors., consent of the members be and is hereby accorded for his appointment as a Non Executive Independent Director of the Company for a term of 2(Two) years from the conclusion of this Annual General Meeting till the conclusion of Annual General meeting to be held in 2027 and whose office is not liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to Section 197, 198 and other applicable provisions & rules made thereunder (as amended from time to time) read with Schedule V of the Companies Act, 2013, consent of the Board be and is hereby accorded to appoint Mr. Ashraf Loutfy Abdelhamid Allam (DIN: 11192531), as an Non-Executive Independent Director of the Company for a period of two (2) years effective from the conclusion of 38th AGM till the conclusion of the Annual General Meeting to be held in 2027, not liable to retire by rotation on remuneration of ₹35,00,000 (Rupees Thirty Five Lakhs only) per annum by way of sitting fees, reimbursement of expenses for participation in the Board meetings and profit related commission effective from the FY 2025-26 on an annualized basis and pro-rated for the part of the year, within the overall limits under Companies Act, 2013 upto 1% of the net profits of the Company during any

financial year, in aggregate payable to all Non-Executive Directors put together.

FURTHER RESOLVED THAT in the event of loss or inadequacy of profits, the said remuneration shall be payable as minimum remuneration under Schedule V read with Section 197 of the Companies Act, 2013.

FURTHER RESOLVED THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for the purpose of giving effect to this resolution."

7. Re-appointment of Dr. Anita Bandyopadhyay (DIN: 08672071), as a Women Independent Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 197 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV and other applicable regulations, if any of SEBI(LODR) Regulations 2015 (including any statutory modifications or re-enactment, clarifications thereof, on recommendation of Nomination and Remuneration Committee & the Board of Directors., consent of the members be and is hereby accorded for re-appointment of Dr. Anita Bandyopadhyay (DIN:08672071) for a second term for further period of 3(three) years with effect from conclusion of this Annual General Meeting till the Conclusion of Annual General Meeting to be held in the year 2028, whose period is not subject to retirement by rotation.

RESOLVED FURTHER THAT pursuant to Section 197, 198 and other applicable provisions, if any, of the Companies Act 2013 (including any statutory modifications or reenactment, clarifications thereof, read with Schedule V (as amended from time to time) and Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and subject to such approvals as may be necessary), Dr. Anita Bandyopadhyay (DIN:08672071) be paid a remuneration of ₹18,00,000 (Rupees Eighteen Lakhs only) per annum by way of sitting fees, profit related commission excluding reimbursement of expenses for participation in the Board meetings and effective from the FY 2025-26 on an annualized basis and prorated for the part of the year, as may be approved by the Board of Directors & members which may exceed the overall limits under Companies Act, 2013 i.e upto 1% of the net

profits of the Company during any financial year, in aggregate payable to all Non Executive Directors put together.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits, the said remuneration shall be payable as minimum remuneration under Schedule V read with Section 197 of the Companies Act, 2013.

RESOLVED FURTHER THAT any one of the Director of the Company be and is hereby authorized to do all such acts deeds and things as may be necessary to give effect the said resolution and to do all the needful in relation thereto."

8. Revision in remuneration of Mr. Keshav Bhutada (DIN: 08222057) Executive Director & CEO in Shilpa Pharma Lifesciences Ltd (SPLL), a material subsidiary w.e.f May 24, 2025

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special resolution:

"RESOLVED THAT pursuant to the provisions of Section 188(1)(f) and other applicable provisions, if any, of the Companies Act, 2013 read with the applicable rules made thereunder and Regulation 17(6)(e) and other applicable provisions/regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, pursuant to recommendation(s) of the Nomination and Remuneration committee, the Audit Committee and the Board of Directors, approval of members be and is hereby accorded to re-designate the position of Mr.Keshav Bhutada, Executive Director as Executive Director & CEO of Company's subsidiary, Shilpa Pharma Lifesciences Limited (SPLL) and revise the payment of remuneration for his current tenure as under :-

Remuneration : ₹1.00cr per annum, apart from payment/reimbursement of premium towards medical insurance for self and family;

Commission: 1% commission on the profits of SPLL as arrived in accordance with the provisions of section 197 of the Companies Act, 2013;

Other Benefits: Contribution to provident fund, superannuation fund, gratuity and leave encashment and other benefits as applicable to senior management during his tenure of service.

RESOLVED FURTHER THAT the Nomination and Remuneration Committee, the Audit Committee and the Board of Directors of the Company be and are hereby authorized to alter the terms of

employment and remuneration of Mr.Keshav Bhutada from time to time, based on his performance evaluation, and in accordance with the Company's Remuneration Policy and other applicable/ relevant policies and not exceeding such limits as may be prescribed in such policies.

RESOLVED FURTHER THAT the Board of Directors or Company Secretary of the Company be and are hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient, or desirable to give effect to above resolution."

9. To appoint Mr. D.S Rao., Practicing Company Secretary, as 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 Sections 204 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), read with Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended from time to time, pursuant to recommendation of the Audit Committee and the Board of Directors, consent of the members of the Company be and is here by accorded for appointment of Mr. DSRao, Practicing Company Secretary having membership number 12394 and COP 14487 (Peer review Certificate No.1817/2022) as the Secretarial Auditors of the Company for a period of 5 (Five) years from the conclusion of this 38th Annual General Meeting till the conclusion of the 43rd Annual General Meeting of the Company to be held in Financial year 2030 (i.e., for the Financial Year April 2025 - March 31, 2026 to April 1, 2029 - March 31, 2030), on such remuneration as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and Secretarial Auditors and reimbursement of out of pocket expenses incurred thereto.

FURTHER RESOLVED THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for the purpose of giving effect to this resolution."

10. ISSUE OF BONUS SHARES:

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:



“RESOLVED THAT in accordance with the provisions of Section 63 and other applicable provisions of the Companies Act, 2013 (“Act”) read with the Companies (Share Capital and Debentures) Rules, 2014, the Articles of Association and other applicable provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, other applicable regulations, rules and guidelines issued by SEBI, Reserve Bank of India (“RBI”) from time to time, the Foreign Exchange Management Act, 1999 (“FEMA”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to such approvals, consents, permissions, conditions and sanctions as may be necessary from appropriate authorities, on recommendation of the Board, approval of the members be and is hereby accorded to the Board of Directors of the Company (“the Board”, the term which shall include any Committee authorized by the Board to exercise its powers including powers conferred on the Board by this resolution) for capitalisation of a sum not exceeding ₹ 9,77,90,908 out of securities premium of the Company, as per the audited financial statements for the year ended 31st March 2025, for the purpose of issue and allotment of bonus equity shares of ₹1/- (Rupee one only) each, to the eligible members of the Company holding fully paid-up equity shares of the Company whose names appear in the Register of Members/ Beneficial Owners as on the ‘Record Date’.

RESOLVED FURTHER THAT the bonus shares so allotted shall rank pari passu in all respects with the fully paid-up equity shares as on the Record Date, and the same shall be subject to the terms and conditions contained in Memorandum of Association and Articles of Association.

RESOLVED FURTHER that no letter of allotment shall be issued in respect of the aforesaid bonus equity shares.

RESOLVED FURTHER that the bonus equity shares so allotted shall be credited only in dematerialised form to the beneficiary accounts of the members with their respective Depository Participant(s), and in the case of members who hold equity shares in

physical form, the bonus equity shares so allotted shall be credited to a separate suspense escrow demat account until such bonus equity shares are credited by the Company in dematerialised form to the beneficiary accounts of such members with their respective Depository Participant(s), subject to the Act, SEBI LODR, SEBI ICDR or any other applicable laws, regulations, rules and guidelines as may be issued by MCA, SEBI or any other authority in this regard, and the voting rights of such bonus equity shares held in the suspense escrow demat account shall remain frozen.

RESOLVED FURTHER THAT the issue and allotment of the bonus equity shares to the extent that they relate to Non-Resident Indians (“NRIs”), Foreign Institutional Investors (“FIIs”) and other Foreign Investors, shall be subject to the approval of RBI or any other regulatory authority, if any.

RESOLVED FURTHER that the Board be and is hereby authorized to take necessary steps for listing of such bonus equity shares on the Stock Exchanges where the equity shares of the Company are listed, as per the provisions of the SEBI LODR and other applicable regulations, rules and guidelines.

RESOLVED FURTHER THAT the Board, for the purposes of giving effect to the issue, allotment and listing of bonus equity shares as resolved hereinbefore, the Board, Managing Director, Chief Financial Officer and the Company Secretary and Compliance Officer of the Company to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion, to resolve all such issues, questions, difficulties or doubts whatsoever that may arise in this regard and all action(s) taken by the Company in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

By order of the Board of Directors
For Shilpa Medicare Limited

Date: August 13, 2025
Place: Raichur

Sd/-
Ritu Tiwary
Company Secretary

EXPLANATORY STATEMENT IN ACCORDANCE WITH SECTION 102 OF THE COMPANIES ACT, 2013

The following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

ITEM NO.3

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. V.J. Talati & Co, Cost Accountants (Regd. No. M/2203), to conduct the audit of the cost records of the Company for the financial year 2025 -26 at a remuneration of ₹ 75000/- (Rupees Seventy Five Thousand only).

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, consent of the members is sought by way of Ordinary resolution for ratification of the remuneration payable to the cost auditors for the financial year ending March 31, 2026.

None of the Directors or Key Managerial Personnel or their relatives are in anyway concerned or interested, financially or otherwise in the above resolution

ITEM NO.4

The Board, on the recommendations of the Audit Committee, has approved the appointment of M/s. V.J. Talati & Co, Cost Accountants (Regd. No. M/2203), to conduct the audit of the cost records of the Company for the financial year 2025 -26 at a remuneration of ₹75000/- (Rupees Seventy Five Thousand only)

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, consent of the members is sought by way of Ordinary resolution for ratification of the remuneration payable to the cost auditors for the financial year ending March 31, 2026.

None of the Directors or Key Managerial Personnel or their relatives are in anyway concerned or interested, financially or otherwise in the above resolution.

ITEM NO.5

Mr. Sharath Reddy was appointed as a Whole Time Director in the 35th Annual General Meeting for a period of three years w.e.f October 01, 2022. As his tenure is about to complete, the Board of Directors upon the recommendation of Nomination and Remuneration Committee, have approved his re-appointment, subject to approval of the Members of the Company for a further period of 5 (five) years.

Mr. Sharath Reddy has an enriched experience of over 3 decades in API manufacturing, Operations & Execution of Greenfield & brown field Projects. He has been associated with the Company since 1991, with diverse focus on Active Pharmaceutical Ingredients intermediate, Effluent Treatment R&D, quality Control Facilities designing commissioning & Operations. His vision of teamwork, innovative thinking and, excellence has resulted in developing a highly motivated team. His team's dedicated commitment is well aligned to achieve the mission of the Company.

Mr. Reddy, aged 57 yrs is a Post graduate in Pharmacy from Birla Institute of Technology & Science, Pilani, Rajasthan. He has a Bachelor's Degree from Raichur Gulbarga University. Mr. Reddy has conveyed his consent to act as a Director and that he is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013. Mr. Reddy holds 28089 eq.sh of the Company.

During his tenure as a Whole-time Director, he may be paid a remuneration of ₹ 16,62,662/- (Rupees Sixteen Lakhs Sixty Two Thousand Six Hundred and Sixty Two Only) per month inclusive of all perquisites, leave encashment, gratuity and other benefits as applicable to other employees as per the Company policy, with an annual increment of minimum 5% and maximum as per HR policies.

Minimum Remuneration: Notwithstanding anything to the contrary contained herein, where, in the event of loss or inadequacy of profits in any financial year during the currency of the tenure of his service, the remuneration specified herein above shall be paid as minimum remuneration to him as per the provisions of Section II of Part of II of Schedule V to the Act, including any statutory modification(s) thereof.

Mr. Sharath Reddy (DIN: 03603460) satisfies all the conditions set out in Part-I of Schedule V to the Act and



also the conditions set out in Section 196 of the Act for being eligible for his appointment as the Whole-time Director of the Company.

The terms set out in the resolution and explanatory statement may be treated as an abstract of terms of appointment pursuant to Section 190 of the Companies Act, 2013.

A brief profile and other particulars of Mr. Sharath Reddy as required under the provisions of SEBI (LODR), 2015, is provided under heading "Profile of Directors" forming part of this Notice.

Except Mr. Kalakota Sharath Reddy, none of the Directors and Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the said reappointment. Members are requested to approve the same by way of Ordinary resolution.

ITEM NO.6 & 7

Mr. Ashraf Loutfy Abdelhamid Allam (DIN: 11192531) was appointed as an Additional Independent Director with effect from August 13, 2025 in terms of Section 161(1) of the Companies Act, 2013 ("Act"), by the Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee. Pursuant to the provisions of the aforesaid section of the Act, Mr. Ashraf Loutfy Abdelhamid Allam holds office up to the conclusion of this 38th Annual General Meeting.

Mr. Ashraf aged 65yrs is a graduate from Faculty of Pharmacy, University of Tanta and holds a Bachelor degree in Pharmaceutical Sciences. He has overall 30+ years of experience in the field of pharma / biotech / Medical devices and Consumer health industries. He has been on board as leader & partner with experience in start-up's, driving top/ bottom-line growth, managing P&L. He has worked as CEO, Managing Director / Regional VP positions, reported directly to company boards and CEO's, built first-class teams, delivered profitable top line growth.

In his recent capacity as the CEO for Pharmaceutical Investment Company (PIC) which is the life science arm for the Public Investment Fund (PIF), he was fully responsible for creating, providing and implementing strategic, financial and operational leadership for the company, closely working with the senior executive team representing both the shareholders and the Board of Directors.

Mr. Ashraf serves currently as a board member and board advisor for global, regional, and local Pharmaceuticals, Biotech, Medical devices, Self-medications, and digital health companies. He also serves as senior executive advisor for global M&A

investment firms, private equity funds, VC's and family conglomerates in the US, Asia, and middle east.

Mr. Ashraf (DIN 11192531) is a person of high repute, integrity and has rich and varied experience which will be an invaluable input to the Company's strategic direction and decision making. His contributions and guidance during the deliberations at the Board meeting have been of immense help to the Company. In view of the above, it is proposed to appoint Mr. Ashraf as an Independent Director of the Company.

Dr. Anita Bandyopadhyay was appointed as an Independent Director on the Board of Company by members in 2022 for a period of three years till the conclusion of Annual General Meeting to be held in the year 2025 on a remuneration of ₹18.00Lakhs (Rupees Eighteen Lakhs only) p.a.

Dr.Anita Bandyopadhyay aged 57 yrs is a Doctorate in Applied Psychology from Kolkata University (2000) and is an Executive MBA from SP Jain Institute of Management & Research (2005). Dr. Anita is an Leadership Coach and an HR consultant with extensive expertise in Leadership Development, Talent Management, Performance Management, and HR Processes. In a career spread over two decades., She has worked with large corporate houses like Raymond, Pidilite Industries and the Ajay Piramal Group, as well as a number of small and medium sized companies. She has a proven expertise in Strategic HR initiatives and Operational Capability Building for greater organizational effectiveness. With over 28 years' experience in HR interventions, she has worked with industries ranging from Pharmaceuticals, Packaging, Education, Adhesives, Chemical, Textile & Apparels having core insight into Manufacturing, Education, FMCG, Retail and B2B businesses. Dr.Anita is an Independent Director on the board of Speciality Restaurants Ltd., Vashi Integrated Solutions Ltd , and Acutaas Chemicals Limited.

A brief profile and other particulars of the Directors as required under the provisions of SEBI (LODR), 2015, is provided under heading "Profile of Directors" forming part of this Notice. Since both the Directors meet the criteria of independence as per Schedule IV of the Companies Act, 2013 as well as Regulation 16 of SEBI (LODR),2015 members approval is sought for appointment of Mr. Ashraf Loutfy Abdelhamid Allam for a term of 2 (Two) years i.e , commencing from the conclusion of this 38th Annual General Meeting upto the conclusion of 40th Annual General Meeting to be held in 2027 and Dr.Anita Bandyopadhyay, as Independent Directors, for a term of 3 (Three) years i.e , commencing from the conclusion of this 38th Annual General Meeting upto the conclusion of 41st Annual General Meeting to be held in 2028, for both and

during their tenure of appointment they shall not be liable to retire by rotation.

In line with the Company's remuneration policy for Independent Directors, Mr. Ashraf Loutfy Abdelhamid Allam and Dr. Anita Bandyopadhyay, will be entitled to receive remuneration by way of sitting fees as approved by the Board of Directors from time to time, reimbursement of expenses for participation in the Board meetings and commission as may be approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee within the overall limits under Companies Act, 2013 of up to 1% of the net profits of the Company during any financial year, in aggregate payable to all Non-Executive Directors put together and the same may be paid as minimum remuneration in case of inadequacy of profits.

Details of remuneration paid to Independent Directors shall be disclosed as part of the Annual Report. The Company has received declaration from Mr. Ashraf and Dr. Anita, stating that they meet the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Act and SEBI (LODR) Regulations, 2015. In the opinion of the Board, they fulfil the conditions specified in the said Act and the rules made thereunder for appointment as Independent Directors of the Company and that they are independent of the management.

The Company has also received notices pursuant to Section 160 of the Act from members of the Company proposing the candidature for appointment of Mr. Ashraf and Dr. Anita, as Independent Directors of the Company. Mr. Ashraf and Dr. Anita, do not hold any equity shares in the company as on date and are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013 and have given their consent in writing to act as a Director of the Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Ashraf Loutfy Abdelhamid Allam and Dr. Anita and their relatives, for their respective resolutions relating to their appointment, are in any way concerned or interested in the resolutions. The Board of Directors recommend the resolutions as set out in item no. 6 and 7 of this Notice for approval of the members as a Special Resolution.

ITEM NO.8

Mr. Keshav, aged 30 yrs., Executive Director of Shilpa Pharma Lifesciences Ltd (SPL), a material subsidiary

was appointed as Chief Executive Officer of SPL effective from May 24, 2025. Mr. Keshav brings with him a wealth of experience, proven leadership capabilities, deep commitment to driving innovation and sustainable growth. His appointment is expected to further strengthen the Company's operational momentum and strategic direction. Accordingly, the Board of Directors in its meeting held on 13th August 2025 on recommendation of the Nomination and Remuneration Committee, in consideration of assuming additional responsibility of CEO., have recommended revision in payment of his services. With his current remuneration package from SPL is ₹ 1.00 Cr. (Rupees One Crore only) exclusive of all perquisites, leave encashment, gratuity and other benefits as applicable to other employees as per the Company policy with an annual increment of minimum of 5% and maximum as per HR policies, members recommend that he may be paid a remuneration in addition to the existing package of ₹1.00cr a sum upto 1% of the commission on the net profits of Shilpa Pharma Lifesciences Ltd.

He is the son of Mr. Vishnukant Chaturbhuj Bhutada, Promoter and Managing Director of Shilpa Medicare Ltd & holds 20,00,000 eq.sh i.e 2.05% of the shareholding of Shilpa Medicare Ltd. Mr. Keshav Bhutada is not debarred from holding the office of a Chief Executive Officer (CEO) by virtue of any SEBI order or any other such authority as required under the circulars.

Except Mr. Keshav Bhutada, Mr. Vishnukant Chaturbhuj Bhutada and their relatives, none of the Directors or Key Managerial Personnel or their relatives are in anyway concerned or interested financially or otherwise in the above resolution.

All elements of remuneration package have been duly given in the Report on Corporate Governance.

Members approval is sought by way of special resolution.

ITEM NO.9

The Board of Directors has, based on the recommendation of the Audit Committee and subject to approval of the shareholders, appointed Mr. D S Rao, Practicing Company Secretary having membership number 12394 and COP 14487 (Peer review Certificate No.1817/2022) as Secretarial Auditors of the Company for a term of five (5) years to hold office from the conclusion of the 38th AGM till the conclusion of the 43rd AGM.



Rationale for appointment

Mr. D S Rao, is a Practicing Company Secretary having membership number 12394 and COP 14487 and has Peer Review Certificate No. 1817/2022 issued by the Institute of Company Secretaries of India (ICSI). His expertise covers Corporate legal compliances, Corporate Governance, Advisory and Consulting. Mr. D S Rao has capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments and possesses the market standing and technical knowledge best suited to handle the scale, diversity and complexity associated with the audit of the Secretarial matters of the Company. Mr. D S Rao have given their consent to act as the Secretarial Auditors of the Company and have confirmed that their appointment, if made, will be within the limit specified under section 204 of the Companies Act, 2013. They have also confirmed that they are not disqualified to be appointed as secretarial auditors in terms of the provisions of the Section 204 of the Companies Act, 2013 and the Rules made thereunder, read with Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 and other applicable Regulations. In view of their qualifications and experience in undertaking Secretarial Audit, it is proposed to appoint Mr. D S Rao, Practicing Company Secretary as Secretarial Auditors of the Company.

The Board, based on the recommendations of the Audit Committee, approved a remuneration of ₹ 3,50,000/- plus taxes as applicable and out of pocket expenses for the Financial Year 2025-26. The Remuneration payable to Mr. D S Rao, Practicing Company Secretary for the Financial Year 2026-27 and thereafter will be as mutually agreed between Board of Directors and Secretarial Auditor.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this resolution. The Board recommends the Ordinary Resolution set out at Item No. 9 of the accompanying Notice for approval by the Members of the Company.

ITEM NO.10

The Board of Shilpa Medicare Limited, with a view to reward the shareholders for their continued trust and support, proposes to issue fully paid-up bonus shares to the existing shareholders of the Company.

Pursuant to Section 63 of the Companies Act, 2013, the Company can issue the fully paid-up Bonus Shares by capitalizing the reserves and surplus and further the Articles of Association of the Company permits capitalization of any part of the amount for the time being standing to the credit of any of the Company's securities premium towards payment of unissued shares to be issued to the members as fully paid bonus shares.

Issue of bonus equity shares requires member's approval in terms of Section 63 of the Companies Act, 2013 and other applicable statutory and regulatory approvals. And the Capital of the Company post bonus issue is projected below:

Capital	Existing Capital	Ratio of 1:1	
		Bonus Issue	Post Bonus Capital
	(A)	(B)	(A+B)
Authorised (shares)	560,000,000	560,000,000	
Authorised (₹)	560,000,000	560,000,000	
Issued (shares)	97,790,908	97,790,908	195,581,816
Issued (₹)	97,790,908	97,790,908	195,581,816
Subscribed and Paid-up (shares)	97,790,908	97,790,908	195,581,816
Subscribed and Paid-up (₹)	97,790,908	97,790,908	195,581,816

Accordingly, approval of members is sought for passing the ordinary resolution set out at Item No. 10 of this Notice. Members are requested to note that in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, the new equity shares to be allotted pursuant to the bonus issue shall be allotted in dematerialised form only. Accordingly, members holding shares in physical form are requested to provide such information and details as may be required, relating to his / her / its demat account with a depository participant, to the Company / its Registrar and Transfer Agent to enable it to issue the bonus equity shares in dematerialised form.

With respect to the bonus shares of members holding equity shares in physical form who have not provided their demat account details to the Company, the said bonus shares shall be credited in dematerialised form to a new demat suspense account or to a demat account in the name of a trustee of a trust to be settled by the Company to hold these shares till they are credited to the beneficiary accounts of the respective members holding equity shares in physical form. The voting rights on the bonus equity shares held in the demat suspense account / trust account, shall remain frozen.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this resolution, except to the extent of their shareholding.. The Board recommends the Ordinary Resolution set out at Item No. 10 of the accompanying Notice for approval by the Members of the Company.

By order of the Board of Directors
For Shilpa Medicare Limited

Date: August 13, 2025
Place: Raichur

Sd/-
Ritu Tiwary
Company Secretary

NOTES:

1. The explanatory statement setting out all the material facts in respect of the special business as set out in the Notice, pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.

2. Ministry of Corporate Affairs General Circular No.09/2024 dated September 19, 2024 and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2024/133, dated October 3, 2024 has permitted the holding of the Annual General Meeting ("AGM") through Video Conference/Other Audio Visual Means, without the physical presence of the Members at a common venue.

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Circulars issued by MCA and SEBI, the 38th AGM of the Company is being conducted through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM) herein after called as "e-AGM".

e-AGM: The Company has appointed KFin Technologies Limited (KFintech), Registrars and Transfer Agents, to provide Video Conferencing (VC)/ Other Audio-Visual Means (OAVM) facility for the Annual General Meeting.

3. Pursuant to the provisions of the circulars on the VC/ OAVM (e-AGM):

a. Members can attend the meeting through login credentials provided to them to connect to Video Conference (VC) / Other Audio-Visual Means (OAVM). Physical attendance of the Members at the Meeting venue is not required.

b. Body Corporates are entitled to appoint authorised representatives to attend the e-AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

4. As the AGM shall be conducted through VC/ OAVM, the facility for appointment of Proxy by Members is not available and hence, Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

5. Members can join the AGM through VC/OAVM mode 30 minutes before the scheduled time of commencement of the meeting by following the procedure mentioned in this Notice.

6. The attendance of the Members (member's logins) attending the e-AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

7. In line with Ministry of Corporate Affairs General Circular No.09/2024 dated September 19, 2024 and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2024/133, dated October 3, 2024, the Notice calling the e-AGM and Annual Report has been



uploaded on the website of the Company at <https://vbshilpa.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 <https://www.bseindia.com> and <https://www.nseindia.com> respectively. The Notice and Annual Report is also available on the website of e-voting agency KFin Technologies Limited at the website address <https://evoting.kfintech.com>.

The Annual Report for the Financial year ended March 31, 2025 and Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s), owing to the difficulties involved in dispatching of physical copies of the financial statements including Board's Report, Auditor's Report or other documents required to be attached therewith (together referred to as Annual Report).

8. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company's Registrar and Share Transfer Agent, KFin Technologies Limited at inward.ris@kfintech.com. Members are requested to submit a request letter mentioning the Folio No. and Name of Shareholder along with scan copy of the Share Certificate (front and back) and self-attested copy of PAN card for updating of email addresses. Members holding shares in dematerialised mode are requested to register / update their email addresses with their Depository Participants.
9. 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 (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of the Audit/Nomination & Remuneration/Stakeholders' Relationship Committees, Auditors, etc., who are allowed to attend the AGM without restriction of first come first served basis.
10. Shareholders who would like to express their views/ask questions during the meeting should register themselves as a speaker by sending a request mentioning their name, demat account number/folio number, email id, mobile number at cs@vbshilpa.com from Friday September 19, 2025 at 09:00 am to Sunday September 21, 2025 up to 5.00 pm.
11. Those shareholders who have registered themselves as a speaker and confirmed by Company will only be allowed to express their views / ask questions during the meeting. Company reserves the right to restrict the number of speakers and time for each speaker depending upon the availability of time for the AGM.
12. In terms of Sections 124 of the Companies Act, 2013, the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF). Shareholders are requested to ensure that they claim the dividend(s) from the Company before transfer of the said amounts to the IEPF.
13. The Securities and Exchange Board of India ("SEBI") and the Ministry of Corporate Affairs have made it mandatory for all the Listed Companies to offer Electronic Clearing Service ("ECS"), NEFT, RTGS facilities for payment of dividend, wherever applicable. This facility offers various benefits like timely credit of dividend to the shareholders account, elimination of loss of instruments in transit or fraudulent encashment, etc. The Shareholders holding shares in Physical form are requested to update their Bank Account details by submitting the Electronic Clearing Service ("ECS") form available on the website of the Company at <https://www.vbshilpa.com/>
14. Corporate Members / Institutional intending to authorize their representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting. Such documents can be sent to info@vcancs.com, with a copy marked to cs@vbshilpa.com & evoting@kfintech.com.
15. An Explanatory Statement, in compliance with the provisions of Section 102 of the Act and Rules made thereunder, Secretarial Standards on General Meetings (SS-2) and Listing Regulations, wherever applicable, in respect of Special Business to be transacted at the AGM is annexed and forms part of this Notice.
16. 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), and aforementioned Circulars issued by the

Ministry of Corporate Affairs, 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 KFin Technologies Limited for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by KFin Technologies Limited.

Members holding shares in dematerialised form who acquire shares after dispatch of the Notice and holding shares as of the cut-off date i.e. September 17, 2025 are requested to follow steps mentioned in this Notice under 'Access to NSDL e-Voting system'. Members holding shares in physical form and non-individual shareholders, who acquire shares after dispatch of this Notice and holding shares as of the cut-off date, are requested to obtain the login ID and password by sending request to evoting@nsdl.co.in.

17. **INSTRUCTIONS FOR THE MEMBERS ATTENDING THE e-AGM THROUGH VIDEO CONFERENCE/ OTHER AUDIO VISUAL MODE**

E-AGM: Company has appointed KFin Technologies Limited, Registrars and Transfer Agents, to provide Video Conferencing facility for the e-AGM and the attendant enablers for conducting of the e-AGM.

In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.

Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar & Share Transfer Agent, M/s KFin Technologies Limited. Members holding shares in electronic form must send the advice about the change of address to their respective Depository Participants (DPs) and not to the Company. Non-resident Indian shareholders are requested to inform us immediately the change in the residential status on return to India for permanent settlement.

Members holding shares under multiple folios are requested to consolidate their holdings, if the shares are held in the same name or in the same order of names.

The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection by giving a prior notice to the Company. Members who wish to inspect the register are requested to write to the Company by sending an email to cs@vbshilpa.com.

The Notice of AGM and Annual Report are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of dematerialised holdings with their respective Depository Participants. Members who hold shares in physical form are requested to fill and send the required details to the Registrar and Share Transfer Agent, M/s. KFin Technologies Limited at Karvy Selenium, Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032, Telangana.

With the aim of curbing fraud and manipulation risk in physical transfer of securities, SEBI has notified the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 on June 8, 2018 to permit transfer of listed securities only in the dematerialized form with a depository. In view of the above and the inherent benefits of holding shares in electronic form, we urge the shareholders holding shares in physical form to opt for dematerialization.

Members (Physical / Demat) who have not registered their email addresses with the Company can register and obtain the Annual Report, e-AGM notice and e-voting instructions by the shareholders whose email addresses are not registered with the Depositories (in case of shareholders holding shares in Demat form) or with RTA (in case the shareholders holding shares in physical form)



- i. Those members who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:
 - a. Members holding shares in demat form can get their e-mail ID registered by contacting their respective Depository Participant.
 - b. Members holding shares in physical form may register their email address and mobile number with Company's Registrar and Share Transfer Agent, KFin Technologies Limited by sending an e-mail request at the email ID einward.ris@kfintech.com along with signed scanned copy of the request letter providing the email address, mobile number, self-attested PAN copy and copy of share certificate for registering their email address and receiving the Annual report, AGM Notice and the e-voting instructions.
- ii. Those members who have not registered their email addresses with the Company / Depository Participants, as the case may be, are requested to visit the website of the Company www.vbshilpa.com and click on 'Click here for temporary registration of email id of https://ris.kfintech.com/email_registration/ for 36th AGM and follow the process as mentioned on the landing page to receive the Annual Report, AGM Notice and Voting Instructions. In case of any queries, shareholder may write to einward.ris@kfintech.com.
- iii. Those members who have registered their e-mail address, mobile nos., postal address and bank account details are requested to validate/ update their registered details by contacting the Depository Participant in case of shares held in electronic form or by contacting KFin Technologies Limited, the Registrar and Share Transfer Agent of the Company, in case the shares held in physical form.

VOTING THROUGH ELECTRONIC MEANS:

In compliance with the provisions of section 108 of the Companies Act, 2013, the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (LODR) Regulations, 2015, shareholders are provided with the facility to cast their vote electronically, through the Remote e-voting services provided by KFin Technologies Limited, in respect of all resolutions set forth in this Notice.

Mr. Santosh Kumar Gunemoni, Partner of VCAN & Associates, Practicing Company Secretaries has been appointed as the Scrutinizer to scrutinize the Remote e-voting process in a fair and transparent manner.

A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e., September 17, 2025 only shall be entitled to avail the facility of remote e-voting.

The remote e-voting period commences on September 19, 2025 at 09:00 AM and ends on September 22, 2025 at 05:00 PM IST. The remote e-voting module shall be disabled for voting thereafter. Once the vote on resolution is cast by the member, the member shall not be allowed to change it subsequently.

Members, who are present in meeting through video conferencing facility and have not casted their vote on resolution through remote e-voting, shall be allowed to vote through e-voting system during the meeting

PROCEDURE FOR REMOTE E-VOTING

i. PROCEDURE FOR REMOTE E-VOTING

- i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFinTech, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.
- ii. However, in pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.
- iii. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update

their mobile number and e-mail ID with their DPs to access e-Voting facility.

- iv. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- vi. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@Kfintech.com. However, if he / she is already registered with KFinTech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.
- vii. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-

off date may follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode."

- viii. The details of the process and manner for remote e-Voting and e-AGM are explained herein below:

Step 1: Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access to KFinTech e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.

Step 3: Access to join virtual meetings(e-AGM) of the Company on KFin system to participate e-AGM and vote at the AGM.

Details on Step 1 are mentioned below:

- I) **Login method for remote e-Voting for Individual shareholders holding securities in demat mode.**

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1. User already registered for IDeAS facility: <ol style="list-style-type: none"> I. Visit URL: https://eservices.nsdl.com II. Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section. III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. 2. User not registered for IDeAS e-Services <ol style="list-style-type: none"> I. To register click on link : https://eservices.nsdl.com II. Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp III. Proceed with completing the required fields. IV. Follow steps given in points 1.



Type of shareholders	Login Method
	<p>3. Alternatively by directly accessing the e-Voting website of NSDL</p> <ol style="list-style-type: none"> Open URL: https://www.evoting.nsdl.com/ 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 held with NSDL), Password / OTP and a Verification Code as shown on the screen. Post successful authentication, you will requested to select the name of the company and the e-Voting Service Provider name, i.e.KFintech. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	<p>A. Users who have opted for Easi/Easiest:</p> <ol style="list-style-type: none"> Shareholders can login through their user ID and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi/Easiest is www.cdslindia.com and click on login icon & My Easi New. After successful login of Easi/Easiest the user will be also able to see the e-voting Menu. The Menu will have links of e-voting service provider i.e.KFintech. Click on KFintech e-voting service provider to cast your vote <p>B. Users who have not opted for Easi/Easiest:</p> <ol style="list-style-type: none"> Visit https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration or https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration for registering. Proceed to complete registration using the DP ID, Client ID (BO ID), etc. After successful registration, please follow the steps given in point no. 1 above to cast your vote. <p>C. Visit the e-voting website of CDSL</p> <ol style="list-style-type: none"> Alternatively, the user can directly access e-voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & e-mail as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the e-voting is in progress.
Individual Shareholder login through their demat accounts / Website of Depository Participant	<ol style="list-style-type: none"> You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility. Once logged-in, you will be able to see e-Voting option.Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider – Kfintech and you will be redirected to e-Voting website of KFintech for casting your vote during the remote e-Voting period without any further authentication.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

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
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 102 0990 and 022- 48867000
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-62343625, 022-62343626, 022-62343259

Details on Step 2 are mentioned below:

II) Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.

(A) Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

- Launch internet browser by typing the URL: <https://emeetings.kfintech.com/>
- Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.
- After entering these details appropriately, click on "LOGIN".
- You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to

retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

- You need to login again with the new credentials.
- On successful login, the system will prompt you to select the "EVEN" i.e., '38th AGM SHILPA MEDICARE LIMITED- AGM' and click on "Submit"
- On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
- Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- You may then cast your vote by selecting an appropriate option and click on "Submit".
- A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through



remote e-voting, together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id info@vcans.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "38th AGM SHILPA MEDICARE LIMITED-AGM"Even No."

Details on Step 3 are mentioned below:

III) Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC/OAVM and e-Voting during the meeting.

- i. Member will be provided with a facility to attend the AGM through VC / OAVM platform provided by KFintech. Members may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company/KFintech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. 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 above.
- ii. Facility for joining AGM through VC/ OAVM shall open atleast 15 minutes before the commencement of the Meeting.
- iii. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.
- iv. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members 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.
- v. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, email

id, mobile number at cs@vbsnilpa.com. Questions /queries received by the Company at least 2 days before the AGM shall only be considered and responded during the AGM.

- vi. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.
- vii. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
- viii. Facility of joining the AGM through VC / OAVM shall be available for at least 2000 members on first come first served basis.
- ix. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.

OTHER INSTRUCTIONS

- I. **Speaker Registration:** The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit <https://emeetings.kfintech.com> and login through the user id and password provided in the mail received from KFintech. On successful login, select 'Speaker Registration' which will be opened from Friday September 19, 2025 at 09:00 am to Sunday September 21, 2025. Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.
- II. **Post your Question:** The Members who wish to post their questions prior to the meeting can do the same by visiting <https://emeetings.kfintech.com>. Please login through the user id and password provided in the mail received from KFintech. On successful login, select 'Post Your Question' option which will be opened 24 hrs before the time fixed for AGM.
- III. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download

section of <https://evoting.kfintech.com> (KFintech Website) or contact Ritu Tiwary, at evoting@kfintech.com or call KFintech's toll free No. 1-800-3094-001 for any further clarifications.

IV. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on September 17, 2025, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

V. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:

i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

1. Example for NSDL:

2. MYEPWD <SPACE> IN12345612345678

3. Example for CDSL:

4. MYEPWD <SPACE> 1402345612345678

5. Example for Physical:

6. MYEPWD <SPACE> XXXX1234567890

ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://emeetings.kfintech.com/forgotpassword.aspx>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

iii. Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com.

VI. The results of the electronic voting shall be declared to the Stock Exchanges after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.



Annexure

Details of Directors seeking appointment/re-appointment at the 38th Annual General Meeting of the Company to be held on September 23, 2025

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Particulars	Details				
Name of the Director	Mr. Omprakash Inani	Mr. Kalakota Sharath Reddy	Mr. Ashraf Loutfy Abdelhamid Allam	Dr. Anita Bandyopadhyay	Mr. Keshav Bhutada
Age	68 yrs	57 yrs	65 yrs	57 yrs	30 Years
Relationship with Directors	Not related to any Director Inter se	Not related to any Director Inter se	Not related to any Director Inter se	Not related to any Director Inter se	Related to Managing Director
Date of Initial appointment	March 23, 1988	October 1, 2019	August 13, 2025	August 11, 2022	March 09, 2022 as a Non-Executive Director of Shilpa Pharma Lifesciences Ltd
Qualification	Bachelor of Commerce	Bachelor degree from Raichur Gulbarga University in Pharmacy from Birla Institute of Technology & Science, Pilani, Rajasthan	Graduate from Faculty of Pharmacy, University of Tanta and holds a Bachelor degree in Pharmaceutical Sciences.	Doctorate in Applied Pscyhology from Kolkota Univeristy & Executive MBA from SP Jain Institute of Management & Research, Mumbai	Bachelor's Degree in Industrial Engineering – RV College of Engineering, Bangalore Advanced Management Program – Indian Institute of Management, Ahmedabad (IIM A)
Expertise in specific function area	Over 36 years of experience in all facets of the Company's business and its functional aspects.	Mr. Kalakota Sharath Reddy has been with Shilpa Medicare Limited since 1991 and is having an enriched experience in pharmaceutical API manufacturing,	Mr.Ashraf has overall 30+ years of experience in the field of pharma / biotech / Medical devices and Consumer health industries. He has been on board as leader & partner with experience in start-up's, driving top/ bottom-line growth, managing P&L.	With work experiences across academics domain and corporate world, Dr. Anita has a rare amalgamation of strong conceptual knowledge with result oriented application practice.	Mr. Keshav Bhutada, Executive Director of SPL since 2022, has been associated with Shilpa Medicare since 2016, initially serving as a Management Associate. Over the years, he has played a crucial role in expanding the company's API portfolio and strengthening its footprint in both oncology and non-oncology segments.

Particulars	Details				
Name of the Director	Mr. Omprakash Inani	Mr. Kalakota Sharath Reddy	Mr. Ashraf Loutfy Abdelhamid Allam	Dr. Anita Bandyopadhyay	Mr. Keshav Bhutada
		Operations & Execution of Greenfield & brown field Projects for over 30 + years in Shilpa Medicare Ltd, with diverse focus on Active Pharmaceutical Ingredients intermediate, Effluent Treatment R&D, quality Control Facilities designing commission	He has worked as CEO, Managing Director / Regional VP positions, reported directly to company boards and CEO's, built first-class teams, delivered profitable top line growth.	1. Assistant Professor – S P Jain Institute of Management & Research March 2000 to May 2005 2. Professor – Welingkar Institute of Management May 2005 –Nov 2006 3. VP – Learning & Development – Piramal Healthcare Ltd. Nov 2006 –Feb 2011 4. Director HR – Raymond Ltd – Feb 2011 - Aug 2014 5. VP Talent Management – Pidilite Industries - Aug 2014 –Nov 2016 6. Founder Director – KafeHR – Jan 2017 till date	His leadership in CDMO operations and expertise in multicyclic and long-chain peptides have helped position the company at the forefront of pharmaceutical innovation. As part of the global leadership team at Shilpa Medicare—which has a presence in over 50 countries, he brings a dynamic, growth-focused perspective, driving revenue, product development, and advancements in specialty and bio-polymers tailored to evolving market needs. He has more than 9 years of experience in Pharmaceutical industry
Directorship on Boards of other Companies	1. Srinidhi Cottons Private Limited 2. Jaijanaki Fabrics Private Limited 3. Inok Cottons Private Limited 4. Mohini Infra Private Limited 5. Lucky finger infratainment Pvt Ltd			1. Speciality Restaurants Limited. 2. Acutaas Chemicals Limited. 3. Vashi Intergrated Solution Limited	1. KMN Investments Pvt Ltd 2. Sravathi AI Technology Pvt Ltd



Particulars	Details				
Name of the Director	Mr. Omprakash Inani	Mr. Kalakota Sharath Reddy	Mr. Ashraf Loutfy Abdelhamid Allam	Dr. Anita Bandyopadhyay	Mr. Keshav Bhutada
Membership on committees of Boards of other Companies	Nil	Nil	Nil	1. Speciality Restaurants Limited - Stake holder Relationship Committee Chariman 2. Speciality Restaurants Limited - Nomination & Remuneration Committee Member 3. Acutaas Chemicals Limited --Nomination & Remuneration Committee Member	Nil
Number of equity shares held in the Company as on the date of Notice	28,67,691 eq sh of Re 1/- each	28,089 eq sh of Re 1/- each	-	-	20,00,000 eq.sh of Re.1/- each

* For additional details on skills, expertise, knowledge and competencies of Directors, please refer to Corporate Governance Report forming part of the Annual Report.

Note

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.



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