

SPARC/Sec/SE/2025-26/21

July 22, 2025

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

BSE Limited,
Market Operations Dept.
P. J. Towers,
Dalal Street,
Mumbai - 400 001.

Scrip Symbol: SPARC

Scrip Code: 532872

Dear Sir/ Madam,

Sub: Addendum to Annual Report - Inclusion of Management Discussion & Analysis Report

Dear Sir/ Madam,

This is further to our communication dated July 18, 2025 wherein the Notice convening the 20th Annual General Meeting ("20th AGM" or "AGM") along with the Annual Report was issued.

It was later identified that a portion of the Annual Report containing Management Discussion and Analysis ("MDA") was inadvertently omitted in the version circulated to the shareholders.

Therefore, by way of this addendum, we are circulating revised Annual Report for FY 2024-25 containing the MDA, which is available on the website of the Company at <https://sparc.life/> and can be accessed/ downloaded by clicking the link [SPARC-ANNUAL-REPORT-INCLUDING-NOTICE-OF-AGM_FY-25](#)

This addendum is limited to inclusion of MDA in the Annual Report and does not have any impact on any other part, including the Notice of the 20th AGM, which has been issued on July 18, 2025. Accordingly, the length of the notice of the 20th AGM remains intact.

It may also be accessed/downloaded from the websites of BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively.

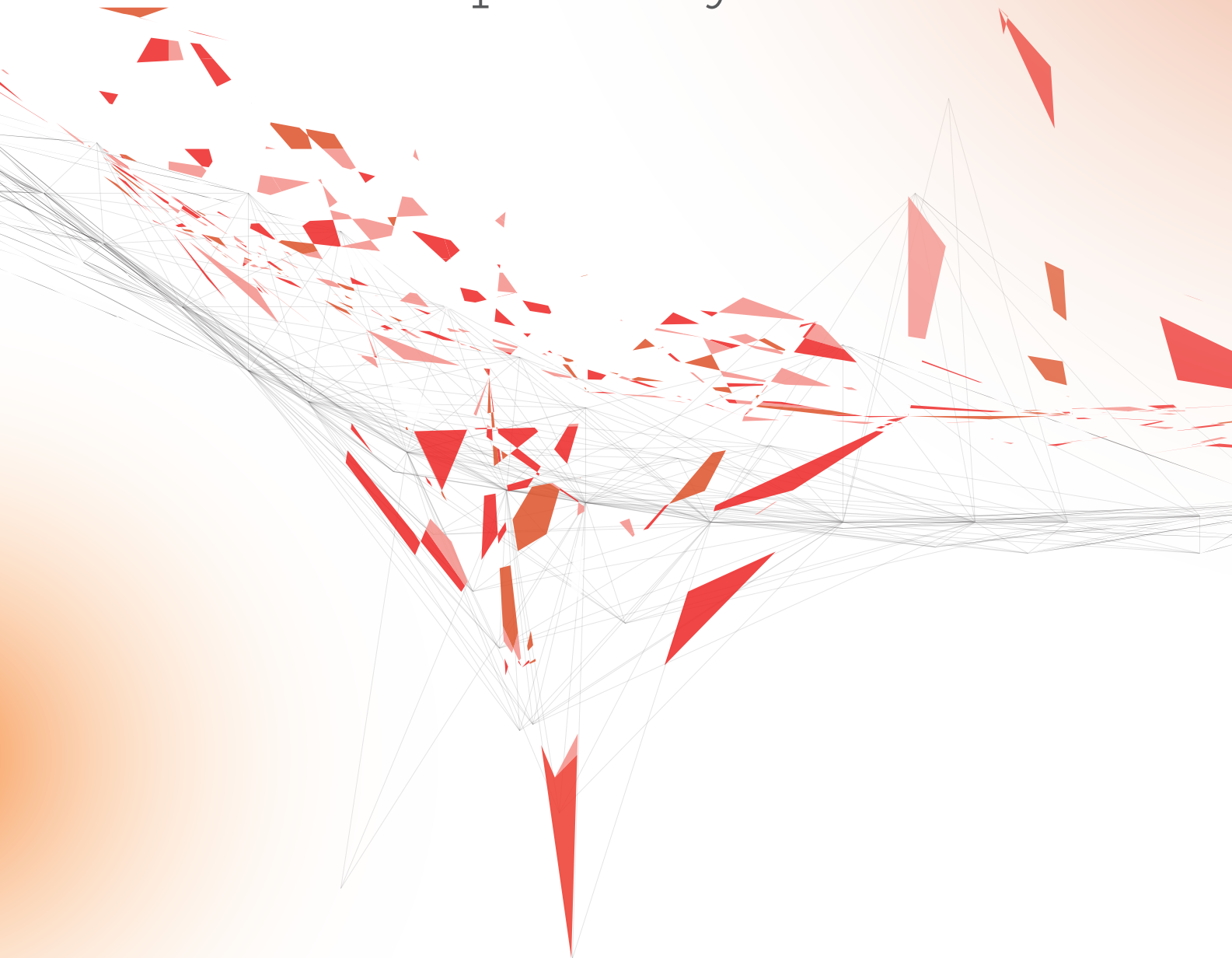
All other contents of our communication dated July 18, 2025 remain unchanged and the same shall be referred for any information relating to participation or voting at the 20th AGM.

For **Sun Pharma Advanced Research Company Ltd.**

Kajal Damania
Company Secretary and Compliance Officer



Innovations inspired by life



Sun Pharma Advanced Research Company Ltd.
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To view the report
online, log in to
www.sparc.life



Scan the QR code
to know more
about the company

Disclaimer:

Statements in this annual report describing the Company's objectives, projections, estimates, expectations, plans or predictions or industry conditions or events may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results, performance or achievements could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand supply conditions, competitors' pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the Company conducts businesses and other factors such as litigation and labour unrest or other difficulties. The Company assumes no responsibility to publicly update, amend, modify or revise any forward-looking statements, on the basis of any subsequent development, new information or future events or otherwise except as required by applicable law. Unless the context otherwise requires, all references in this document to "we", "us" or "our" refers to Sun Pharma Advanced Research Company Limited. All brands and trademarks are the properties of their registered owners.

Corporate Information

Corporate Information

Mr. Dilip S. Shanghvi
Chairman and Non-Executive Director

Dr. T. Rajamannar
Non-Executive Director

Ms. Vidhi Shanghvi
Non-Executive Director

Ms. Bhavna Doshi
Independent Director

Dr. Ferzaan Engineer
Independent Director

Dr. Robert J. Spiegel
Independent Director

Mr. Venkateswarlu Jasti
Independent Director
(wef. May 19, 2025)

Ms. Rekha Warriar
Independent Director
(wef. May 19, 2025)

Key Managerial Personnel

Mr. Anilkumar Raghavan
Chief Executive Officer

Mr. Anup Rathi
Chief Financial Officer

Ms. Kajal Damania
Company Secretary

Auditors

S R B C & Co. LLP
(Registration No. 324982E/E300003)

Bankers

Kotak Mahindra Bank Ltd.
ICICI Bank Ltd.

Offices & Research Centres

Registered Office & Research Centre

Plot No. 5 & 6/1, Savli G.I.D.C. Estate, Savli - Vadodara
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Corporate Office & Research Centre

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Andheri (East), Mumbai - 400 093.

Branch Office

Regus, 116 Village Blvd,
Suite 200, New Jersey, 08540

Research Centres

- F.P.- 27, Part Survey No. 27, C.S. No. 1050,
T.P.S. No. 24, Tandajja, Vadodara - 390 012.
- 907/4, GIDC, Makarpura, Vadodara - 390 010.

Registrar & Transfer Agent

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Management Discussion and Analysis

Global Pharmaceutical Industry

Last year witnessed the evolution and expansion of the life sciences innovation ecosystem as the industry adapted to a complex and dynamic landscape shaped by geopolitical, technological and social uncertainties. At the same time, innovative science continued to advance, as evidenced by an increasing proportion of novel therapeutic modalities in clinical trials and by innovative products receiving regulatory approval and reaching patients — with multiple important Cell and Gene Therapy (CGT) drugs having achieved success, alongside new options for historically challenging indications.

The industry is also undergoing significant regulatory and trade shifts that are still underway, focusing on price transparency and increasing competition in prescription drug markets. The Inflation Reduction Act (IRA) allows the Centres for Medicare and Medicaid Services to negotiate drug prices, potentially reducing industry-wide EBITDA by \$50 billion to \$70 billion by 2028¹. The recent executive order signed by President Trump to end the IRA ‘Pill Penalty’ is aimed to remove the current discrepancy between small molecules and biologics. While the executive order does not specify the actions the Secretary and Congress must take to address the pill penalty, its implementation can help reduce the impact of drug price negotiations.

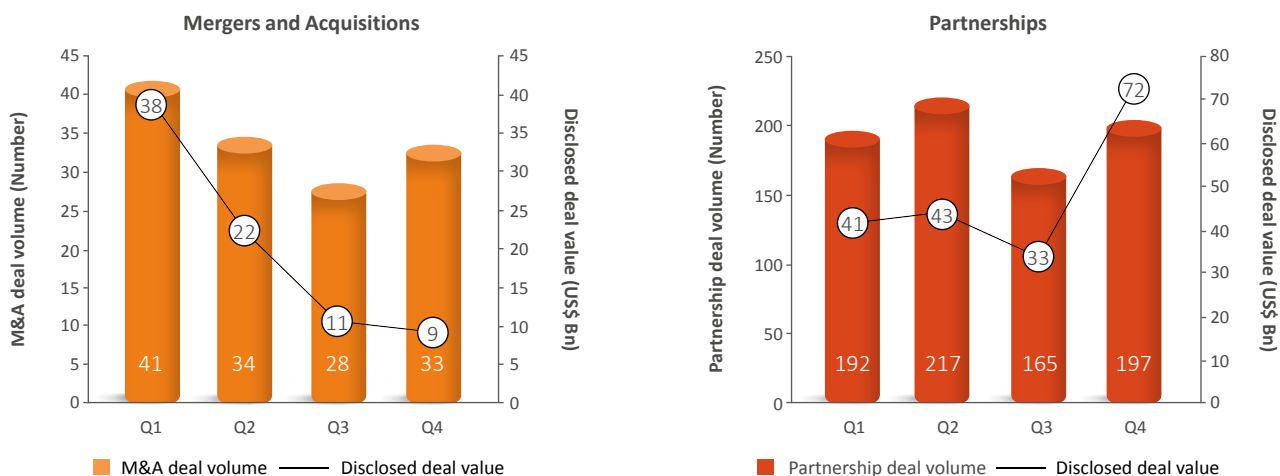
Further complicating the landscape, the Department of Health and Human Services (HHS) plans a 20000-position workforce reduction, including over 3500 USFDA roles². This could delay drug approvals, increase regulatory uncertainty and raise costs for advanced modalities. These challenges emphasize the need for life sciences companies to enhance efficiency and cost management while fostering innovation and collaboration to sustain growth in a complex regulatory and pricing environment.

While the pharmaceutical industry continues to face considerable challenges, ongoing advancements in technology and data integration point to a shift toward a more connected, efficient and patient-centric healthcare ecosystem—rather than one defined solely by cost pressures and operational constraints. Pairing rapidly evolving technologies with optimized portfolios and therapeutic innovations can potentially improve efficiency of Research & Development (R&D) by reducing drug development timeline and increasing probability of success, an important objective for biopharmaceutical companies.

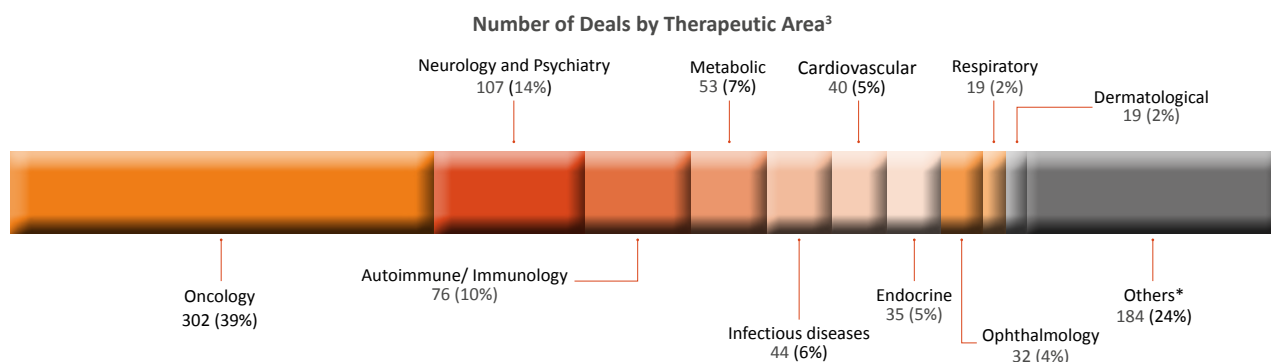
Pharma’s focus has shifted towards evolving portfolios driven by scientific and technological breakthroughs. Innovations in novel modalities, newer mechanisms of action and therapies targeting unmet needs have reshaped pipelines. Companies are adopting to an ‘always be launching’ mindset alongside pursuing major acquisitions to navigate a challenging environment. Despite political uncertainties in the US, the industry remains cautiously optimistic about Mergers and Acquisitions (M&A) following a subdued 2024.

M&A continue to be a fundamental strategy for pharmaceutical companies seeking to diversify their portfolios, access new technologies and expand their market presence. As patents expire, companies are increasingly targeting biotech companies with promising late-stage assets. There is a clear shift towards acquiring assets in rapidly expanding fields, with oncology, immunology and rare diseases receiving particular attention. M&A activity is expected to remain robust, with small to mid-sized transactions anticipated to dominate the landscape.

Biopharma Dealmaking in 2024³



1. Simplification for success: Rewiring the biopharma operating model; Alix Burke et al; Mar 2025 | 2. Fact Sheet: HHS’ Transformation to Make America Healthy Again; US Department of Health and Human Services; Mar 2025 | 3. Nature Reviews Drug Discovery 24, 86-87 (2025)

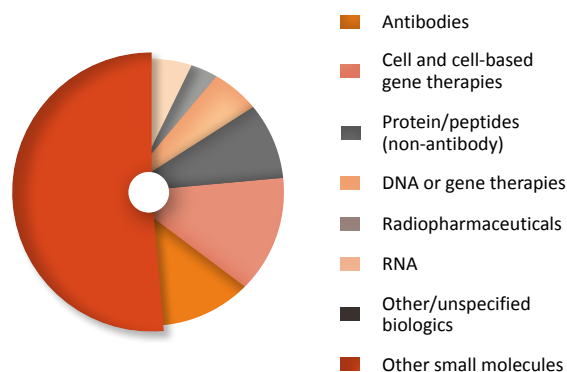


*The 'Others' category includes allergy, ENT/dental, gastroenterology (non-inflammatory bowel disease), haematology, obstetrics/gynaecology, orthopaedics, renal, rheumatology (non-autoimmune) and unspecified. | Deals involving more than one therapy area may be counted multiple times, if applicable.

Oncology remained the focal point of M&A activity, accounting for one-third of all billion-dollar deals and leading in partnerships³. Prominent transactions included Astra Zeneca's \$2.4 billion acquisition of Fusion Pharmaceuticals and Novartis's \$1.75 billion purchase of Mariana Oncology³. The sector also saw significant deal focus on Antibody-Drug Conjugates (ADCs); radio and RNA-related therapies. The \$13 billion Sarepta/Arrowhead siRNA platform deal spanning multiple disease areas is one such example³.

Immunology assets represented 18% of high-value deals, underlining their growing appeal³. Notable agreements included Eli Lilly's \$3.2 billion acquisition of Morpich Therapeutic and the Vertex-Alpine transaction³.

Deals by Modality in 2024 (N=608)⁵



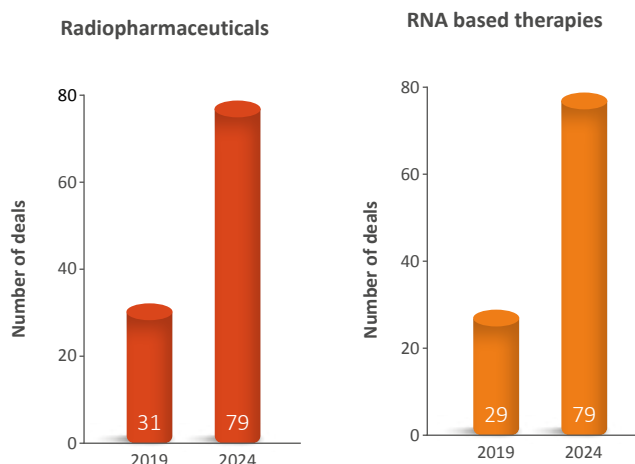
Overall, partnerships in biopharma rose to 771 in 2024, with oncology assets featured in 39% of deals—up from 35% in 2023⁵. Neurology/psychiatry and immunology followed closely, maintaining their rankings from the previous year with 107 and 76 deals, respectively⁵. Venture investments continued to focus heavily on clinical-stage companies, with biologics—spanning antibodies, conjugate and nucleic acid-based therapies—dominating both investment and licensing activities. Bispecific antibody therapies boosted biologics deal values as well. Standout deals included the Daiichi Sankyo - Merck for a Phase 2 ADC program, valued at up to \$22 billion, with \$4 billion provided

upfront⁵. Small molecules also gained traction, supported by increased deal activity and investment flows.

As the industry progresses into 2025, the stagnancy observed in funding and deals might overshadow the upcoming year as there is selectivity in the investors' approach. Achieving clinical milestones will play a pivotal role in maintaining investors' trust amidst a competitive funding landscape. Naturally, companies and assets backed by a positive and robust data set of preferably advanced stage assets will remain well-positioned for funds.

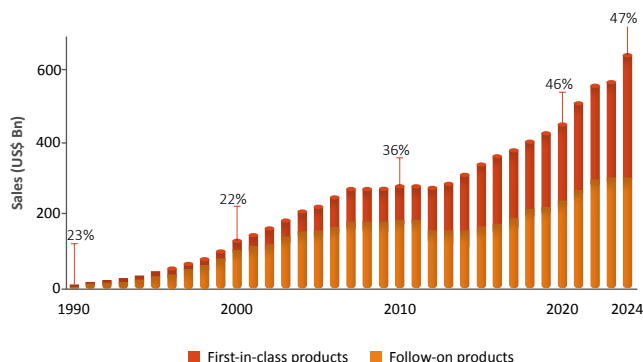
Despite persistent uncertainties, the global pharmaceutical industry is estimated to grow at a Compound Annual Growth Rate (CAGR) of 6.12% from 2025 to 2030⁴. One of the key drivers of growth is launch of new drugs, globally, 65 Novel Active Substances (NAS) were launched in 2024, down from 80 in 2023 but still surpassing pre-pandemic levels⁵.

Deal Landscape in 2024⁵



The industry is also witnessing a shift in the nature of therapeutic innovation. First-in-class drugs accounted for 58% of NAS launches in 2024, with oncology leading (10 launches), followed by neurology, immunology and gastrointestinal (4 each)⁵. Precision medicines gained prominence, with targeted mechanisms dominating therapy areas like oncology.

Market Share of First-in-Class Therapies⁶



Oncology R&D emphasized targeted therapies, with 35% of trials involving novel modalities like CAGT, ADCs and multi-specific antibodies⁵. Multi-specific antibody trials represented 17% of haematological and 11% of solid tumour trials in 2024, reflecting a growing focus on addressing multiple targets with single therapies⁵.

China's influence on global pharmaceutical R&D continues to expand, with Chinese companies now involved in at least 20% of the industry's clinical pipeline⁵. The country is particularly prominent in next-generation modalities, accounting for over half of the global clinical pipeline in ADCs, bispecific antibodies and CAR-T therapies. Western biopharma companies are increasingly seeking in-licensing opportunities from China which is reflecting the country's growing importance, both as an innovation hub and a commercial market. Chinese innovative drugs have entered global markets since July 2021, with seven of these being licensed out to international partners. As new technologies advance and the focus sharpens on addressing clinical needs, China's R&D efforts are poised to make significant impact in development of innovative therapeutics.

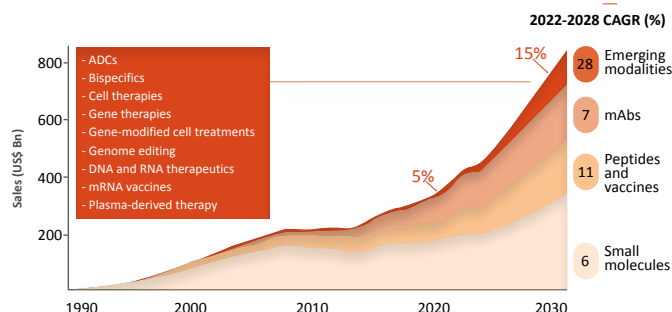
Biopharma Trends

The biotechnology industry in 2025 stands at a pivotal junction where scientific advancement meets practical implementation. The convergence of Artificial Intelligence (AI), precision medicine and novel therapeutic modalities presents unparalleled possibilities for innovation and growth. Many of these trends have been developing over time, but their convergence in 2025 is driving unprecedented innovation and change. Some of the trends that are expected to lay the ground for exponential growth in the years to come include the following.

1. The evolution of AI: A consistent trend reshaping the biotech industry

It is difficult these days to talk about biotech without mentioning the revolutionary role that AI is playing in the industry. Advancements in AI are expected to continue in 2025, with the technology likely to become more mainstream. From drug discovery and design—where AI accelerates the

Increasing Adoption of Novel Drug Modalities⁶



creation of novel structures—to the ability to analyze a drug candidate's profile across multiple parameters and access to databases of both patients and healthy volunteers, the wealth of information now available to developers early in the process is enabling more efficient and potentially faster drug development.

2. The expansion of gene therapy field

With the potential to cure numerous genetic disorders by introducing, modifying, or repairing genetic material within a patient's cells, gene therapy has been a hot topic in the biotech industry for some time now and is continuing to evolve. In years past, logistical and commercial challenges have been holding back therapies, however, with improved data as well as more advanced technology, the industry has a better understanding of what works and what needs to be improved. The overall gene therapy field will likely see growth when it comes to viral and non-viral delivery methods. As gene therapy expands, the demand for safer, more effective delivery systems will drive innovations in these areas and advances in synthetic biology and delivery technologies are leading to more refined, customizable solutions, ultimately providing more precise and versatile options for genetic correction.

3. GLP-1 drugs: Still an attractive proposition for biotech

Since their approval, GLP-1 drugs have been a topic of interest in the biotech industry. Despite the competition, start-ups and big pharma are still looking to create a better version of this drug class. GLP-1 receptor agonists have sent shockwaves through life sciences, initially as weight loss therapy but now showing promise across a broad spectrum of diseases beyond weight loss and glycaemic control. Apart from their established roles in diabetes management and weight loss, GLP-1 therapies are pioneering new therapeutic frontiers, including cardiovascular disease prevention, sleep apnoea treatment and potential applications in cancer, addiction and neurodegenerative diseases. This expansion is driving significant investment and research across the biotech industry.

4. Immunology and Inflammation expected to see continued growth

Last year saw the Immunology and Inflammation (I&I) sector attracted a major wave of investment, as inflammatory diseases became one of the prime areas of drug development, spurred on by an interest in novel therapies that have the potential to be more precise and powerful than existing treatments. There were several high-profile buyouts of I&I drug developers by big pharma and multiple companies raised impressive financing rounds to advance the development of their immune-related drugs. The recent surge of investment in the I&I sector is poised to catalyse a significant breakthrough in therapeutic development. This influx of capital, coupled with rapid advancements in scientific understanding and technology, has created a fertile ground for innovation in the field. The convergence of these factors suggests that the industry is on the cusp of a new era in I&I treatments, with the potential to address a wide range of conditions more effectively than ever before.

Productivity Enablers

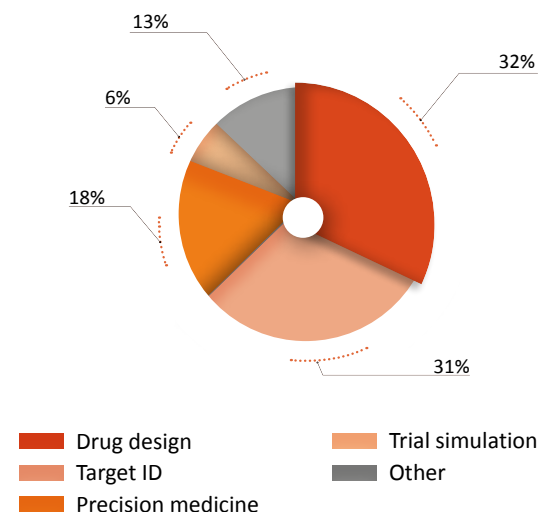
Rising development costs, increasing scientific complexity and evolving regulatory expectations are intensifying the pressure to enhance productivity across the biopharmaceutical value chain. In this context, productivity enablers are no longer optional as they are critical to improving development outcomes, compressing timelines and enabling smarter, more targeted innovation. From the growing integration of AI in discovery to the increased use of adaptive trial frameworks and real-world data in regulatory submissions, these enablers are reshaping how R&D is executed and evaluated.

Use of AI

AI and Machine Learning (ML) are increasingly being applied in early-stage R&D, particularly in target identification and drug discovery. Between 2022 and 2024, companies with a core focus on AI, sponsored or collaborated on over 35 new clinical trials each year⁵. In 2024 alone, 12 high-value AI/ML deals in life sciences sector, with values exceeding \$200 million, accounted for a cumulative \$10 billion, highlighting the growing strategic importance of these technologies⁵. These technologies are helping to streamline discovery timelines, optimize molecule selection and support data-driven trial design.

The US Food and Drug Administration (USFDA) has embraced the potential of AI/ML in biopharmaceutical innovation. In January 2025, the USFDA further solidified its commitment to fostering innovation by issuing draft guidance on the use of AI/ML in drugs and biologics development, encouraging industry stakeholders to align on best practices and applications.

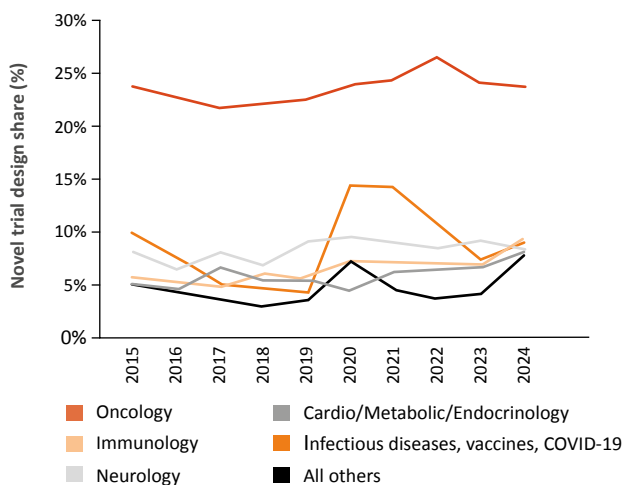
AI/ML role in pipeline products (N=111)⁵



New approaches to clinical trials

Traditional clinical trials are often long, rigid and expensive. To address this, companies are now using new trial formats like adaptive, basket, umbrella and master protocols. These designs allow researchers to test multiple drugs or diseases under one framework and make changes to the trial based on early results. In 2024, these types of trials made up 19% of all global trial activity - the highest ever⁵. These designs help speed up development, make better use of resources and bring promising treatments to patients more quickly.

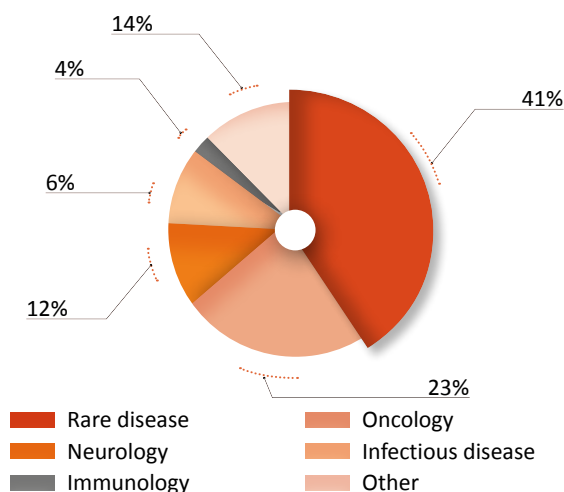
Use of Novel Trial Designs by Therapy Area (% of Trial Starts)⁵



Growing role of Real-World Evidence (RWE)

Data collected from real world healthcare settings such as hospital records, insurance claims or patient registries is becoming a valuable part of the drug development process. In 2024, the USFDA approved five new drugs based on RWE. This indicates that regulators are becoming increasingly receptive to using such data to support decision-making.

USFDA approvals based on RWE (2015-2024), N=51⁵



Improved operational and regulatory preparedness

Companies are becoming more skilled in engaging with regulators. Proactive communication with regulatory agencies, combined with more robust evidence packages, is resulting in improved success rates. This reflects a more mature and structured approach to development that reduces uncertainty and enhances approval outcomes.

From 2023 to 2024, productivity gains were driven by improved Phase 3 success rates, offsetting declines in Phases 1 and 2. Small molecules saw a 6% success rate, while biologics, particularly CAGT, showed growth, with composite success rates rising from 4% in 2015–2019 to 5% in 2020–2024⁵.

With a focus on diversity, RWE and regulatory modernization, the industry continues to address productivity challenges while improving clinical and regulatory efficiency.

Indian Pharmaceutical Industry

India's pharmaceutical industry has cemented its position as a global powerhouse, growing at an impressive 11% CAGR—double

the global average⁷. This growth is underpinned by advancements in Active Pharmaceutical Ingredients (APIs) and biotechnology, as well as India's dominant role in global healthcare.

India's cost and operational efficiencies set it apart from competitors, offering a 30–35% cost advantage over pharmaceutical producers in the US and Europe⁸. This advantage is fueled by affordable human capital, collective efforts to optimize costs and productivity and rapid digital adoption.

India's pharmaceutical R&D landscape has evolved significantly, with a growing emphasis on innovation and the development of new drugs. The shift is not just in terms of innovative research being undertaken by Indian pharma companies but also the emergence of Global Capability Centres (GCC) of big pharma in India.

Global Capability Centres (GCC) are strategic offshore units set by multinational corporations to perform various strategic functions by leveraging a vast talent pool, cost-efficient infrastructure and catalysing growth with cutting-edge technology.

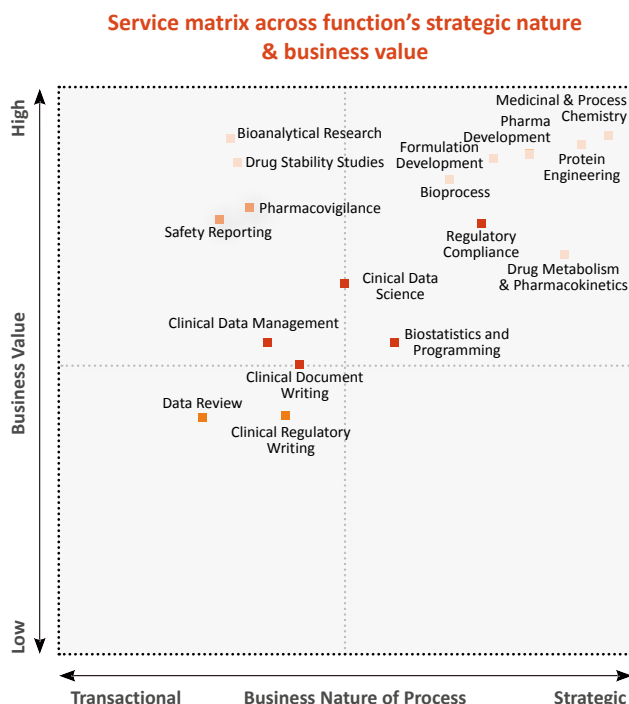
The GCCs play a crucial role in the drug development lifecycle for the parent organization. These centres collaborate on drug discovery projects, providing computational chemistry and bioinformatics support. High-performing computational resources enable rapid R&D processes, providing medicinal chemistry, protein engineering and bioprocessing breakthroughs.

GCCs have transitioned into strategic units that significantly contribute to global healthcare innovation. They are way past just cost arbitrage centres into maximizing India's rich talent pool, excellent infrastructure and robust R&D potential to address complex challenges and boost many facets of healthcare delivery.

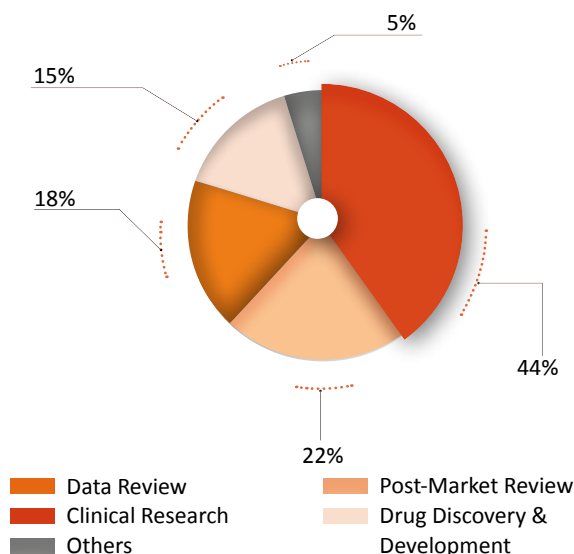
The future of these hubs in India's pharmaceutical sector appears promising. Factors such as continued investment and talent accessibility, contribute to their sustained growth. These hubs also have ample opportunities to explore emerging technologies and foster collaborations, leading to breakthrough discoveries. As the industry moves forward, it's crucial to leverage the opportunities these GCCs present and continue to solve the healthcare challenges.

India's prowess in manufacturing, cost-effectiveness and a highly skilled workforce has truly made it the powerhouse of global pharmacies. Riding on this wave, the Indian pharmaceutical industry has the potential not just to meet expectations but to exceed them. The key lies in deliberate and strategic investments, coupled with a focus on transformative innovation driven by value.

Work portfolio mapping of GCCs for Drug Discovery & Development functions⁹



Average distribution of talent pool by work portfolio across GCCs in India



Total Estimated talent pool across GCCs in India: ~25-30K⁹

Opportunities

Government support

The government has implemented a range of policies to improve R&D in the pharmaceutical sector. These initiatives include offering fiscal incentives to R&D units, as well as simplifying regulatory processes for the development of new drug molecules, clinical trials and innovative drug delivery systems.

The Government of India has implemented several initiatives to create a conducive research ecosystem, including the National Policy on R&D and Innovation in the Pharma-MedTech Sector. A key component of this push is the Research Linked Incentive (RLI) scheme, which allocates \$600 million in funding from FY24 to FY28, to support the development of NCEs, NBEs, complex generics, biosimilars and orphan drugs¹⁰.

Adoption of AI/ML

India's pharmaceutical industry stands at the cusp of a transformative journey. This journey, fueled by the integration of Generative AI, AI/ML and data analytics, is not only redefining the contours of innovation within the sector but also repositioning India on the global stage.

Within drug discovery and development, AI holds the promise of heightened efficiency and success rates at a reduced cost.

Simultaneously, in manufacturing and supply chain operations, AI fosters agility, efficiency, resilience and intelligence. Moreover, in drug commercialization and marketing, Generative AI drives greater personalization and enhances customer engagement.

The integration of these advanced technologies enhances India's competitive stance. However, the transformation goes beyond mere technological adoption; it is fundamentally altering the global playing field. For decades, the high cost of drug discovery and development, coupled with stringent regulatory barriers, has concentrated pharmaceutical innovation in the hands of a few key players. Today, the democratizing force of AI and data analytics is challenging this status quo.

Clinical trials and research

India's clinical research landscape has undergone a major transformation, propelled by its vast and diverse patient population, improved research infrastructure and cost-efficiency. Partnerships between academic institutions and the pharmaceutical industry have expanded, with several leading medical universities establishing dedicated clinical research units that leverage clinical expertise and operational capabilities.

9. <https://www.scribd.com/document/807978349/State-of-Healthcare-Life-Sciences-GCCs-in-India-PD> | 10. Centre rolls out ₹ 5,000 crore RLI scheme for pharma, med-tech sectors; Business Standard; Aug 2023

Challenges

Pricing pressures and patient affordability

Drug pricing continues to be a contentious issue in healthcare discussions globally. In the US, high out-of-pocket expenses for patients have prompted political pressure and policy interventions, which often come with unforeseen consequences for the industry. Similarly, in India, while the country leads the world in providing low-cost generics, the issue of accessibility remains a significant challenge.

Regulatory compliance

Adhering to increasingly stringent global regulatory requirements presents a significant challenge. As regulatory bodies impose stricter oversight, pharmaceutical companies must place a heightened emphasis on quality assurance and control, especially when operating in developed markets.

In summary, India is rapidly emerging as a key player in the drug discovery value chain. Numerous Indian pharmaceutical companies are expanding their R&D capabilities, providing early-stage discovery services and a pipeline of promising drugs.

Collaborative research models between the pharmaceutical industry and academic institutions are gaining momentum. While generics continue to receive the largest share of R&D investments, there is a clear shift towards novel drugs.

SPARC's Response to Global Trends

Since its inception SPARC has been at the forefront of novel drug discovery in India and has always kept pace with the global

trends that are expected to shape the R&D landscape and the industry at large.

SPARC has made thoughtful transitions to its business priorities, from NDDS programs to NCEs targeting validated pathways and more, recently moving towards first-in-class NCEs and NBES.

SPARC's therapeutic focus has been in oncology and immunology, two of the fastest growing therapeutic areas in recent years. The growth has been propelled by changes in treatment modalities, particularly in oncology with the approval and launch of ADCs, CAGT and CAR-T therapies among others.

SPARC proactively identified the changing trends and invested in building its biologics capabilities. A large part of oncology pipeline assets are biological entities and recently SPARC filed an IND with USFDA for its first ADC i.e., SBO-154. The IND was accepted and the USFDA issued study may proceed letter for SBO-154. Similarly, for SCD-153, SPARC received approval from Drug Controller General of India (DCGI) to conduct Phase 1b study in patients.

SPARC increased operational efficiency by adopting productivity enablers such as initiating Phase 1a clinical study of SCD-153 in India to shorten the timeline for the next milestone. Similarly, for SBO-154, SPARC plans to use biomarkers for patient selection as part of the clinical development of the asset.

SPARC's therapeutic focus and the choice of modality mix for the pipeline assets are in sync with the industry's growth areas. The programs under development are expected to address key challenges that patients face with the current standard of care. Upon successful development of the pipeline assets into therapeutic agents they have the potential to redefine treatment patterns in oncology and immunology.

Key Financial Ratios (Consolidated basis)

Ratio Analysis	2024-25	2023-24	Reason
Debtor Turnover Ratio	4.54	3.13	Due to decrease in revenue and average debtors
Inventory Turnover (No. of days)	N.A.	N.A.	
Current Ratio (in times)	0.07	1.02	Due to decrease in current assets
Debt Equity Ratio (in times)	(1.24)	0.49	Due to negative net-worth and increase in debt
Operating Profit Margin (%)	(465.04)	(509.81)	Due to decrease in loss
Return on Net Worth (%) *	157.88	(307.91)	Due to negative networth during the year
Net Profit / (Loss) Margin (%)	(477.26)	(512.56)	Due to decrease in loss as compared to previous year

*Return on Net Worth for FY 2024-25 is positive due to negative Net Worth and Loss during the year.

SPARC's Performance Overview

During FY25, SPARC undertook a strategic pivot to sharpen its focus on oncology and immunology following the completion of the PROSEK study in Parkinson's disease. The Company prioritised its clinical assets SCD-153 and SBO-154 as anchor programs for future growth. SPARC also adopted a more flexible business model, actively seeking early-stage partnerships and alternative structures such as building asset-specific NewCos. A notable example is the formation of Tiller Therapeutics to advance the SCO-155 program.

Following is a brief update on some of the key programs.

Progress on Key Programs

1. Sezaby for the treatment of Neonatal Seizures

Sezaby, the only USFDA-approved phenobarbital sodium injection formulation for treatment of neonatal seizures, reflects SPARC's commitment to addressing critical medical needs.

Significant efforts are ongoing to secure the approval for removal of unapproved injectable formulations of phenobarbital that contain excipients known to cause side-effects in the neonatal population.

To ensure a reliable supply chain for Sezaby, SPARC filed for approval of an additional manufacturing facility which was approved by USFDA during Q4 FY25.

During the year, SPARC worked closely with multiple stakeholders including USFDA for taking action against the manufacturers of unapproved phenobarbital injection formulation. SPARC has made multiple requests to USFDA for a meeting to discuss next steps, however, USFDA has not granted meeting to SPARC.

SPARC will continue its efforts towards removal of unapproved formulations of phenobarbital injection for the safety of vulnerable neonates.

SPARC is also working with USFDA for Paediatric Rare Disease Voucher and the court opinion on the ongoing litigation is expected during FY26.

2. Vodobatinib for the treatment of Neurodegenerative Disorders (SCC-138)

SPARC completed the full analysis of PROSEK study, including the planned biomarkers and several post hoc analysis. The results from the full analysis closely matches the Interim Analysis trends.

The primary end point i.e., change in MDS-UPDRS part III score from baseline was not achieved for the drug arms. The

data suggest that drug arms marginally deteriorated and underperformed compared to the placebo. The biomarker data also mirrored the clinical trend. Placebo performance in PROSEK study has been a clear outlier, with a modest improvement in MDS UPDRS part III vs both, natural history and trends from other trials in early-stage Parkinson's disease.

SPARC has decided to pause all development of Vodobatinib for Neurodegenerative disorders.

3. Vodobatinib for the treatment of Chronic Myelogenous Leukaemia (SCO-088)

Vodobatinib is a novel, highly-selective BCR ABL1 inhibitor for treatment of refractory CML.

SPARC has decided to license Vodobatinib for further development and has completed the initial outreach through an investment banker to secure a strategic partner. CML being a niche area, the licensing process is taking longer than expected and hence SPARC is now working with another boutique firm to support the effort.

4. Vibozilimod for the treatment of Autoimmune Disorders (SCD-044)

Vibozilimod is a selective sphingosine-1-phosphate receptor 1 (S1PR1) agonist targeting autoimmune disorders. Sun Pharmaceutical Industries Limited (SPIL) conducted 2 separate clinical studies of Vibozilimod in patients with Atopic Dermatitis (SOLARES AD) and Plaque Psoriasis (SOLARES PsO). SPIL informed that both SOLARES PsO and SOLARES AD studies did not meet the primary endpoint of 75% improvement in PASI (Psoriasis Area and Severity Index) score (> PASI75) at Week 16 and 75% improvement in EASI (Eczema Area and Severity Index) score (> EASI75) at Week 16 respectively.

SPARC and SPIL will evaluate the appropriate next steps for Vibozilimod.

5. SCD-153 for the treatment of Alopecia Areata

SCD-153 is a novel topical agent being developed for the treatment of Alopecia Areata. In preclinical studies, SCD-153 has demonstrated the potential for regrowth of hair in animal models. SPARC completed Phase 1a Single Ascending Dose (SAD) study in healthy volunteers under the IND filed with DCGI.

The Phase 1a study suggests that SCD-153 is safe and well tolerated at all dose levels tested. Additionally, the data also confirms dose dependent increase in concentration of SCD-153 at the site of action.

After successful completion of Phase 1a study of SCD-153, SPARC has initiated Phase 1b Multiple Ascending Dose (MAD) study of SCD-153 in patients with Alopecia Areata. The patients were randomized in Phase 1b study during Q1FY26.

6. SBO-154 for multiple cancer indications

SBO-154 is an anti MUC1 ADC being developed for multiple tumour types expressing MUC1. SBO-154 targets a novel epitope on the MUC1 protein present on the cell surface. Validation and preclinical evidence confirm the effectiveness of SBO-154. SPARC filed IND for SBO-154 with the USFDA and was granted study may proceed letter. SPARC got its IND application approved in Australia as well while the IND application for the same has been filed with the Central Drugs Standard Control Organization (CDSCO) in India in Q1 FY26 for initiating Phase 1 study of SBO-154. SPARC expects first-patient-in for the Phase 1 study in Q2 FY26.

SPARC intends to use the anti-MUC1 antibody as a platform technology and has initiated activities to build diverse collections of components to enable 'plug-and-play' development tailored to specific targets and indications.

7. SCO-155 for treatment of Cancer

SCO-155 is a Small Molecule Drug Conjugate (SMDC) developed under a research collaboration with University of California, San Francisco (UCSF). SPARC actively identified the lead compound within 2 years of initiation of the project and established preclinical proof of concept. SPARC and UCSF have signed a binding LOI with Tiller Therapeutics Inc. (Tiller) to license and grant rights for development and commercialization of SCO-155 to Tiller.

Outlook

The Company is entering a new phase defined by sharper portfolio focus, disciplined resource allocation and a flexible approach to value creation. The near- and mid-term will be shaped by a commitment to advancing SCD-153 and SBO-154 as anchor assets, while maintaining optionality across the broader pipeline through innovative business models and partnerships.

SPARC's outlook is supported by three strategic pillars:

- First, SPARC will continue to optimize its portfolio, concentrating investments and organizational resources on therapeutic areas of oncology and immunology, where it has scientific depth and both areas present commercial opportunity.
- Second, the Company is embracing a more agile business model, including early-stage partnering, asset-specific NewCos and risk-sharing collaborations, as exemplified by the Tiller Therapeutics initiative. This approach is designed to accelerate development timelines, mitigate financial exposure and unlock value from both internal and partnered assets.
- Third, the Company is prioritizing execution on near-term, cash-generating milestones. These include potential outcomes

from regulatory exclusivity enforcement for Sezaby, resolution of the Priority Review Voucher litigation and licensing or launch events for assets such as Vodobatinib and PDP-716.

Looking ahead, SPARC will continue to monitor the external environment, including regulatory developments, market access dynamics and capital market conditions to decide its funding strategy and partnership decisions. With a lean organization, a focused pipeline and a flexible business model, SPARC is well-positioned to navigate uncertainties, seize emerging opportunities and deliver long-term value to both patients and shareholders.

Human Resource Strategy

The cornerstone of SPARC's functionality continues to be its dedicated and talented workforce, driven by a culture of innovation, passion and excellence. In the past year, the Company prioritized fostering a progressive and inclusive environment that attracts, develops and retains top-tier talent while aligning the Company's people strategies with evolving business goals.

The Company's HR department has actively benchmarked industry practices of talent management, effective training programs and productive employee engagement to ensure a motivated and forward-thinking workforce. Strategic collaborations with leading academic institutions and tailored training programs have equipped the Company's employees with the skills required for advancing SPARC's research objectives.

As on March 31, 2025, the Company boasts of a dedicated team of 316 employees, of which 85% are scientists, committed to driving breakthrough innovations. Looking ahead, the Company's HR efforts will emphasize nurturing high-potential talent, integrating advanced digital tools for talent management and fostering a thriving culture of creativity and excellence across the organization.

Risks and Concerns

Engaging in pharmaceutical R&D entails navigating a landscape filled with inherent uncertainties and complexities. The pursuit of innovative solutions often involves untested scientific approaches and significant developmental risks. As a research-driven organization, the Company faces challenges such as the unpredictability of clinical trial results, evolving regulatory frameworks and the intricate nature of discovering and refining novel molecules.

Additional risks arise from reliance on robust intellectual property protection, rapid technological advancements by competitors and shifting global regulatory and policy environments. Financial sustainability remains closely tied to the progress of the Company's research programs, which are susceptible to macroeconomic factors, including currency fluctuations, interest rate volatility and geopolitical events. Furthermore, disruptions in the supply chain, such as delays in obtaining critical research materials or specialized equipment, may affect timelines.

To effectively mitigate these challenges, the Company has implemented comprehensive risk management practices that emphasize adaptability and strategic foresight. By fostering resilient operations, prioritizing strategic partnerships and equipping its team with the tools needed to anticipate and address potential risks, the Company remains focused on advancing its mission to deliver impactful scientific innovations.

Internal Control Systems and their Adequacy

SPARC upholds its commitment to ethical practices and transparency, reflecting its dedication to serving patients, empowering investors and advancing sustainable progress. The Company's robust internal control systems are meticulously designed to ensure seamless and efficient operations. The Company remains fully compliant with all relevant laws and regulations, particularly those safeguarding intellectual property, resources and financial integrity.

By fostering precise financial reporting and aligning its internal policies with evolving needs, the Company reinforces its organizational resilience. Furthermore, these systems are bolstered by comprehensive internal audits and independent assessments, ensuring a dynamic and reliable framework for governance.

Disclaimer

The MD&A contains forward-looking statements that reflect the Company's current views and expectations with respect to future events and financial performance. These statements are based on certain assumptions and are subject to risks, uncertainties and changes in circumstances, many of which are beyond the Company's control. Actual results, performance, or achievements may differ materially from those expressed or implied due to various factors, including but not limited to economic conditions, regulatory changes and technological developments. The Company does not undertake any obligation to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise. Readers are advised to exercise caution and not place undue reliance on these statements while making investment or business decisions. The information contained herein should not be construed as professional advice and is subject to change without notice.

Board's Report

Dear Members,

The Board of Directors presents the Twentieth (20th) Annual Report and the Audited Standalone and Consolidated Financial Statements of Sun Pharma Advanced Research Company Limited ("the Company" / "SPARC") for the financial year ended March 31, 2025.

FINANCIAL RESULTS

The financial performance of the Company for the year ended March 31, 2025 is summarized below:

Particulars	Standalone		Consolidated	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from Operation	7,176.60	7,554.53	7,176.60	7,554.53
Total Income	7,355.71	10,501.46	7,355.71	10,501.46
Profit/(Loss) before Finance Cost, Depreciation & Tax	(32,548.60)	(37,432.24)	(32,134.74)	(37,262.68)
Profit/ (Loss) before Tax	(34,522.21)	(38,810.52)	(34,278.12)	(38,683.19)
Profit/ (Loss) after Tax	(34,522.21)	(38,810.52)	(34,250.94)	(38,721.39)
Opening Balance in Retained Earnings	(1,97,973.12)	(1,59,181.34)	(1,97,883.99)	(1,59,181.34)
Closing Balance in Retained Earnings	(2,32,520.88)	(1,97,973.12)	(2,32,160.48)	(1,97,883.99)

(₹ in Lakhs)

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY, BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THIS REPORT

There have been no material changes and commitments, which affect the financial position of the Company, that have occurred between the end of the financial year to which the financial statements relate and the date of this report.

CONSOLIDATED FINANCIAL STATEMENT

The consolidated financial statements of the Company and its subsidiary for FY 2024-25 are prepared in compliance with the applicable provisions of the Companies Act, 2013 ("the Act") and as stipulated under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") as well as in accordance with the Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015. The audited consolidated financial statements together with the Independent Auditor's Report there on form part of this Annual Report.

CHANGE IN NATURE OF BUSINESS

The Company did not undergo any change in the nature of its business during the year under review.

DIVIDEND

In view of the losses incurred during the year, your Directors have not recommended any dividend for the financial year under review.

TRANSFER TO RESERVES

The Board does not propose to transfer any amount to general reserve for the year under review.

DIVIDEND DISTRIBUTION POLICY

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), the Board of Directors of the Company (the 'Board') formulated and adopted the Dividend Distribution Policy (the 'Policy'). The Policy is available on the website of the Company at <https://sparc.life/statutory-disclosures/policies-and-codes/>

ANNUAL RETURN

The Annual Return as required under Section 134(3) and Section 92(3) of the Act in Form MGT-7 is made available on the website of the Company and can be accessed through the web link <https://sparc.life/statutory-disclosures/shareholders-meeting/>

SUBSIDIARY/ JOINT VENTURE/ ASSOCIATE COMPANY

As on March 31, 2025, the Company has one Wholly Owned Subsidiary namely SPARCLIFE Inc. incorporated in Delaware, USA on September 25, 2023. There are no associates or joint venture companies within the meaning of Section 2(6) of the Act.

Pursuant to the provisions of Section 129(3) of the Act, a separate statement containing the salient features of the financial statements of the Company's subsidiary in prescribed Form AOC – 1 is attached as **Annexure 1** and forms part of this report.

Further, pursuant to the provisions of Section 136 of the Act, the audited Standalone and Consolidated Financial Statements of the Company are available on the Company's website at <https://sparc.life/statutory-disclosures/shareholders-meeting/>

SHARE CAPITAL

During the year under review there has been no change in the capital structure of the Company. The paid-up capital of the Company as of March 31, 2025 is ₹ 32,45,21,588/- (Thirty two Crores Forty-Five Lacs Twenty-One Thousand Five Hundred and Eighty-Eight Only).

DETAILS OF CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

The following changes occurred in the composition of the Board of Directors and Key Managerial Personnels of the Company during the FY 2024-25:

Appointments:

- Ms. Vidhi Shanghvi (DIN: 06497350) was appointed as an Additional Non-Executive Director with effect from July 15, 2024 and her appointment as Director of the Company was approved by shareholders at the 19th Annual General Meeting of the Company held on August 12, 2024.
- Mr. Anup Rathi was appointed as Chief Financial Officer with effect from June 06, 2024.

Cessation/ Retirement:

- Mr. Sudhir V. Valia retired from the Board as Non-Executive Director with effect from August 12, 2024.
- Mr. Chetan Rajpara has ceased from the position of Chief Financial Officer with effect has ceased from June 05, 2024.

Retirement by rotation:

In accordance with the provisions of section 152 of the Act read with rules made thereunder, Mr. Dilip Shanghvi (DIN: 00005588) Director of the Company shall be liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment as Director of the Company.

After the year end and up to the date of this Board Report, the following development have taken place in the Board composition and Key Officials of the Company:

- Ms. Bhavna Doshi and Dr. Ferzaan Engineer, would cease to be the Directors upon completion of their second term as Independent Directors of the Company from conclusion of 20th Annual General Meeting of the Company to be held on August 12, 2025.
- The Board of Directors at its meeting held on May 19, 2025, and pursuant to the recommendation of the Nomination and Remuneration Committee had approved the appointment of Ms. Rekha Warriar and Mr. Venkateswarlu

Jasti as Independent Directors of the Company for a term of five years with effect from May 19, 2025 to May 18, 2030, subject to approval of the members at the ensuing 20th Annual General Meeting of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under section 134(5) read with section 134(3)(c) of the Act, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- In the preparation of the Annual Accounts for the financial year ended March 31, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as of March 31, 2025 and of the loss of the Company for the year ended on that date;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the Annual Accounts on a going concern basis;
- The Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Rule 5 of the (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations. The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013.

In terms of the requirements under the SEBI Listing Regulations, the Board has identified list of key skills, expertise and core competencies of the Board, including the Independent Directors, details of which are provided in the Corporate Governance Report forming part of this Annual Report.

Further, in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors have registered themselves

with the Independent Directors Databank, maintained by Indian Institute of Corporate Affairs (IICA).

In the opinion of the Board, all the Independent Directors of the Company satisfy the criteria of independence as defined under the Act, rules framed thereunder and the SEBI Listing Regulations, and that they are independent of the Management of the Company.

POLICY ON DIRECTORS' AND SENIOR MANAGEMENT APPOINTMENT AND REMUNERATION

For the purpose of selection of any Director, the Nomination and Remuneration Committee identifies persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and also takes into consideration recommendation received, if any, from a board member. The Committee also ensures that the incumbent fulfils such other criteria with regard to age and other qualifications as laid down under the Act or other applicable laws.

The Board, on the recommendation of the Nomination and Remuneration Committee, has framed a policy for selection, appointment and remuneration of Directors. The summary of Remuneration Policy is disclosed in the Corporate Governance Report, which forms a part of Annual Report.

The Policy as approved by the Board is available on the website of the Company and can be accessed through the web link <https://sparc.life/statutory-disclosures/policies-and-codes/>

FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

In compliance with the requirements of Regulation 25(7) of the SEBI Listing Regulations, the Company has put in place a Familiarization Program for the Independent Directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model etc. The details of the Familiarization Program conducted are available on the website of the Company and can be accessed through the web link <https://sparc.life/statutory-disclosures/board-of-directors/>

EVALUATION OF PERFORMANCE OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTOR

The Company believes that the process of performance evaluation at the Board level is pivotal to its Board Engagement and Effectiveness. The Policy and criteria for Board Evaluation is duly approved by Nomination and Remuneration Committee which is in line with the SEBI Guidance Note on Board Evaluation. This process is conducted through structured questionnaires which cover various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Member's strengths and contribution, execution and performance of specific duties, obligations and governance.

The Board reviewed the performance of the Individual Non-Independent Directors on the basis of criteria such as qualifications, experience, knowledge & competency, fulfilment of functions, ability to function as a team, initiative, availability and attendance, commitment (as a Director) and contribution. The performance of each individual Independent Director was reviewed, based on the additional criteria of independence and independent views & judgment. Similarly, the performance of the Chairman was evaluated based on additional criteria such as effectiveness of leadership and ability to steer the meetings, impartiality, commitment (as Chairman) and ability to keep shareholders' interests in mind.

In a separate meeting of Independent Directors, performance of non-independent directors, performance of the Chairman taking into account the views of other non-executive Directors and performance of the Board as a whole was evaluated.

Performance evaluation of the Board, its various Committees and individual Directors including Independent Directors and Chairman was found satisfactory. The Board also assessed the fulfilment of the independence criteria as specified in Listing Regulations, by the Independent Directors of the Company and their independence from the management.

Information as per Section 197(12) of the Act, read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 is annexed as **Annexure 2** to this Report. Further, pursuant to section 136 (1) of the Act, the Annual Report and the accounts are being sent to the members excluding the information under rule 5(2) & 5(3) of the aforesaid rules. In terms of section 136 of the Act, the said information is available for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary of the Company either at the Registered/ Corporate Office address or by email to secretarial@sparcmail.com

HUMAN RESOURCE

SPARC presently has a workforce of 316 dedicated individuals – 85% of which are highly qualified and experienced scientists in various fields.

Last year, all initiatives in the area of talent acquisition, skill development and retention were focused on facilitating programs in the therapeutic areas of Oncology and Immunology. With the formation of the Product Development Groups which requires cross – functional working, training workshops on collaboration and team bonding were organized. SPARC concentrated on on-boarding talent with specialized skills and invested in training programs to ensure employees are equipped with adequate competencies to drive their programs.

SPARC made structural provisions to ensure an agile and empowered organization required to deliver on critical priorities.

The Company is committed to focus on its people strategies to deliver on its key priorities.

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

In accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, SPARC is committed to fostering a safe, respectful and a harassment-free workplace environment. SPARC strongly believes in gender neutrality and encourages hiring resources from all genders ensuring we create an environment free of any form of discrimination and harassment.

During the financial year ended March 31, 2025, there was no complaint received for sexual harassment. Also, there are no complaints pending as at the end of the financial year.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The organization conducted awareness programs aimed at promoting a culture of respect and inclusivity. We continue to remain dedicated to maintaining a zero-tolerance approach towards sexual harassment and ensuring the safety and well-being of all our employees.

AUDIT REPORTS AND AUDITORS

Audit reports

The Auditors' Report for financial year ended March 31, 2025, does not contain any qualification, reservation, or adverse remark. The report is enclosed with the financial statements in this Integrated Annual Report.

The Secretarial Audit Report in the Form No. MR-3 for the financial year ended March 31, 2025 is annexed as **Annexure 3**. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer and no frauds were reported by the Auditors to the Audit Committee or the Board, in terms of section 143(12) of the Act.

Statutory Auditors

S R B C & CO LLP, Chartered Accountants, (Firm's Regn. No. 324982E/E300003), were re-appointed as the statutory auditors of the Company, to hold office for the second term of five consecutive years from the conclusion of the 17th Annual General Meeting of the Company held on September 22, 2022 till the conclusion of the 22nd Annual General Meeting of the Company to be held in the calendar year 2027, as required under Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act, and the Companies (Appointment and Remuneration of Managerial

Personnel) Rules, 2014, and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements), 2015 and other applicable provisions, if any, the Board has appointed KJB & Co. LLP, Company Secretaries subject to approval of the Shareholders at the ensuing Annual General Meeting for a period 5 years from April 1, 2025 to March 31, 2030 to undertake the Secretarial Audit of the Company.

The Annual Secretarial Compliance Report for the financial year 2024-25 has been obtained from the Secretarial Auditor of the Company and the said Report has been submitted to the stock exchanges within the time prescribed under the SEBI Listing Regulations.

Cost records and cost audits

During the year under review, maintenance of cost records and requirement of cost audit as prescribed under provisions of section 148 (1) of the Act are not applicable to the Company.

Details in respect of frauds reported by auditors

During the year under review, the statutory and secretarial auditors have not reported any instances of fraud committed in the Company by its officer and employees.

SECRETARIAL STANDARDS

The Company has complied with all the applicable Secretarial Standards as amended from time to time issued by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

LOANS, GUARANTEES & INVESTMENTS

The particulars of loans, guarantees and investments have been disclosed in the financial statements and the same forms part of this Annual Report.

RELATED PARTY TRANSACTIONS

All contracts/arrangements entered by the Company during the year with the related parties were in the 'Ordinary Course of Business' and on an 'Arm's Length Basis' and in accordance with the provisions of the Act and rules made thereunder, the SEBI Listing Regulations and the Company's Policy on Related Party Transactions.

As required under Section 134(3)(h) of the Act, details of transactions entered with related parties under the Act exceeding ten percent of the annual turnover as per the last audited financial statements are given in Form AOC-2 provided as **Annexure 4**.

The policy on Related Party Transactions as approved by the Board is available on the website of the Company and may be accessed through the web link <https://sparc.life/statutory-disclosures/policies-and-codes/>

BOARD MEETINGS

6 (Six) Board Meetings of the Board of Directors were held during the financial year. The dates of the Board meeting and the attendance of the Directors at the said meetings are provided in the Corporate Governance Report, which forms a part of this Annual Report.

COMMITTEES OF THE BOARD

As on March 31, 2025, the Board has 7 (seven) Committees, namely, Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee, Fund Management Committee and Securities Allotment Committee. The details pertaining to the meetings and composition of the Committees of the Board are included in the Corporate Governance Report, which forms a part of this Annual Report.

During the year under review, all recommendations made by the Committees (including Audit Committee) were accepted by the Board.

RISK MANAGEMENT

The Board of Directors has developed and implemented a comprehensive Risk Management Policy, which lays down the procedure to identify, monitor and mitigate the key elements of risks that threaten the existence of the Company. Further, in compliance with the requirements of Regulation 21 of the Listing Regulations as amended from time to time, the Board of Directors of the Company has constituted a Risk Management Committee to oversee risk mitigation measures in the Company.

The details of composition of Risk Management Committee are included in the Corporate Governance Report which forms a part of this Annual Report.

The Risk Management Committee reviews, at regular intervals, the status of key risks and steps taken by the Company, to mitigate such risks.

INTERNAL FINANCIAL CONTROLS

Internal Financial Controls are an integral part of the risk management process which in turn is a part of Corporate Governance addressing financial reporting risks. The Company has in place a well-defined organizational structure and adequate internal controls for efficient operations which is cognizant of applicable laws and regulations, particularly those related to protection of intellectual properties, resources, assets, and the accurate reporting of financial transactions in the financial statements. The Company upgrades these systems on continuous basis.

CORPORATE SOCIAL RESPONSIBILITY

In compliance with the requirements of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy)

Rules, 2014, the Board of Directors has constituted a Corporate Social Responsibility Committee. The details of membership of the Committee and the meeting(s) of the Committee held during the year are given in the Corporate Governance Report which forms a part of this Annual Report.

The CSR Policy of the Company as approved by the Board on the recommendation of the Corporate Social Responsibility Committee is available on the website of the Company and may be accessed through the web link <https://sparc.life/statutory-disclosures/policies-and-codes/>

Since the Company has incurred losses during the three immediately preceding financial years, the Company was not required to spend on CSR activities during the financial year ended March 31, 2025. However, in compliance with the requirements of Companies (Corporate Social Responsibility Policy) Rules, 2014, the Annual Report on 'CSR Activities' as per prescribed format, is annexed as **Annexure 5**.

PUBLIC DEPOSITS

The Company has not accepted any public deposit during the year, under the provisions of the Act and the rules framed thereunder.

CREDIT RATING

The credit rating of the securities/instruments/loans, credit facilities and other borrowings of the Company as on March 31, 2025 was as follows:

Name of the rating agency	Product	Long Term Rating
Acuite Ratings & Research Ltd	Bank Loan Ratings	ACUITE AA- Stable

MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Regulation 34 of the SEBI Listing Regulations, the Management Discussion and Analysis Report on the operations of the Company forms an integral part of this Report and gives detail of the overall developments, performance and state of affairs of the Company's businesses, during the financial year 2024-25 and the same is given in a separate part of this Annual Report.

CORPORATE GOVERNANCE REPORT

The Company is committed in maintaining the highest standards of corporate governance and adherence to the corporate governance requirements set out by the Securities and Exchange Board of India (SEBI) and the Companies Act, 2013. The Company strives to achieve fairness for all stakeholders and to enhance long-term value to Shareholders. In compliance with Regulation 34 of the SEBI Listing Regulations, a report on Corporate Governance and the Certificate from the Statutory Auditors of the Company confirming compliance with the conditions of Corporate Governance are attached to the report on Corporate Governance which forms part of this Annual Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Business Responsibility and Sustainability Report of the Company for the year ended March 31, 2025, in the prescribed format as required under Regulation 34(2)(f) of the Listing Regulations, forms part of this Report and is also available on the website of the Company and may be accessed through the web link <https://sparc.life/statutory-disclosures/shareholders-meeting/>

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed as **Annexure 6**.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant or material orders passed by the Regulators or Courts or Tribunals during the year which may impact the going concern status of the Company's future operations.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

To emphasize our commitment to integrity, SPARC maintains a robust whistle blower policy or vigil mechanism. The Company is focused around creating value for all the stakeholders and ensure highest level of honesty, integrity and ethical behavior in all its operations.

The Company gives priority to this vision for all its employees through the 'SPARC Whistle Blower Policy'.

SPARC empowers employees to report suspected or actual occurrence of illegal, unethical or inappropriate events (behavior or practices) that may affect Company's working or interest / image.

During the financial year ended March 31, 2025, there was no information regarding any wrong doing which has been registered.

The Policy is available on the website of the Company and may be accessed through the web link <https://sparc.life/statutory-disclosures/policies-and-codes/>

OTHER DISCLOSURES

Disclosure under section 43(a)(ii) of the Companies Act, 2013

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

Disclosure under section 54(1)(d) of the Companies Act, 2013

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

Unpaid Dividend & Investor Education and Protection Fund (IEPF)

There was no transfer of unpaid and unclaimed amount to IEPF during the year under review.

Disclosure of proceedings pending or application made under Insolvency and Bankruptcy Code, 2016

No application was filed for corporate insolvency resolution process, by a financial or operational creditor or by the Company itself under the Insolvency and Bankruptcy Code, 2016 before the National Company Law Tribunal.

Disclosure of reason for difference between valuation done at the time of taking loan from bank and at the time of one time settlement

There was no instance of one time settlement with any Bank or Financial Institution during the year under review.

ACKNOWLEDGEMENTS

Your Directors wish to thank all stakeholders, business partners, bankers, medical professionals and business associates for their continued support and valuable co-operation. The Directors also express their gratitude to investors for the faith that they continue to repose in the Company.

For and on behalf of the Board of Directors

Place: Mumbai
Date: May 19, 2025

Dilip S. Shanghvi
Chairman
(DIN: 00005588)

Annexure 1

FORM AOC-1

Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014

Statement containing salient features of the financial statements of subsidiaries or associate companies or joint ventures

Part A Subsidiaries

Particular	Amount
Name of the subsidiary	SPARCLIFE Inc.
The date since when subsidiary was acquired	September 25, 2023
Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	
Reporting currency	USD
Closing Rate as on March 31, 2025	85.47
Share Capital (50 equity share at a face value of USD 0.001 per share)	*0.00
Reserves and surplus	408.92
Total Assets	2,280.40
Total Liabilities	1,871.48
Investment (except in case of investment in subsidiaries)	-
Turnover	5,125.95
Profit / (Loss) Before Tax	244.09
Provision for Tax	27.18
Profit / (Loss) After Tax	271.27
Proposed Dividend	-
% of Shareholding	100%

*represents less than ₹ 1 lakh

Notes-

- Names of subsidiaries which are yet to commence operations – Not Applicable
- Names of subsidiaries which have been liquidated or sold during the year- Not Applicable

Part B Associates and Joint Ventures- Not Applicable

For and on behalf of the Board of Directors

ANILKUMAR RAGHAVAN

Chief Executive Officer

Place: Mumbai

DILIP S. SHANGHVI

Chairman

DIN: 00005588

Place: Mumbai

ANUP M. RATHI

Chief Financial Officer

Place: Mumbai

DR. T. RAJAMANNAR

Director

DIN:01415412

Place: Baroda

KAJAL K. DAMANIA

Company Secretary

Place: Mumbai

Date: May 19, 2025

Annexure 2

INFORMATION REQUIRED UNDER SECTION 197 OF THE ACT READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) Ratio of the remuneration of each director to the median remuneration of the employees and percentage increase in remuneration of each Director, CEO, CFO and CS of the Company for the financial year 2024-25:

Name	Designation	% increase/ (decrease) in remuneration ¹ in the FY 2024-25	Ratio of remuneration ¹ of each Director/ to median remuneration of employee
Mr. Dilip Shanghvi	Chairman & Non-Executive Director	--	0.24
Mr. Sudhir Valia ⁴	Non-Executive Director	(45.00)	0.20
Dr. T. Rajamannar	Non-Executive Director	(16.67)	0.18
Ms. Vidhi Shanghvi ⁵	Non-Executive Director	--	0.29
Ms. Bhavna Doshi	Independent Director	4.55	0.42
Dr. Ferzaan Engineer	Independent Director	(4.76)	0.36
Dr. Robert Spiegel	Independent Director	(4.76)	0.36
Mr. Anilkumar Raghavan ²	Chief Executive Officer	(18.56)	--
Mr. Anup Rathi ^{2&3}	Chief Financial Officer	Not Applicable	--
Ms. Kajal Damania ²	Company Secretary and Compliance Officer	4.22	--

1. Remuneration of all the Directors consists only of sitting fees drawn by them.
2. The percentage increase in remuneration is calculated basis the remuneration as per Section 17 of the Income Tax Act, 1961/ WR30.
3. Mr. Anup Rathi has been appointed as Chief Financial Officer of the Company with effect from June 06, 2024
4. Mr. Sudhir Valia retired as a Director from August 12, 2024
5. Ms. Vidhi Shanghvi has been appointed as Director from July 15, 2024

- (ii) Percentage increase in the median remuneration of employees in the financial year (Median 2024-25/Median 2023-24): 6.47%
- (iii) Number of permanent employees on the rolls of the Company as on March 31, 2025: 316
- (iv) Average percentile increase in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentage increase in salary of employees other than managerial personnel: 9.19%

Average percentage increase in salary of managerial personnel: 6.11%

- (v) It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

For and on behalf of the Board of Directors

Place: Mumbai
Date: May 19, 2025

Dilip S. Shanghvi
Chairman
(DIN: 00005588)

Annexure 3

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED March 31, 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Sun Pharma Advanced Research Company Limited,
Vadodara, Gujarat.

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate governance practice by **Sun Pharma Advanced Research Company Limited ("the Company")**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes 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 secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- i. The Companies Act, 2013 ("**the Act**") and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**"):
 - a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR**");
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not applicable to the Company for the year under review**;
 - d. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- **Not applicable to the Company for the year under review**;
 - e. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 – **Not applicable to the Company for the year under review**;
 - f. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 – **Not applicable to the Company for the year under review**;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 – **Not applicable to the Company for the year under review**;
 - h. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client – **Not applicable to the Company for the year under review**;
 - i. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not applicable to the Company for the year under review**.

We have also examined compliance with the applicable clauses of the Secretarial Standards with respect to meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India under the provisions of the Companies Act, 2013.

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

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice of at least seven days was given to all directors to schedule the Board Meetings and Meetings of Committees except in some cases where the meetings were held on shorter notice. Agenda and detailed notes on agenda were sent in advance in adequate time before the meetings and a system exists for Directors for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. On verification of minutes, we have not found any dissent / disagreement on any of the agenda items discussed in the

Board and Committee meetings from any of the Directors and all the decisions are carried through.

Based on the information received and records maintained, 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, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on the basis of the representations made by the respective plant heads, the Company has identified and complied with the various laws applicable to the Company inter-alia:

- Drugs and Cosmetics Act, 1940 and rules made thereunder;
- Environment Protection Act, 1986;
- Factories Act, 1948.

For **KJB & CO LLP**,
Practicing Company Secretaries
Firm Unique Identification No. – L2020MH006601
Peer Review Certificate No. – 2797/2022

Alpeshkumar Panchal

Partner

FCS No.: 12908

C P No.: 20120

UDIN: F012908G000380462

Date: Vaishakh 29, 1947 | May 19, 2025

Place: Vadodara

This report is to be read with our letter of even date which is annexed as **Annexure 1** and forms an integral part of this report.

ANNEXURE 1

To,
The Members,
Sun Pharma Advanced Research Company Limited,
Vadodara, Gujarat.

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 secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **KJB & CO LLP,**
Practicing Company Secretaries
Firm Unique Identification No. – L2020MH006601
Peer Review Certificate No. – 2797/2022

Alpeshkumar Panchal

Partner

FCS No.: 12908

C P No.: 20120

UDIN: F012908G000380462

Date: Vaishakh 29, 1947 | May 19, 2025

Place: Vadodara

Annexure 4

FORM NO. AOC. 2

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 arms-length transactions under fourth proviso thereto

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

- Details of contracts or arrangements or transactions not at arm's length basis: NIL
- Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any	Amount paid as advances, as on March 31, 2025, if any:
Sun Pharmaceutical Industries Ltd. (Majority stake owned and controlled by the Promoter and Promoter Group of the Company)	Sale of services License fees/ royalty on technology/ R&D services Purchase of goods Purchase and sale of property, plant and equipment Product development cost Rent expense (pertains to payment of lease liability) Receiving of R&D services Reimbursement of expenses received and expenses paid	On-going	The related party transactions entered during the financial year 2024-25 were in ordinary course of business and on an arm's length basis. The aggregate amount of transactions for the financial year 2024-25 was ₹ 8,218.41 lakhs.	Since these transactions were in ordinary course of business and were on arm's length basis, approval of the Board was not applicable.	Nil
Sun Pharma Laboratories Limited (Wholly owned subsidiary of Sun Pharmaceutical Industries Ltd. whose majority stake is owned and controlled by the Promoter and Promoter Group of the Company)	Sale of services License fees/ royalty on technology/ R&D services Purchase of goods	On-going	The related party transactions entered during the financial year 2024-25 were in ordinary course of business and on an arm's length basis. The aggregate amount of transactions for the financial year 2024-25 was ₹ 777.48 lakhs.	Since these transactions were in ordinary course of business and were on arm's length basis, approval of the Board was not applicable.	Nil

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any	Amount paid as advances, as on March 31, 2025, if any:
Sun Pharmaceutical Industries Inc. (Wholly owned subsidiary of Sun Pharmaceutical Industries Ltd. whose majority stake is owned and controlled by the Promoter and Promoter Group of the Company)	Sale of services License fees/ royalty on technology / R&D services Reimbursement Receiving of R&D services and purchase of goods	On-going	The related party transactions entered during the financial year 2024-25 were in ordinary course of business and on an arm's length basis. The aggregate amount of transactions for the financial year 2024-25 was ₹ 1,748.75 lakhs.	Since these transactions were in ordinary course of business and were on arm's length basis, approval of the Board was not applicable.	Nil
SPARCLIFE, Inc. (Wholly-Owned Subsidiary)	Reimbursement of expenses received and expenses paid, Receiving of R&D services	On-going	The aggregate amount of transactions for the financial year 2024-25 was ₹ 5,200.97 lakhs.	Not Applicable	Nil
Shanghvi Finance Private Limited (significant influence of / are controlled by Dilip Shanghvi, Promoter of the Company)	Loan availed by the Company, Interest paid, Commission on Corporate guarantee	On-going	The aggregate amount of transactions for the financial year 2024-25 was ₹ 10,270.55 lakhs	Not Applicable	Nil

For and on behalf of the Board of Directors

Place: Mumbai
Date: May 19, 2025

Dilip S. Shanghvi
Chairman
(DIN: 00005588)

Annexure 5

Annual Report on Corporate Social Responsibility (CSR) Activities for the financial year ended March 31, 2025

1. Brief outline on CSR Policy of the Company

The CSR policy of the Company encompasses its philosophy towards Corporate Social Responsibility and lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community at large.

The Company has identified health, education & livelihood, environment protection, water management and disaster relief as the areas where assistance may be provided as needed on a case-to-case basis.

2. Composition of CSR Committee

Name of Director	Category of Directorship	Nature of Membership	No. of Meetings	
			Entitled to attend	Attended
Mr. Dilip Shanghvi*	Non-Executive Director	Chairman from August 12, 2024	1	1
Mr. Sudhir Valia*	Non-Executive Director	Chairman upto August 12, 2024	1	1
Ms. Bhavna Doshi	Independent Director	Member	1	1
Ms. Vidhi Shanghvi**	Non-Executive Director	Member	0	0

*Mr. Sudhir Valia retired from the Board of Directors of the Company as a Director on August 12, 2024 and ceased to be a member of the Committee and Mr. Dilip Shanghvi has been appointed as the Chairman of the Committee.

**Ms. Vidhi Shanghvi, Non-Executive Director has been appointed as a member of the Committee with effect from August 5, 2024.

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.

Details	Web-Links
Composition of CSR committee	https://sparc.life/statutory-disclosures/board-of-directors/
CSR Policy	https://sparc.life/statutory-disclosures/policies-and-codes/
CSR projects	Not Applicable

4. Executive summary along with web-links of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable

5. a) Average net profit of the Company as per section 135(5) : Since the Company has incurred losses for last three years. Not Applicable
- b) Two percent of average net profit of the Company as per section 135(5) : Not Applicable
- c) Surplus arising out of the CSR projects or programs or activities of the previous financial years : Not Applicable
- d) Amount required to be set off for the financial year, if any : Not Applicable
- e) Total CSR obligation for the financial year [5(b)+5(c)-5(d)] : Not Applicable
6. a) Amount spent on CSR projects (both Ongoing Project and other than Ongoing Project) : Not Applicable
- b) Amount spent in Administrative Overheads : Not Applicable
- c) Amount spent on Impact Assessment, if applicable : Not Applicable
- d) Total amount spent for the Financial Year [6(a)+6(b)+6(c)] : Not Applicable
- e) CSR amount spent or unspent for the financial year :

Total Amount Spent for the Financial Year	Amount Unspent				
	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
	Not Applicable				

f) Excess amount for set off, if any:

(1)	(2)	(3)
Sl. No.	Particulars	Amount
(i)	Two percent of average net profit of the Company as per section 135(5)	Not Applicable
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

7. Details of Unspent CSR amount for the preceding three financial years:

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6)	Balance amount in Unspent CSR Account under section 135(6)	Amount spent in the reporting Financial Year	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	Deficiency, if any
					Amount	Date of transfer		
Not Applicable								

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility

No

If yes, enter the number of Capital assets created/ acquired: Not Applicable

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

(1)	(2)	(3)	(4)	(5)	(6)		
Sl. No.	Short particulars of the property or assets (including complete address and location of the property)	Pin code of the property or assets(s)	Date of creation	Amount of CSR amount spent	Details of entity / authority / beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

9. Reason(s), if the] has failed to spend two per cent of the average net profit as per section 135(5) –

Not Applicable

For and on behalf of the Board of Directors

Dilip S. Shanghvi

Chairman - CSR Committee and Chairman of the Board
(DIN: 00005588)

Vidhi Shanghvi

Member - CSR Committee and Director
(DIN: 0649735)

Place: Mumbai
Date: May 19, 2025

Annexure 6

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

I) CONSERVATION OF ENERGY

Power and Fuel Consumption

The Company continues its commitment towards energy conservation and optimization across all its facilities during the financial year 2024-2025, undertaking comprehensive energy efficiency measures with a focus on modernizing electrical infrastructure and improving operational efficiency to reduce overall energy consumption. During the year under review, significant upgrades were implemented including modification of the Switch Fuse Unit to Molded Case Circuit Breaker (MCCB) with Logic Selectivity Interlocking (LSI) protection in the main Chiller Panel, replacement of Thermal Magnetic Trip (TMD) releases with Micro Logic SR18 LSI protection systems across six Air Circuit Breakers (ACBs) providing comprehensive protection against overload, short circuit, instantaneous faults, and ground faults, replacement of the belt-driven Air Handling Unit (AHU) on the 6th floor with an Electronically Commutated (EC) motor-based AHU offering superior energy efficiency, completion of AHU coil replacement on the 5th floor to ensure optimal heat exchange efficiency, installation of under-voltage and over-voltage relays in the Low Tension (LT) panel for automatic tripping of the main LT ACB during voltage fluctuations, comprehensive replacement of the existing chiller panel with a new Motor Protection and Distribution Board (MPDB) Panel incorporating advanced protection features, systematic preventive maintenance activities including servicing of earth pits to maintain proper electrical grounding, comprehensive thermography testing of electrical panels to identify potential energy losses and safety hazards, thorough servicing and testing of all ACBs to ensure reliable operation, and descaling of chiller condensers and evaporators to maintain efficient cooling performance and reduce energy consumption. These energy conservation initiatives have resulted in improved operational efficiency, reduced energy consumption, enhanced equipment reliability, and strengthened safety protocols, demonstrating the Company's ongoing commitment to sustainable operations and environmental responsibility while achieving cost optimization through reduced energy expenses.

II) TECHNOLOGY ABSORPTION

Research and Development

1. SPECIFIC AREAS IN WHICH R&D IS CARRIED OUT BY THE COMPANY

SPARC operates on an innovation-driven, research-centric business model, with a strategic focus on

oncology and immunology. The Company specializes in developing small molecules and biologics aimed at global commercialization, including in the Indian market. Rather than engaging in direct commercialization, SPARC licenses its proprietary innovations to pharmaceutical partners, while generating revenue through structured out-licensing agreements, encompassing royalties on product sales, upfront licensing fees, and milestone-based payments tied to regulatory approvals and commercial success. Leveraging this model enables SPARC to maintain its core focus on advancing novel therapies, while its partners' drive widespread market adoption and enhance patient access to innovative treatments.

SPARC's expertise in biologics has led to the successful progression of SBO-154. The USFDA has issued a "Study May Proceed" letter for SBO-154's IND application. This Antibody-Drug Conjugate targets the MUC-1 antigen on tumor cells for the treatment of multiple cancers.

Additionally, SPARC's New Chemical Entity (NCE) SCD-153, developed for treatment of Alopecia Acreata completed Phase 1a study in healthy volunteers. The program is now being evaluated in Alopecia Acreata patients under Phase 1b Multiple Ascending Dose (MAD) study.

Beyond these, SPARC continues to advance multiple preclinical programs, expanding its drug development initiatives.

2. BENEFITS DERIVED AS A RESULT OF THE ABOVE R&D

Upon successful development and commercialization of ongoing programs, the programs are expected to play a pivotal role in addressing unmet medical needs and enhancing patient outcomes. By advancing innovative therapies, the Company aims to contribute to improved healthcare access, offering meaningful solutions that enhance quality of life for patients worldwide.

3. FUTURE PLAN OF ACTION

This is covered with the description of each product in (1) above. For more information, please refer to Management Discussion & Analysis (MD&A) section.

4. EXPENDITURE ON R&D

	(₹ in Lakh)	
	Year ended March 31, 2025	Year ended March 31, 2024
a) Capital	1,443.32	3,098.70
b) Revenue	39,904.31	47,933.70
c) Total	41,347.63	51,032.40
d) Total R&D expenditure as % of Total Turnover	576.14	675.52

III) FOREIGN EXCHANGE EARNINGS AND OUTGO

	(₹ in Lakh)	
	Year ended March 31, 2025	Year ended March 31, 2024
Earnings	168.37	64.40
Outgo	23,495.34	33,237.05

For and on behalf of the Board of Directors

Place: Mumbai
Date: May 19, 2025

Dilip S. Shanghvi
Chairman
(DIN: 00005588)

Corporate Governance Report

In compliance with Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), the Company submits the Corporate Governance Report for the financial year ended March 31, 2025 on the matters mentioned in the said regulations and lists the practices followed by the Company.

1. Company's Philosophy on Corporate Governance

The Company's philosophy on Corporate Governance is guided by strong emphasis on transparency, accountability, responsibility, fairness, integrity, consistent value systems and delegation across all facets of its operations leading to sharply focused and operationally efficient growth. The Company's belief on Corporate Governance is intended to support the management of the Company for competent conduct of its business and ensuring long term value for shareholders, as well as for customers, suppliers, employees and statutory authorities.

The Company is committed to implement the standards of good Corporate Governance and endeavours to preserve and nurture these core values in all its activities with an aim to increase and sustain its corporate value through growth and innovation.

The Company aims to adhere highest standards of transparency, integrity and accountability towards all its stakeholders by following governance policies. Thus, meeting its obligations to all stakeholders in a balanced and accountable manner and enhancing ethical corporate behaviour and fairness to all stakeholders comprising regulators, customers, vendors, investors and the society at large.

2. Global Code of Conduct

The Board of Directors of the Company has laid down the Global Code of Conduct in compliance with the requirements of Regulation 17(5) of the Listing Regulations for all board members and employees of the Company including its Subsidiary Company. This Global Code of Conduct serves as a guide for our daily business interactions, reflecting our standard for appropriate behaviour and our corporate values. The Global Code of Conduct is designed to prevent, detect, and address any allegations of misconduct, to provide guidance to personnel in recognizing and dealing with important ethical and legal issues and to foster a culture of honesty and accountability within the organization. All the Directors and senior management employees have affirmed compliance with the Global Code of Conduct as approved and adopted by the Board of Directors and a declaration to this effect signed by the Chief Executive Officer is annexed as **Annexure I**. The Global Code of Conduct is available on the website of the Company and may be accessed through the web link <https://sparc.life/statutory-disclosures/policies-and-codes/>

3. Board of Directors

Your Company actively seeks to adopt best practices and has a diverse Board whose wisdom and strength can be leveraged for increasing stakeholder's value, protection of their interests and better corporate governance.

In line with the applicable provisions of the Companies Act, 2013 ("Act") and the SEBI Listing Regulations, your Company's Board has Non-Executive Directors and half of the Board comprising of Independent Directors. Your Board comprises qualified members who collectively bring in the skills, expertise and competencies stated below that allow them to make effective contribution to the Board and its Committees as required in context of its business and to ensure highest standards of corporate governance.

3.1 Composition and category of Directors:

The Board comprises of six Non-Executive Directors out of which three are Independent Directors including Women Directors. The Composition of the Board is in conformity with Regulation 17 of Listing Regulations read with Section 149 of the Act. The names & categories of the Directors on the Board and inter-se relationship between them are detailed below:

Sr. No.	Name of Directors	Category	Inter-se Relationship between Directors
1	Mr. Dilip Shanghvi (Chairman) (DIN: 00005588)	Promoter and Non-Executive Director	Father of Ms. Vidhi Shanghvi
2	Ms. Vidhi Shanghvi* (DIN: 06497350)	Promoter Group and Non-Executive Director	Daughter of Mr. Dilip Shanghvi
3	Dr. T. Rajamannar (DIN: 01415412)	Non-Executive Director	--
4	Ms. Bhavna Doshi (DIN: 00400508)	Independent Director	--

Sr. No.	Name of Directors	Category	Inter-se Relationship between Directors
5	Dr. Ferzaan Engineer (DIN: 00025758)	Independent Director	--
6	Dr. Robert Spiegel (DIN: 08739625)	Independent Director	--

*Ms. Vidhi Shanghvi was appointed as an Additional Non-Executive Director with effect from July 15, 2024 and her appointment as Director of the Company was approved by shareholders at the 19th Annual General Meeting of the Company held on August 12, 2024.

Note- Mr. Sudhir Valia retired from the Board of Directors of the Company as a Director on August 12, 2024

3.2 Other Directorships:

Attendance of each Director at the Board meetings, previous Annual General Meeting (AGM), and number of other Directorships and Memberships/Chairmanships of Committee are given below:

Sr. No.	Name of Directors	No. of other directorships and committee memberships / chairmanships as of March 31, 2025 ¹			Directorship in other listed companies as of March 31, 2025	Category of Directorship
		Other Director Ships	Committee Member ships ²	Committee Chairman ships ²		
1	Mr. Dilip Shanghvi	1	1	-	Sun Pharmaceutical Industries Limited	Managing Director
2	Ms. Vidhi Shanghvi*	-	-	-	-	-
3	Dr. T. Rajamannar	-	-	-	-	-
4	Ms. Bhavna Doshi	5	7	3	The Great Eastern Shipping Company Limited IndusInd Bank Limited Nuvoco Vistas Corporation Limited KPIT Technologies Limited Alkyle Amines Chemicals Ltd.	Independent Director Independent Director Independent Director Independent Director Independent Director
5	Dr. Ferzaan Engineer	-	-	-	-	-
6	Dr. Robert Spiegel	-	-	-	-	-

¹ Does not include Directorships, Committee Memberships / Chairmanships in Sun Pharma Advanced Research Company Ltd, Private Companies, Foreign Companies, high value debt listed entities and Companies incorporated under section 8 of the Act.

² For Audit and Stakeholders' Relationship Committee only.

*Ms. Vidhi Shanghvi has been appointed as Non Executive Director with effect from July 15, 2024.

Note- Mr. Sudhir Valia retired from Board of Directors of the Company as a Director on August 12, 2024.

3.3 Meetings and Attendance

Six Board meetings were held during the financial year ended March 31, 2025 i.e. May 24, 2024, June 3, 2024, July 15, 2024, August 05, 2024, November 04, 2024 and February 10, 2025. The 19th Annual General Meeting (“AGM”) was held on August 12, 2024. Details of attendance of the Board members

Sr. No.	Name of Directors	Attendance						No. of Meetings entitled to attend	No. of Meetings attended	Whether attended 19 th AGM?
		May 24, 2024	June 3, 2024	July 15, 2024	August 05, 2024	November 04, 2024	February 10, 2025			
1	Mr. Dilip Shanghvi	Yes	Yes	Yes	Yes	Yes	Yes	6	6	Yes
2	Ms. Vidhi Shanghvi*	-	-	-	Yes	Yes	Yes	3	3	Yes
3	Mr. Sudhir Valia**	Yes	Yes	Yes	Yes	-	-	4	4	Yes
4	Dr. T. Rajamannar	Yes	Yes	Yes	Yes	Yes	Yes	6	6	Yes
5	Ms. Bhavna Doshi	Yes	Yes	Yes	Yes	Yes	Yes	6	6	Yes

Sr. No.	Name of Directors	Attendance						No. of Meetings entitled to attend	No. of Meetings attended	Whether attended 19 th AGM?
		May 24, 2024	June 3, 2024	July 15, 2024	August 05, 2024	November 04, 2024	February 10, 2025			
6	Dr. Ferzaan Engineer	Yes	Yes	Yes	Yes	Yes	Yes	6	6	Yes
7	Dr. Robert Spiegel	Yes	Yes	Yes	Yes	Yes	Yes	6	6	Yes

*Ms. Vidhi Shanghvi has been appointed as a Non-Executive Director with effect from July 15, 2024.

**Mr. Sudhir Valia retired from the Board of Directors of the Company as a Director on August 12, 2024.

3.4 Shares/convertible instruments held by Non-Executive Directors:

Details of equity shares held by Non-Executive Directors as on March 31, 2025

Name of Directors	No. of shares held (singly or jointly as first holder)
Mr. Dilip Shanghvi	6,18,10,660
Ms. Vidhi Shanghvi	3,44,081
Dr. T. Rajamannar	35,657
Ms. Bhavna Doshi	Nil
Dr. Ferzaan Engineer	Nil
Dr. Robert Spiegel	Nil

3.5 Familiarization Program for Independent Directors:

The Company has designed a Familiarisation Programme for its Independent Directors to provide insight into the Company to enable the Independent Directors to understand its business in depth, functionalities of the Company and to assist them in performing their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model, operations of the Company, etc as Independent Directors of the Company. They are also informed of the important policies of the Company including the Global Code of Conduct for Board Members and all employees and the Global Code of Conduct to regulate, monitor and report trading by insiders, etc.

Periodic presentations are made at the Board and Committee meetings on business, programmes, products and performance updates of the Company. Apart from the Board & Committee meetings, Strategy meets are also organized to discuss the Company's future strategy and goals, opportunities, challenges, etc.

The familiarization program and details of familiarization sessions for Independent Directors held during the

financial year ended March 31, 2025 in terms of provisions of Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been disclosed on the website of the Company and can be accessed through the following weblink - <https://sparc.life/statutory-disclosures/board-of-directors/>

3.6 Independent Directors' Meeting

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 25(3) & (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it mandates that the Independent Directors of the Company shall hold at least 1 (One) meeting in a year, without the presence of Non-Independent Directors and members of the management.

During the year under review, the Independent Directors meeting was held on March 21, 2025, without the attendance of Non-Independent Directors and members of the Management. At the meeting, the Independent Directors reviewed inter alia the performance of Non-Independent Directors and Board as a whole.

3.7 Skills/Expertise/Competence of the Board

In compliance with Listing Regulations, the Board, on the recommendation of the Nomination and Remuneration Committee, has identified the core skills/expertise/competencies required in the context of Company's business(es) and sector(s) for it to function effectively. The particulars of such skills/ expertise competence and Directors who possess the same are as follows:

Expertise in one or more of the following	Skills	Behavioral Traits
Technical	Strategic Thinking/Planning Skills	Integrity
Finance & Accounts	Critical Thinking / Problem Solving Skills	Genuine Interest
Legal/ Regulatory	Analytical Skills	Curiosity and Courage
Governance	Decision Making Skills	Instinct

Expertise in one or more of the following	Skills	Behavioral Traits
Industry Knowledge	Leadership Skills	Interpersonal skills / Communication
Business & Risk Management		Active Contributor
Human Resources		
Public Relations / Media		

The expertise of the Board Members is given below:

Expertise	Name of the Director					
	Mr. Dilip Shanghvi	Ms. Vidhi Shanghvi	Dr. T. Rajamannar	Ms. Bhavna Doshi	Dr. Ferzaan Engineer	Dr. Robert Spiegel
Technical	✓		✓		✓	✓
Finance & Accounts	✓	✓		✓		
Legal/ Regulatory						✓
Governance	✓	✓	✓	✓	✓	
Industry Knowledge	✓	✓	✓		✓	✓
Business & Risk Management	✓	✓	✓	✓	✓	✓
Human Resources	✓					
Public Relations / Media	✓	✓				✓
Skills	✓	✓	✓	✓	✓	✓
Behavioral Traits	✓	✓	✓	✓	✓	✓

3.8 Confirmation

The Board confirms that, in its opinion, the Independent Directors fulfil the conditions specified in the Listing Regulations as amended from time to time and they are independent from the management.

4. Committees of the Board

4.1 Audit Committee

The Audit Committee is constituted and functions in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Accordingly, the Audit Committee of the Board comprises of four Members, of whom, three members including the Chairperson are Independent Directors viz. Ms. Bhavna Doshi, Dr. Ferzaan Engineer, Dr. Robert Spiegel and one member is Non-executive Director viz. Ms. Vidhi Shanghvi.

There has been one change in the composition of the Committee during the year, Mr. Sudhir Valia retired from the Board of Directors of the Company as a Director on August 12, 2024 and subsequently from the membership of the Committee with effect from August 12, 2024 and Ms. Vidhi Shanghvi was appointed as the Committee Member with effect from August 5, 2024.

The Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Internal Auditors and Statutory Auditors also attend the Audit Committee Meetings from to time as may be required.

Ms. Kajal Damania, the Company Secretary & Compliance Officer acts as the secretary to the Audit Committee.

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

The terms of reference of the Audit Committee, inter alia, include the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing with the management, quarterly, half-yearly and annual financial statements and auditor's report thereon, before submission to the Board for approval with particular reference to:
 - a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b) changes, if any, in accounting policies and practices and reasons for the same;
 - c) major accounting entries involving estimates based on the exercise of judgment by management;
 - d) significant adjustments made in the financial statements arising out of audit findings;

- e) compliance with listing and other legal requirements relating to financial statements;
- f) disclosure of any related party transactions;
- g) modified opinion(s) in the draft audit report.
- Reviewing with the management, the statement of uses /application of funds raised through an issue (public issue, rights issue, preferential issue, etc.) including the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 - Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary based on the threshold limits specified as per the SEBI Listing Regulations;
 - Reviewing and monitor the auditor's independence and performance, and effectiveness of audit process;
 - Approval of transactions with related parties and any subsequent modification of such transactions in accordance with the Act read with the rules made thereunder and the SEBI Listing Regulations;
 - Scrutiny of inter-corporate loans and investments;
 - Reviewing the valuation of undertakings or assets of the Company, wherever necessary;
 - Evaluation of internal financial controls and risk management systems;
 - Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - Discussion with internal auditors of any significant findings, and follow up there on;
 - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 - Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any;
 - Reviewing the functions of the Whistle Blower Mechanism/Vigil Mechanism;
 - Approval of appointment of Chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
 - Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- The information mandatorily reviewed by the Committee, inter alia, include the following:
- Management Discussion & Analysis of financial condition and results of operations;
 - Internal audit reports relating to internal control weaknesses;
 - Statement of deviations in terms of Regulation 32 of the SEBI Listing Regulations;
- The Committee has discussed with the Statutory Auditors and Internal Auditors about their audit methodology, audit planning and significant observations / suggestions.
- 4 (four) Audit Committee Meetings were held during the financial year ended March 31, 2025 on the following dates:
- (i) May 24, 2024 (ii) August 05, 2024 (iii) November 04, 2024 and (iv) February 10, 2025.
- The composition of the Audit Committee along with attendance at its meeting is detailed below:

Sr. No.	Name of Director	Category of Directorship	Nature of Membership	No. of Meetings	
				Entitled to attend	Attended
1	Ms. Bhavna Doshi	Independent Director	Chairperson	4	4
2	Dr. Ferzaan Engineer	Independent Director	Member	4	4
3	Dr. Robert Spiegel	Independent Director	Member	4	4
4	Mr. Sudhir Valia*	Non-Executive Director	Member	2	2
5	Ms. Vidhi Shanghvi **	Non-Executive Director	Member	2	2

*Mr. Sudhir Valia retired from the Board of Directors of the Company as a Director on August 12, 2024 and ceased to be a member of the Committee.

**Ms. Vidhi Shanghvi, Non-Executive Director has been appointed as a member of the Committee with effect from August 5, 2024.

4.2 Nomination and Remuneration Committee

The Nomination and Remuneration Committee is constituted and functions in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Nomination and Remuneration Committee (“NRC”) comprises of three members and all are Independent Directors viz. Ms. Bhavna Doshi, Dr. Ferzaan Engineer and Dr. Robert Spiegel.

The Chief Executive Officer, Chief Financial Officer are the invitees to the meetings. Ms. Kajal Damania, the Company Secretary & Compliance Officer acts as the secretary to the Nomination and Remuneration Committee.

The terms of reference of the Committee, inter alia, include the following:

- Identify the candidates who are qualified to be appointed as Director, Key Managerial Personnel and Senior Management Personnel and recommend to the Board their appointment and removal.
- Devise a policy on Board Diversity.

- Formulate criteria for evaluation of Independent Directors and the Board.
- Formulate criteria for evaluation of the Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
- Recommendation whether to extend or continue the terms of appointment of Independent Directors on the basis of the Report of Performance evaluation of Independent Directors.
- Approval for grant of stock options, if any to Directors and employees.
- Recommend to the board, all remuneration, in whatever form, payable to ‘Senior Management’.

5 (five) meetings of the Committee were held during the financial year ended March 31, 2025 on the following dates:

(i) May 24, 2024 (ii) July 15, 2024 (iii) August 05, 2024 (iv) November 04, 2024 and (v) February 10, 2025.

The composition of the NRC Committee along with attendance at its meeting is detailed below:

Sr. No.	Name of Director	Category of Directorship	Nature of Membership	No. of Meetings	
				Entitled to attend	Attended
1	Dr. Ferzaan Engineer	Independent Director	Chairman	5	5
2	Ms. Bhavna Doshi	Independent Director	Member	5	5
3	Dr. Robert Spiegel	Independent Director	Member	5	5

Performance evaluation criteria for Individual Directors

NRC has adopted the performance evaluation criteria for Independent Directors which is in-line with the Guidance Note of SEBI and ICSI on Board Evaluation. The said criteria provide certain parameters like knowledge, competency, fulfillment of functions, availability and attendance, initiative, integrity, contribution, independence and independent views and judgement. The details of the performance evaluation carried out for the financial year is provided in the Board’s Report forming part of this Annual Report.

There has been one change in the composition of the Committee during the year, Mr. Sudhir Valia retired from the Board of Directors of the Company as a Director on August 12, 2024 and consequently ceased to be the member of the Committee with effect from August 12, 2024 and Ms. Vidhi Shanghvi was appointed as the Committee Member with effect from August 5, 2024.

Ms. Kajal Damania, the Company Secretary & Compliance Officer acts as the secretary to the Stakeholders’ Relationship Committee.

The terms of reference of the Committee, inter alia, include the following:

- Overseeing and reviewing of all matters connected with resolving the grievances of the security holders of the Company.
- Approving transfer, transmission and issue of share certificates.

4.3 Stakeholders’ Relationship Committee

The Stakeholders’ Relationship Committee is constituted and functions in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Stakeholders’ Relationship Committee (“SRC”) comprises of three members, of whom, two non-executive Directors viz. Dr. T. Rajamannar, Ms. Vidhi Shanghvi and one independent Director viz. Dr. Ferzaan Engineer.

- Overseeing the performance of the Registrar and Share Transfer Agent and recommend measures for overall improvement in the quality of investor services and review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Reviewing of measures taken for effective exercise of voting rights by shareholders.
- Reviewing various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- Seeking information from the Registrar and Share Transfer Agent.

4 (four) meetings of the Committee were held during the financial year ended March 31, 2025 on following dates:

(i) May 24, 2024 (ii) August 05, 2024 (iii) November 04, 2024 and (iv) February 10, 2025.

The composition of the SRC Committee along with attendance at its meeting is detailed below:

Sr. No.	Name of Director	Category of Directorship	Nature of Membership	No. of Meetings	
				Entitled to attend	Attended
1	Dr. T. Rajamannar	Non-Executive Director	Chairman	4	4
2	Mr. Sudhir Valia *	Non-Executive Director	Member	2	2
3	Dr. Ferzaan Engineer	Independent Director	Member	4	4
4	Ms. Vidhi Shanghvi**	Non-Executive Director	Member	2	2

*Mr. Sudhir Valia retired from the Board of Directors of the Company as a Director on August 12, 2024 and ceased to be a member of the Committee with effect from August 12, 2024.

**Ms. Vidhi Shanghvi, Non-Executive Director has been appointed as a member of the Committee with effect from August 5, 2024.

Shareholders Complaints

Details of the number of shareholders' complaints received, complaints resolved to the satisfaction of shareholders and number of pending complaints during the financial year are mentioned below:

Particulars	No. of complaints
Pending at the beginning of the year	-
Received during the year	1
Resolved during the year	1
Pending at the end of the year	-

4.4 Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee is constituted in line with the provisions of Section 135 of the Companies Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company's Corporate Social Responsibility Committee ("CSR Committee") comprises three Directors, of whom, two Non-Executive Directors viz Mr. Dilip Shanghvi and Ms. Vidhi Shanghvi, and one independent director viz Ms. Bhavna Doshi.

There has been one change in the composition of the Committee during the year, Mr. Sudhir Valia retired from the Board of Directors of the Company as a Director on August 12, 2024 and consequently ceased from the member of the

Committee with effect from August 12, 2024 and Ms. Vidhi Shanghvi was appointed as the Committee Member with effect from August 5, 2024.

Ms. Kajal Damania, the Company Secretary & Compliance Officer acts as the secretary to the CSR Committee.

The terms of reference of the Corporate Social Responsibility Committee, inter alia, include the following:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy (CSR Policy) which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- To monitor the CSR Policy of the Company from time to time.
- To recommend the amount of expenditure to be incurred on the activities referred above.
- To monitor amount spent on the CSR initiatives of the Company as per the CSR Policy.

1 (one) meeting of the Committee was held during the financial year ended March 31, 2025 on May 24, 2024.

The composition of the CSR Committee along with attendance at its meeting is detailed below:

Sr. No.	Name of Director	Category of Directorship	Nature of Membership	No. of Meetings	
				Entitled to attend	Attended
1	Mr. Dilip Shanghvi*	Non-Executive Director	Chairman from August 12, 2024	1	1
1	Mr. Sudhir Valia*	Non-Executive Director	Chairman upto August 12, 2024	1	1
3	Ms. Bhavna Doshi	Independent Director	Member	1	1
4	Ms. Vidhi Shanghvi**	Non-Executive Director	Member	0	0

*Mr. Sudhir Valia retired from the Board of Directors of the Company as a Director on August 12, 2024 and ceased to be a member of the Committee and Mr. Dilip Shanghvi has been appointed as the Chairman of the Committee.

**Ms. Vidhi Shanghvi, Non-Executive Director has been appointed as a member of the Committee with effect from August 5, 2024.

4.5 Fund Management Committee

The Board of Directors of the Company has constituted a Fund Management Committee ("FMC") to oversee the deployment of funds raised by the Company through new issues/ loans & internal accrual in various research projects & to meet general corporate expenditures of the Company. As on March 31, 2025, the Committee comprises four Directors, of whom, two non-executive Directors viz. Mr. Dilip Shanghvi and Ms. Vidhi Shanghvi and two independent directors viz. Ms. Bhavna Doshi and Dr. Robert Spiegel.

There has been one change in the composition of the Committee during the year, Mr. Sudhir Valia retired from the Board of Directors of the Company as a Director on August

12, 2024 and consequently ceased to be a member of the Committee with effect from August 12, 2024 and Ms. Vidhi Shanghvi was appointed as the Committee Member with effect from August 5, 2024.

Ms. Kajal Damania, the Company Secretary & Compliance Officer acts as the secretary to the FMC.

4 (four) meetings of the Committee were held during the financial year ended March 31, 2025 on following dates:

(i) May 24, 2024 (ii) August 05, 2024 (iii) November 04, 2024 and (iv) February 10, 2025

The composition of the FMC Committee along with attendance at its meeting is detailed below:

Sr. No.	Name of Director	Category of Directorship	Nature of Membership	No. of Meetings	
				Entitled to attend	Attended
1	Mr. Dilip Shanghvi*	Non-Executive Director	Chairman from August 12, 2024	4	4
2	Mr. Sudhir Valia *	Non-Executive Director	Chairman upto August 12, 2024	2	2
3	Ms. Vidhi Shanghvi**	Non-Executive Director	Member	2	2
4	Ms. Bhavna Doshi	Independent Director	Member	4	4
5	Dr. Robert Spiegel	Independent Director	Member	4	4

*Mr. Sudhir Valia retired from the Board of Directors of the Company as a Director on August 12, 2024 and ceased to be a member of the Committee and Mr. Dilip Shanghvi has appointed as the Chairman of the Committee.

**Ms. Vidhi Shanghvi, Non-Executive Director has been appointed as a member of the Committee with effect from August 5, 2024.

4.6 Securities Allotment Committee

The Board of Directors of the Company has constituted a Securities Allotment Committee ("SAC") to consider and approve allotment of shares and other securities including warrants and securities convertible into shares that may be issued by the Company from time to time. As on March 31, 2025, the Committee comprises of four Directors, of whom, three non-executive directors viz. Mr. Dilip Shanghvi, Ms. Vidhi Shanghvi and Dr. T Rajamannar and one independent director viz. Ms. Bhavna Doshi.

There has been one change in the composition of the Committee during the year, Mr. Sudhir Valia retired from the Board of Directors of the Company as a Director on August 12, 2024 and consequently ceased to be a member of the Committee with effect from August 12, 2024 and Ms. Vidhi Shanghvi was appointed as the Committee Member with effect from August 5, 2024.

Ms. Kajal Damania, the Company Secretary & Compliance Officer acts as the secretary to the Securities Allotment Committee.

The Company has not allotted any shares during financial year ended March 31, 2025 and hence no committee meeting was held during the financial year 2024-25.

4.7 Risk Management Committee

The Risk Management Committee ("RMC") comprises of four members, of whom, three Directors, two non-executive directors viz. Mr. Dilip Shanghvi and Ms. Vidhi Shanghvi and one Independent Director, Ms. Bhavna Doshi and Mr. Anilkumar Raghavan, CEO of the Company is a member of the Committee. The Chief Financial Officer is invited to participate at the meetings of the RMC.

There has been one change in the composition of the Committee during the year, Mr. Sudhir Valia retired from the Board of Directors of the Company as a Director on August 12, 2024 and consequently ceased to be a member of the Committee with effect from August 12, 2024 and Ms. Vidhi Shanghvi was appointed as the Committee member with effect from August 05, 2024.

The primary responsibility of the RMC is to assist the Board in monitoring and reviewing the risk management plan, implementation of the risk management framework of

the Company and defined its roles and responsibilities in accordance with the provisions of Regulation 21 of the Listing Regulations, 2015.

Ms. Kajal Damania, the Company Secretary & Compliance Officer acts as the secretary to the RMC.

The terms of reference of the Risk Management Committee, inter alia, include the following:

- To formulate a detailed Risk Management Policy which shall include:
 - a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - b. Measures for risk mitigation including systems and processes for internal control of identified risks.
 - c. Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

2 (two) meetings of the Committee were held during the financial year ended March 31, 2025 on following dates:

(i) August 20, 2024 and (ii) March 07, 2025

The composition of the RMC Committee along with attendance at its meeting is detailed below:

Sr. No.	Name of Director	Category of Directorship	Nature of Membership	No. of Meetings	
				Entitled to attend	Attended
1	Mr. Dilip Shanghvi	Non-Executive Director	Chairman	2	2
2	Ms. Vidhi Shanghvi*	Non-Executive Director	Member	2	2
3	Ms. Bhavna Doshi	Independent Director	Member	2	2
4	Mr. Anilkumar Raghavan	Chief Executive Officer	Member	2	2

*Ms. Vidhi Shanghvi, Non-Executive Director has been appointed as a member of the Committee with effect from August 5, 2024.

Note- Mr. Sudhir Valia retired from the Board of Directors of the Company as a Director on August 12, 2024 and ceased to be a member of the Committee.

4.8 Senior Management

The NRC reviews the criteria in accordance with the definition of Senior Management Personnel as prescribed by the Listing Regulations, and the following individuals are identified as the Senior Management Personnel.

(i) Senior Management as on March 31, 2025

Sr. No.	Name of the Senior Management Personnel	Designation & Role	Category [#]
1	Mr. Anilkumar Raghavan	Chief Executive Officer	KMP & CMT Member
2	Mr. Anup Rathi*	Chief Financial Officer	KMP & CMT Member
3	Dr. Nitin Dharmadhikari	Chief Operating Officer	CMT Member
4	Dr. Nitin Damle	Executive Vice President, Biologics	CMT Member
5	Dr. Shravanti Bhowmik	Vice President, Operations Management	CMT Member
6	Dr. Vikram K. Ramanathan	Senior Vice President, Preclinical Development	CMT Member
7	Dr. Yashoraj Zala	Senior Vice President, Drug Delivery System	CMT Member
8	Dr. Mudgal Kothekar**	Vice President – Clinical Development	CMT Member
9	Dr. Sandeep Inamdar**	Vice President – Clinical Development	CMT Member
10	Ms. Shanta Gupta	Chief Human Resource Officer	CMT Member
11	Ms. Kajal Damania	Company Secretary	KMP

[#] Core Management Team Member ("CMT Member") / Key Managerial Person ("KMP")

*Anup Rathi has been appointed as the Chief Financial Officer of the Company w.e.f. June 06, 2024 in place of Mr. Chetan Rajpara.

** Dr. Mudgal Kothekar and Dr. Sandeep Inamdar has been designated as CMT Member of the Company effective from July 26, 2024.

(ii) Changes in Core Management Team during FY 2024-25

- During the year, Mr. Chetan Rajpara resigned as a Chief Financial Officer of the Company with effect from June 05, 2024.
- Dr. Venkat Palle has been transferred to SPARCLIFE Inc., Wholly Owned Subsidiary of the Company and he is no longer be a part of the Core Management of SPARC with effect from January 17, 2025.

Pursuant to applicable provisions of the Act, the non-executive directors are entitled to receive the sitting fees for attending the Board and Committee meetings.

b. Remuneration Policy

The key highlights of the remuneration policy for the Directors, Key Managerial Personnel and other employees of the Company as approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee are as follows:

i) Guiding principles for remuneration: The Company shall remunerate all its personnel reasonably and sufficiently as per industry benchmarks and standards. The remuneration be commensurate to retain and motivate the human resources of the Company. The compensation package will, inter alia, take into account the experience of the personnel, the knowledge & skill required including complexity of the job, work duration and risks associated with the work and attitude of the worker like positive outlook, team work, loyalty etc.

ii) Components of remuneration: The following will be the various remuneration components which may be paid to the personnel of the Company based on the designation and class of the personnel.

Fixed compensation: The fixed salaries of the Company's personnel shall be competitive and based on the individual personnel's responsibilities and performance.

5. Remuneration of Directors

a. Criteria for performance evaluation of individual directors

Based on the recommendation of the Nomination and Remuneration Committee and as approved by the Board, the performance of the individual Directors is evaluated annually on the basis of criteria such as qualifications, experience, knowledge & competency, fulfilment of functions, ability to function as a team, initiative, availability and attendance, commitment (as a director), contribution.

Further, each individual independent director is reviewed, based on the additional criteria of independence and independent views & judgment. Similarly, the performance of the Chairman is evaluated based on the additional criteria such as effectiveness of leadership and ability to steer the meetings, impartiality, commitment (as the Chairman) and ability to keep shareholders' interests in mind.

Variable compensation: The personnel of the Company may be paid remuneration by way of variable salaries based on their performance evaluation. Such variable salaries should be based on the performance of the individual against his short and long term performance objectives and the performance of the Company.

Share based payments: The Board may, on the recommendation of the Nomination and Remuneration Committee, issue to certain class of personnel a share and share price related incentive program.

Non-monetary benefits: Senior management personnel of the Company may, on a case to case basis, be awarded customary non-monetary

benefits such as discounted salary advance / credit facility, rent free accommodation, company car with or without chauffer, reimbursement of electricity and telephone bills, etc.

Gratuity / group insurance: Personnel may also be awarded to group insurance and other key man insurance protection. Further as required by the law necessary gratuity shall be paid to the personnel.

Commission: The directors may be paid commission, if approved by the shareholders. The shareholders may authorize the Board to declare commission to be paid to any director of the Board.

- iii) **Entitlement:** The authority to determine the entitlement to various components as aforesaid for each class and designation of personnel shall be as follows:

Designation / Class	To be determined by
Director	Members on recommendation of Nomination and Remuneration Committee and the Board
Key Managerial Personnel	Board on recommendation of the Nomination and Remuneration Committee
Other employees	Human Resources Head

c. Details of remuneration paid / payable to all the directors for the year

All the Directors of the Company are Non-Executive Directors and are paid sitting fees of ₹ 30,000 for attending each meeting of the Board or of Committee thereof. During the year under review, apart from sitting fees and reimbursement of expenses, if any, there were no pecuniary relationship or transactions between the Non-Executive Directors and the Company.

The details of the remuneration paid/payable to the Directors for the financial year 2024-25 are given below:

(₹ In Lakhs)

Sr. No.	Name of Directors	Salary	Bonus	Perquisites/Benefits	Sitting Fees	Total
1	Mr. Dilip Shanghvi	-	-	-	3.90	3.90
2	Mr. Sudhir Valia *	-	-	-	3.30	3.30
3	Dr. T. Rajamannar	-	-	-	3.00	3.00
4	Ms. Bhavna Doshi	-	-	-	6.90	6.90
5	Dr. Ferzaan Engineer	-	-	-	6.00	6.00
6	Dr. Robert Spiegel	-	-	-	6.00	6.00
7	Ms. Vidhi Shanghvi	-	-	-	4.80	4.80

*Mr. Sudhir Valia retired from the Board of Directors of the Company as a Director on August 12, 2024 and Ms. Vidhi Shanghvi has been appointed as a Non-Executive Director with effect from July 15, 2024.

Note: - The Company presently does not have a scheme for grant of stock options either to the Directors, KMPs or to the employees of the Company. There is no separate provision for payment of severance fee to Directors.

6. General Body Meetings

(i) General Meetings:

a) Annual General Meeting (AGM):

Year	Meeting	Location	Date	Time	Special Resolution(s) passed at the General Meeting
2021-22	17 th AGM	Pursuant to circular(s) issued by the Ministry of Corporate Affairs (MCA) from time to time, the meeting was held through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") and is deemed to held at the registered office of the Company at Plot No. 5&6/1, Savli G.I.D.C. Estate, Savli – Vadodara Highway, Manjusar – 391775, Vadodara, Gujarat,	September 22, 2022	05:00 PM	1. Approved raising of the funds through equity shares, convertible warrants, preference shares/ bonds / debentures / any other instruments whether convertible into equity or not, American Depository Receipts ("ADRs"), Global Depository Receipts ("GDRs"), Foreign Currency Convertible Bonds ("FCCBs"), etc. (Passed as an enabling special resolution)
2022-23	18 th AGM	Pursuant to circular(s) issued by the Ministry of Corporate Affairs (MCA) from time to time, the meeting was held through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") and is deemed to held at the registered office of the Company at Plot No. 5&6/1, Savli G.I.D.C. Estate, Savli – Vadodara Highway, Manjusar – 391775, Vadodara, Gujarat,	August 07, 2023	03:30 PM	1. To approve the maximum remuneration of Mr. Anilkumar Raghavan, Manager and Whole-time Key Managerial Personnel of the Company, designated as Chief Executive Officer (CEO), for further period of two years i.e. from May 25, 2024 to May 24, 2026. 2. To increase the limits applicable for making investments / extending loans and giving guarantees or providing securities in terms of Section 186 of the Companies Act, 2013. 3. To approve raising of funds through equity shares, convertible warrants, preference shares/ bonds / debentures /any other instruments whether convertible into equity or not, American Depository Receipts ("ADRs"), Global Depository Receipts ("GDRs"), Foreign Currency Convertible Bonds ("FCCBs"), etc. (Passed as an enabling special resolution)
2023-24	19 th AGM	Pursuant to circular(s) issued by the Ministry of Corporate Affairs (MCA) from time to time, the meeting was held through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") and is deemed to held at the registered office of the Company at Plot No. 5&6/1, Savli G.I.D.C. Estate, Savli – Vadodara Highway, Manjusar – 391775, Vadodara, Gujarat,	August 12, 2024	04:00 PM	1. To Re-appoint Dr. Robert J. Spiegel (DIN: 0008739625) as an Independent Director of the Company for further term of five years. 2. To approve raising of funds through equity shares, convertible warrants, preference shares/ bonds / debentures /any other instruments whether convertible into equity or not, American Depository Receipts ("ADRs"), Global Depository Receipts ("GDRs"), Foreign Currency Convertible Bonds ("FCCBs"), etc. (Passed as an enabling special resolution)

b) Extra-Ordinary General Meetings (EGM):

No EGM of the members was held during the financial year 2024-25.

(ii) Postal Ballot

The Company did not pass any resolution by Postal Ballot during the financial year 2024-25. Further, there is no immediate proposal for passing any resolution through postal ballot.

7. Material Subsidiary

Details of Material Subsidiary of the Company, identified as per the criteria prescribed under Regulation 16 and Regulation 24 of the Listing Regulations, for the year ended March 31, 2025 are as follows:

Sr. No	Name of the Material Unlisted Subsidiary Company	Date of Incorporation/ Acquisition	Place of Incorporation	Name and Date of Appointment of the Statutory Auditors	Company's Independent Director on the Material Unlisted Subsidiary*
1	SPARCLIFE Inc	September 25, 2023	Delaware, USA	Not Applicable	Dr. Robert Spiegel

Note: *Independent Directors are appointed pursuant to obligation under Regulation 24 of Listing Regulations, wherever applicable

The policy for determining "Material Subsidiaries" has been uploaded on the website of the Company and can be accessed through the following weblink: <https://sparc.life/statutory-disclosures/policies-and-codes/>

8. Related Party Transactions ("RPT")

The Company enters into transactions with related parties as defined under Section 2(76) of the Companies Act, 2013, in its ordinary course of business. All the RPTs are undertaken in compliance with the provisions set out in Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy on Related Party Transactions as approved by the Board is available on the website of the Company, <https://sparc.life/statutory-disclosures/policies-and-codes/>

The transactions with Related Parties are referred to the Audit Committee for its approval at the scheduled quarterly meetings or as may be called upon from time to time along with all the relevant and stipulated information of such transaction(s).

All contracts/ arrangements/ transactions entered by the Company during the year under review with the related parties were in the ordinary course of business and on an arm's length basis. The transactions entered into pursuant to the omnibus and specific approvals, are reviewed periodically by the Audit Committee.

9. Utilization of Funds Raised

Pursuant to Regulation 32 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, there is no deviation or variation in the use of proceeds, from the objects stated in the explanatory statement to the resolution contained in the Notice dated May 12, 2021 of the extra-ordinary general meeting of the Company and /or the Private Placement Offer cum Application Letter dated June 08, 2021 for the Preferential Issue of the Company.

Name of listed entity	Sun Pharma Advanced Research Company Ltd.
Mode of Fund Raising	Preferential Issue
Date of Raising Funds	June 28, 2021 till January 06, 2023
Amount Raised	1,11,203.87 Lakhs
Report filed for Quarter ended	June 30, 2024
Monitoring Agency	Not Applicable
Monitoring Agency Name, if applicable	Not Applicable
Is there a Deviation / Variation in use of funds raised	No
If yes, whether the same is pursuant to change in terms of a contract or objects, which was approved by the shareholders	Not Applicable
If Yes, Date of shareholder Approval	Not Applicable
Explanation for Deviation / Variation	Not Applicable
Comments of the Audit Committee after review	No Comments
Comments of the auditors, if any	No Comments

Objects for which funds have been raised and where there has been a deviation, in the following table

Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilized till March 31, 2025	Amount of Deviation/ Variation for the quarter according to applicable object	Remarks, if any
Funding Company's research and development activities and general corporate purposes and for any other purpose as may be decided and approved by the Board	Not Applicable	₹ 1,11,203.87 Lakhs (62474082 warrants @ ₹ 178 per warrant)	Not Applicable	₹ 1,11,203.87 Lakhs	Not Applicable	--

10. Prevention of Insider Trading

The Company has adopted an Insider Trading Policy to regulate, monitor and report trading by insider under the SEBI (Prohibition of Insider Trading) Regulation, 2015. This policy also includes practices and procedures for fair disclosure of Unpublished Price Sensitive Information, initial and continual disclosure.

The Company's Global Code of Conduct for Prevention of Insider Trading covers all the Directors, Senior Management Personnel, persons forming part of Promoter(s)/Promoter group(s) and such other designated employees of the Company, who are expected to have access to unpublished price sensitive information relating to the Company. The Directors, their relatives, Senior Management Personnel, persons forming part of Promoter(s)/ Promoter group(s), designated employees, etc. are restricted in purchasing, selling and dealing in the shares of the Company while in possession of unpublished price sensitive information about the Company as well as during certain periods known as "Trading Window Closure Period". All the Directors, Senior Management Personnel, persons forming part of the Promoter(s)/ Promoter group(s) and other designated employees of the Company are restricted from entering into any contra trade i.e., buy or sell any number of shares during the next six months following the prior transaction.

The Company's Code of practices and procedures for fair disclosure of unpublished price sensitive information is available on the website of the Company, <https://sparc.life/statutory-disclosures/policies-and-codes/>

11. Means of Communication

a. Quarterly Financial Results: The quarterly, half-yearly and annual Financial Results are posted by the Company on its website and are also submitted to the stock exchanges in accordance with the Listing Regulations.

- Newspapers wherein results are published: The quarterly financial results are published in all English Editions and in Gujarati Edition (Published in Ahmedabad) of Financial Express.
- Website: The Company's website i.e. <https://sparc.life/> contains a dedicated investors section where relevant shareholders' information is available. The Annual Report is available on the website in a user friendly and downloadable form. Apart from this, official news releases and media presentations to analysts are displayed on the Company's website.
- Corporate Filing: Announcements, quarterly results, shareholding pattern etc. are regularly filed by the Company with the stock exchanges and are available on the websites of BSE Ltd. - www.bseindia.com and the National Stock Exchange of India Ltd. - www.nseindia.com and also on the website of the Company at <https://sparc.life/>.
- Annual Report: Annual Report containing Audited Annual Accounts along with Auditor's Report, Consolidated Annual Accounts, Board's Report, Business Responsibility and Sustainability Report, Corporate Governance Report, the Management Discussion and Analysis Report and other important information are circulated to the Members entitled thereto through permitted mode(s).
- Investor Presentation: The Company also makes periodic presentations to analysts and conference call with the analysts and investors, to allow them to raise their queries directly to the management. A copy of all such presentations are filed with the stock exchanges and also made available by the Company on its website, <https://sparc.life/presentations/>

12. General Shareholder Information

12.1 Annual General Meeting:

Day, Date and Time	Tuesday, August 12, 2025, at 04:00 PM (IST)
Venue:	Meeting is being conducted through Video Conferencing / Other Audio -Visual Means and shall deemed to be held at the registered office of the Company at Plot No. 5&6/1, Savli G.I.D.C. Estate, Savli - Vadodara Highway, Manjusar - 391775, Vadodara, Gujarat, as per the guidelines issued by the Ministry of Corporate Affairs (MCA) from time to time.
Financial Year and Calendar -	Company follows the Financial year i.e. April 01 to March 31 Financial Calendar (tentative) for considering Results for quarter ending on: - June 30, 2025 – First or Second week of August 2025 - September 30, 2025 – First or Second week of November 2025 - December 31, 2025 – First or Second week of February 2026 - March 31, 2026 – Second or Third week of May 2026
Dividend Payment Date	N.A.
Listing of Equity Shares	The equity shares of the Company are listed on: (i) BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 (ii) National Stock Exchange of India Limited Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
Payment of Listing Fees:	Listing Fees as applicable have been paid, within the stipulated time, to the BSE Limited and the National Stock Exchange of India Limited, where the Company's Equity Shares are listed.
Equity Shares of ₹ 1/- each	
(a) Scrip Code in BSE:	532872
(b) Scrip Symbol in NSE:	SPARC
(c) ISIN for Equity Shares held in Demat:	INE232I01014

12.2 Registrars & Transfer Agent

MUFG Intime India Pvt. Ltd.,
(formerly known as Link Intime India Private Limited)
C 101, 247 Park,
L.B.S Marg, Vikhroli West,
Mumbai 400 083
E-Mail: rnt.helpdesk@in.mpms.mufg.com
Tel No: +91 22 49186000 Fax: +91 22 49186060

January 25, 2022, the listed companies shall issue the securities in dematerialized form only, for processing any service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc. After processing the service request, a letter of confirmation will be issued to the shareholders and shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerializing those shares. If the shareholders fail to submit the dematerialisation request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation.

12.3 Share Transfer System

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialized form. Pursuant to SEBI Circular dated

12.4 Distribution of Shareholding as on March 31, 2025

Equity Shares held	No. of Folios	% to total	No. of Shares	% to total
Upto 500	129091	88.35	11605951	3.58
501 - 1000	7508	5.1388	5882688	1.07
1001 - 2000	5533	3.787	7833575	1.41
2001 - 3000	1489	1.0191	3739302	0.66
3001 - 4000	565	0.3867	2022188	0.37
4001 - 5000	446	0.3053	2087198	0.41
5001 - 10000	731	0.5003	5403554	1.02

Equity Shares held	No. of Folios	% to total	No. of Shares	% to total
10001 - 20000	347	0.2375	4943392	0.99
20001 - 30000	118	0.0808	2922398	0.73
30001 - 40000	53	0.0363	1882480	0.47
40001 - 50000	39	0.0267	1774160	0.39
50001 - 100000	60	0.0411	4425266	1.37
100001 and above	124	0.0849	269999436	88.71
Total	146104	100.00	324521588	100.00

12.5 Shareholding Pattern of the Company as on March 31, 2025

Particulars	No. of Shares	Percentage
Promoter & Promoter Group	213115095	65.67
Mutual Funds	3279952	1.01
Alternate Investment Funds	357319	0.11
Financial Institutions/ Banks	650	0.00
Foreign Portfolio Investors	4697813	1.45
Foreign Institutional Investors	1200	0.00
NBFC	30943	0.01
State Government / Governor	668	0.00
Directors and their relatives (excluding Independent Directors and nominee Directors)	722810	0.22
Relatives of promoters (other than immediate relatives of promoter)	55383	0.02
Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust'	11297006	3.48
Bodies Corporate	23646320	7.29
Individuals (holding nominal share capital upto ₹ 2 lakh)	48195961	14.85
Individual (holding nominal share capital in excess of ₹ 2 lakh)	13421596	4.14
Foreign Nationals	1500	0.00
Non-Resident Indians	2176408	0.67
Other	3520964	1.08
Total	324521588	100.00

12.6 Dematerialization of Shares

Out of the total 32,45,21,588 equity shares, 32,39,65,761 equity shares of the Company representing about 99.82% shares of the Company were held in dematerialized mode as on March 31, 2025.

Details (in aggregate of shares in the suspense account)

As directed by Schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 the details related to Demat Suspense Account/ Unclaimed Suspense Account are tabled below:

Sr. No	Particulars	Status
1	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	1548
2	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	NIL
3	Number of shareholders to whom shares were transferred from suspense account during the year	NIL
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	1548

12.7 Commodity Price Risk/ Foreign Exchange Risk and Hedging Activities

The Company being in the business of Research & Development does not face any significant Commodity Price Risk. During the year, the Company had managed the foreign exchange risk to the extent considered adequate. The details of foreign currency exposures, that have not been hedged by a derivative instrument or otherwise, are disclosed in the Financial Statements. The disclosures in terms of SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018 is not applicable to the Company.

12.8 R&D Centres

1. Plot No. 5 & 6,/1, Savli G.I.D.C. Estate, Savli Vadodara Highway, Manjusar, 391 775, Gujarat.
2. 17/B, Mahal Industrial Estate, Off Mahakali Caves Road, Andheri (East), Mumbai - 400 093, Maharashtra.
3. F.P. 27 Part Survey No. 27, C.S. No. 1050, T.P.S. No.24, Tandalja, Vadodara - 390 012, Gujarat.
4. 907/4, GIDC, Makarpura, Vadodara - 390 010, Gujarat.

12.9 Investor Correspondence

(a) Registrar and Transfer Agent

MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited)

C 101, 247 Park,
L B S Marg, Vikhroli West, Mumbai 400 083
E-Mail: rnt.helpdesk@in.mpms.mufg.com
Tel: +91 22 49186000,
Fax: +91 22 49186060

(b) For query on Annual Report

Mr. Jaydeep Issrani

Sun Pharma Advanced Research Company Ltd.
17/B, Mahal Industrial Estate,
Off. Mahakali Caves Road,
Andheri (East), Mumbai - 400 093.
E-Mail: jaydeep.issrani@sparcmail.com

(c) For any other query or grievances (including escalation of any query/ grievances not resolved through above means)

Secretarial Department

Sun Pharma Advanced Research Company Ltd.
17/B, Mahal Industrial Estate,
Off. Mahakali Caves Road, Andheri (East), Mumbai - 400 093.
E-mail id designated by the Company for Investor Complaints:
secretarial@sparcmail.com

Nodal Officer (for the query on IEPF):

Ms. Kajal Damania, Company Secretary and
Compliance Officer

12.10 Credit Ratings

Rating Agency	Facilities	Rating
Acuite Ratings & Research Ltd.	Long term facilities	ACUITE AA- Stable

13. Disclosures

- No transaction of a material nature has been entered into by the Company with the related parties that may have a potential conflict with the interests of the Company at large. The transactions with the related parties are disclosed in the Financial Statements.
- There were no instances of non-compliance by the Company on any matters related to the capital markets

or penalties/ strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority during the last three financial years.

- The Company has laid down procedures to inform Board members about the risk assessment and its minimization, which is periodically reviewed to ensure that risk control is exercised by the management effectively.
- The Company has devised a Whistle Blower Policy and has established the necessary vigil mechanism to monitor the actions taken on complaints received under the said policy. The Policy also outlines the reporting procedure and investigation mechanism to be followed in case an employee blows the whistle for any wrongdoing in the Company. Employees can report suspected or actual occurrence of illegal, unethical or inappropriate events easily and free of any fear. A copy of the Company's Whistle Blower Policy is available on the website of the Company and may be accessed at <https://sparc.life/statutory-disclosures/policies-and-codes/>. No personnel have been denied access to the Audit Committee.
- The Company has complied with all the mandatory requirements specified under the SEBI Listing Regulations. Further the Company has adopted the following discretionary requirements:
 - (i) The Company maintains separate positions for Chairperson and Chief Executive Officer. Mr. Dilip Shanghvi, Non-Executive Director is the Chairman and Mr. Anilkumar Raghavan is the Chief Executive Officer of the Company. Further, they both are not related to each other.
 - (ii) The Company is in the regime of unmodified opinions on financial statements.
 - (iii) Aneja Assurance Private Limited, the Internal Auditors of the Company reports directly to the Audit Committee.
- The policy of the Company on dealing with Related Party Transactions is available on the website of the Company and can be accessed through the web link: <https://sparc.life/statutory-disclosures/policies-and-codes/>
- The Company being in the business of Research & Development does not face any significant commodity price risk.
- A certificate issued by M/s. Veenit Pal & Associates, Practicing Company Secretary, certifying that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India ("SEBI")// Ministry of Corporate Affairs or any such statutory authority has been attached as – **Annexure II** to this Report.

- During the year, the Board accepted all recommendations made to it by its duly constituted Committees.
- Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for FY 2024-25 are as follows:

Number of complaints received during the financial year 2024-25	Number of complaints disposed off during the financial year 2024-25	Number of complaints pending as on 31 st March 2025
Nil	Nil	Nil

- The Company has not given any loans and advances in the nature of loans to firms / companies in which Directors of the Company are interested.

- Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part was 37,09,365/- (Rupees Thirty Seven Lakhs Nine Thousand Three Hundred Sixty Five only), for the year under review.
- The Company has complied with all the requirements of Corporate Governance Report as prescribed under Part C of Schedule V of the SEBI Listing Regulations.
- The Company has complied with all the Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations.

For and on behalf of the Board of Directors

Place: Mumbai
Date: May 19, 2025

Dilip S. Shanghvi
Chairman
(DIN: 00005588)

Annexure– I to Corporate Governance

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT FOR THE YEAR ENDED MARCH 31, 2025

I, Anilkumar Raghavan, Chief Executive Officer of Sun Pharma Advanced Research Company Limited ("the Company") hereby declare that, to the best of my information, all the Board Members and senior management personnel of the Company have affirmed their compliance and undertaken to continue to comply with the Global Global Code of Conduct laid down by the Board of Directors of the Company.

For Sun Pharma Advanced Research Company Limited

Place: Mumbai
Date: May 19, 2025

Anilkumar Raghavan
Chief Executive Officer

Annexure– II to Corporate Governance

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015)

To,
The Members,
SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED,
Plot No. 5 & 6/1, Savli G.I.D.C Estate, Savli-Vadodara Highway,
Manjusar, Vadodara, Gujarat-391775
CIN:- L73100GJ2006PLC047837

I have examined the relevant registers, records, forms, return and disclosures received from the Directors of **SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED** having CIN L73100GJ2006PLC047837 and having registered office at Plot No. 5 & 6/1, Savli G.I.D.C Estate, Savli-Vadodara Highway, Manjusar, Vadodara, Gujarat-391775 (hereinafter referred to as 'the company'), produced before me by the company for the purpose of issuing this certificate, in accordance with Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

In my opinion and to the best of my information and according to the verifications (including Director Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanation furnished to me by the Company and its officer, I hereby certify that none of the Directors on the Board of Directors of the Company as stated below for the financial year ended on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such Statutory Authority.

Sr. No	Name of Director	DIN	Date of appointment in Company
1	Dilip Shanghvi	00005588	01.03.2006
2	Ferzaan Engineer	00025758	05.05.2017
3	Bhavna Doshi	00400508	31.10.2014
4	Rajamannar Thennati	01415412	04.06.2007
5	Robert Spiegel	08739625	01.06.2020
6	Vidhi Shanghvi	06497350	15.07.2024

Ensuring the 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 as assurance as to the future viability of the Company nor of the efficiency of effectiveness with which the management has conducted the affairs of the Company.

For Veenit Pal & Associates
Company Secretaries

Veenit Pal
(Proprietor)

M. No : 25565

COP No. : 13149

P. R. No. 1433/2021

UDIN : A025565G000241264

Place : Mumbai

Date : April 30, 2025

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Members of Sun Pharma Advanced Research Company Limited

1. The Corporate Governance Report prepared by Sun Pharma Advanced Research Company Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2025 as required by the Company for annual submission to the Stock exchange.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations referred to in paragraph 1 above.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include :
 - i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
 - ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
 - iii. Obtained and read the Register of Directors as on March 31, 2025 and verified that at least one independent woman director was on the Board of Directors throughout the year;
 - iv. Obtained and read the minutes of the following committee meetings / other meetings held from April 01, 2024 to March 31, 2025 :
 - (a) Board of Directors;
 - (b) Audit Committee;
 - (c) Annual General Meeting (AGM);

- (d) Nomination and Remuneration Committee;
 - (e) Stakeholders Relationship Committee;
 - (f) Risk Management Committee;
 - (g) Corporate Social Responsibility Committee;
 - (h) Fund Management Committee
- v. Obtained necessary declarations from the directors of the Company.
 - vi. Obtained and read the policy adopted by the Company for related party transactions.
 - vii. Obtained the schedule of related party transactions during the year and balances at the year- end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.
 - viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.
8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2025, referred to in paragraph 4 above.

Other matters and Restriction on Use

10. This report 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.
11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Amit Singh**
Partner
Membership Number: 408869
UDIN: 25408869BMNXGF3303
Place of Signature: Pune
Date: May 19, 2025

Business Responsibility and Sustainability Report

SECTION A:



General Disclosures

I. Details of the listed entity:

1.	Corporate Identity Number (CIN) of the Listed Entity	L73100GJ2006PLC047837
2.	Name of the Listed Entity	Sun Pharma Advanced Research Company Limited (SPARC)
3.	Year of incorporation	2006
4.	Registered office address	Plot No. 5&6/1, Savli G.I.D.C. Estate, Savli – Vadodara Highway, Manjusar - 391775, Vadodara, Gujarat, India
5.	Corporate address	17/B, Mahal Industrial Estate, Off Mahakali Caves Road, Andheri (East), Mumbai - 400 093, Maharashtra
6.	E-mail	secretarial@sparcmail.com
7.	Telephone	+91 22 6645 5645
8.	Website	https://sparc.life
9.	Financial year for Reporting	2024-25
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11.	Paid-up Capital (in ₹)	32,45,21,588
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Kajal Damania (Company Secretary) Email – secretarial@sparcmail.com Tel. No. +91 22 6645 5645
13.	Reporting boundary	Consolidated Basis
14.	Name of Assurance provider	NA
15.	Type of assurance obtained	NA

II. Products/services:

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

Sr. No.	Description of the main activity	Description of business activity	% Of turnover of the entity
1	Professional, Scientific and Technical	Scientific Research and Development	100

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

Sr. No.	Product/Service	NIC Code	% Of total Turnover contributed
1	Scientific Research and Development	72100	100%

III. Operations:

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	4*	0	4
International	0	1	1

* R&D facilities includes office areas

19. Markets served by the entity

a. Number of Locations

Locations	Number
National (No. of States)	3
International (No. of Countries)	2

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

2.35%

c. A brief on types of customers

Business to Business

IV. Employees:

20. Details as at the end of Financial Year

a. Employees and workers (including differently abled)

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employee						
1	Permanent (D)	316	215	68	101	32
2	Other than Permanent (E)	196	188	96	8	4
3	Total employees (D + E)	512	403	79	109	21
Worker						
4	Permanent (F)	-	-	-	-	-
5	Other than Permanent (G)	-	-	-	-	-
6	Total workers (F + G)	-	-	-	-	-

b. Differently abled Employees and workers:

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

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	6	2	33
Key Management Personnel	3	1	33

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	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	15%	20%	17%	13%	24%	16%	13%	24%	16%
Permanent Workers	-	-	-	-	-	-	-	-	-

V. Holding, Subsidiary and Associate Companies (including Joint Ventures)**23. Names of holding / subsidiary / associate companies / joint ventures as on March 31, 2025**

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% Of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	SPARCLIFE Inc.	Wholly Owned Subsidiary	100	Yes

VI. Corporate Social Responsibility (CSR) Details**24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013 NA****(ii) Turnover (in ₹)** 71,76,60,497**(iii) Net worth (in ₹)** (2,20,62,08,998)

* In compliance with the requirements of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors has constituted a Corporate Social Responsibility Committee. Since the Company has incurred losses during the three immediately preceding financial years, the Company was not required to spend on CSR activities during the financial year ended March 31, 2025

VII. Transparency and Disclosures Compliances**25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2024-25			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	Not applicable	-	-	-	-	-	-
Shareholders	Yes ¹	1	0	-	5	0	-
Investors (Other than shareholders)	Yes ²	-	-	-	-	-	-
Employees and workers	Yes	0	0	-	0	0	-
Customers	Not applicable	-	-	-	-	-	-
Value chain partners	Yes ³	0	0	-	0	0	-

¹ The Company has a grievance redressal mechanism for shareholders. The Company has appointed MUFG Intime India Private Limited as the Share Transfer Registrars/ Agents. The MUFG Intime India Private Limited takes care of shareholders' enquiries/queries, requests and complaints. The Share Transfer Registrars/ Agents respond to enquiries/ queries, requests and complaints within the framework specified/ defined by SEBI. There is a dedicated email id to receive the grievances from shareholders- secretarial@sparcmail.com

² The Company has a common redressal mechanism for shareholders and investors, which has been captured in the row "Shareholders"

³ The grievance redressal mechanism for value chain partners is through email id, shared service helpdesk and Whistleblower mechanism.

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications:

Sr. No.	Material issues identified	Indicate whether risk or opportunity	Rationale for identifying risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
1	Data Integrity & Security	Risk and Opportunity	Risk: Risk linked to technology directly impact the security and integrity of the system across the business operation. Opportunity: A strong governance on the data integrity, technology, digitalization and innovation parameters of the Company enables the creation of a secure and impenetrable network while supporting pace and scale of the business.	Strengthened perimeter security, IT and monitoring systems, anti-virus and patch management while conducting trainings on cyber security to reduce risks arising from cyber security and data breaches.	Positive: Strong alignment of secure data integrity principles with the help of innovative technology and digitalisation initiatives within the Company's business operations will ensure compliance of data security, privacy and prevent any loss of data. Negative: Lack of a strong data integrity and security mechanism may lead to increase in number of data breaches and loss of valuable data.
2	Increasing probability of disruptive climate change events	Risk	Risk: Risk of events occurring that may interrupt business operations or impair the ability of the Company to recover and maintain business operations in the event of disruptive climate change events.	Robust business continuity planning	Negative: Disruptive climate change events have the capability to interrupt business operations which can cause delays/ disruptions in research activities thus impacting potential revenues
3	Attracting and retaining talent	Risk and Opportunity	Risk: Talent management parameters such as acquisition, retention and development are intrinsically linked to workforce welfare. Inability to meet with the workforce expectations may impact the Company's retention rate and affect the Company's the business continuity due to the criticality of workforce as a part of the business growth plan. Opportunity: Company's efforts towards workforce welfare and development directly conveys its resolute commitment towards the upliftment of the most integral asset.	1. Attracting and retaining talent through talent development programs along with compensation and other benefits to employees. 2. Formal succession planning programme for all leadership positions.	Positive: A strong workforce with high retention rate highlights the Company's efforts towards creating a conducive work environment in addition to creating a positive approach towards workforce development Negative: Workforce being an integral component of the Company's value creation strategy play a critical role in the business growth plan. Inability to meet the workforce expectations may result in adverse impacts on the workforce productivity and the company's growth plan in a long run.

SECTION B:



Management and Process Disclosures

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect, and make efforts to restore the environment
P7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Processes										
1 a	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1b	Has the policy been approved by the Board? (Yes/No)	Yes, the Company has developed comprehensive policies covering these principles, some of the Policies have been approved by the Board as per relevant statutory requirements.								
1c	Web Link of the Policies, if available	https://sparc.life/policies-and-codes								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Name of the national and international codes/ certifications/ labels/ standards adopted by your entity and mapped to each principle.	P2 - Certificate of Good Laboratory Practice (GLP) compliance by the National GLP Compliance Monitoring Authority, Government of India - Integrated Addendum to ICH E6(R1): Guideline for Good Clinical Practice E6(R2), version dated 9 November 2016 - ICH E3: Structure and Content of Clinical Study Reports, dated 30 November 1995 - FDA 21 CFR Part 11: Electronic Records, Electronic Signatures - New Drugs and Clinical Trial Rules, Mar 2019, India								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	To reduce water consumption by 10% by FY2028, considering baseline of FY2023								
6	Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	The Company is on track to achieving the goal specified by FY2028								

SECTION C:



Principle wise Performance Disclosure

Ethics and Integrity



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 programs on any of the principles during the financial year 2024-25:

Segment	Total number of training and awareness programs held	Topics/ principles covered under the training and its impacts	Percentage of persons in respective category covered by the awareness programs
Board of Directors	5	1,2,3,4,5,6,7,8,9	100%
Key Managerial Personnel	5	1,2,3,4,5,6,7,8,9	100%
Employees other than Board of Directors and KMPs	4	1,2,3,4,5,6,7,8,9	100%
Workers	NA	NA	NA

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 2024-25:

Monetary					
	NGRBC Principle	Name of the Regulatory/ Enforcement agencies/ Judicial institution	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes / No)
Penalty/ Fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding Fee	-	-	-	-	-

Non-Monetary				
	NGRBC Principle	Name of the Regulatory/ Enforcement agencies/ Judicial institution	Brief of the Case	Has an appeal been preferred? (Yes / No)
Imprisonment	-	-	-	-
Punishment	-	-	-	-

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not applicable	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a weblink to the policy.

Yes. The Company's Global Code of Conduct outlines the Company's commitment to conduct business with integrity and includes anti-bribery. The Company abides by all the applicable anti-bribery laws including US Foreign Corrupt Practices Act (FCPA). The Anti-bribery policy as part of the Global Code of Conduct is applicable to all the employees (whether permanent, temporary or on contract, direct or through contractor, retainer or full-time consultant), and members of the Board of Directors of the Company ("Personnel"). The Company expects its business partners, including suppliers, service providers, agents, channel partners (dealers, distributors and others) to adhere to the principles of the code.

Weblink: <https://sparc.life/policies-and-codes>

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	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. Details of complaints with regard to conflict of interest:

	FY 2024-25		FY 2023-24	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institution 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	448	302

* Ratio is updated as per the balance sheet ratio analysis = 365/Trade Payables Ratio

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	0%	0%
	b. Number of trading houses where purchases are made from	0	0
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	0%	0%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	0%	0%
	b. Number of dealers / distributors to whom sales are made	0	0
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	0%	0%

Parameter	Metrics	FY 2024-25	FY 2023-24
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	5%	13%
	b. Sales (Sales to related parties / Total Sales)	100%	100%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0%	0%
	d. Investments (Investments in related parties / Total Investments made) *	100%	100%

* In FY 2023-24, SPARC incorporated a whole owned subsidiary

Leadership Indicators

1. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes, the Company's Global Code of Conduct expects all its Personnel (which includes members of the Board) to refrain from engaging in any activity or having a personal interest that presents a conflict of interest. Further, the Company outlines that Personnel of the Company shall not exploit any information discovered through their position in the Company, for their own personal gain.

Sustainable Business



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.

	FY 2024-25	FY 2023-24	Details of improvements in environmental and social impacts
R&D	0%	0%	NA
Capex	0%	0%	NA

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes. The Company endeavours to implement responsible procurement practices. As a measure of enhancing its impact on the environment and society, the Company encourages local sourcing enabling the reduction in costs, currency risks and environmental footprint of the transportation services

b. If yes, what percentage of inputs were sourced sustainably?

100% of inputs sourced from critical suppliers is sourced sustainably
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Not applicable as the company does not manufacture any products
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.

Not applicable

Employee Wellbeing



Principle 3:

Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% Of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent											
Male	215	215	100	215	100	NA	NA	215	100	215	100
Female	101	101	100	101	100	101	100	NA	NA	101	100
Total	316	316	100	316	100	101	100	215	100	316	100
Other Than Permanent											
Male	188	182	97	182	97	NA	NA	NA	NA	NA	NA
Female	8	6	75	6	75	6	75	NA	NA	NA	NA
Total	196	188	96	188	96	6	3	NA	NA	NA	NA

b. Details of measures for the well-being of workers:

Category	% Of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-
Other Than Permanent											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

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 wellbeing measures as a % of total revenue of the company	11%	5%

2. Details of retirement benefits for Current & Previous Financial Year

Benefits	FY 2024-25			FY 2023-24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	-	Y	100	-	Y
Gratuity	100	-	Y	100	-	Y
ESI	0	-	NA	0	-	NA

Accessibility of workplaces

3. 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? (Yes/ No)

Yes. As per the requirements of the Rights of Persons with Disabilities, the Company's offices have ramps, 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? (Yes/ No)

Yes

If so, provide a web link to the policy.

NA

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate (%)	Retention rate (%)	Return to work rate (%)	Retention rate (%)
Male	100	100	-	-
Female	100	100	-	-
Total	100	100	-	-

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.

Category	Yes/No (If yes, then give details of the mechanism in brief)
Permanent employees	Yes. The Company has an online platform, an email ID and other informal channels of communication for grievance redressal
Other than Permanent employees	Not Applicable
Permanent workers	
Other than Permanent workers	

7. Membership of employees and workers in association(s) or Unions recognized by the listed entity:

Category	FY 2024-25			FY 2023-24		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category(C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	316	-	0	409	-	0
Male	215	-	0	271	-	0
Female	101	-	0	138	-	0
Total Permanent Workers	-	-	-	-	-	-
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Category	FY 2024-25					FY 2023-24				
	Total (A)	On Health Safety		On Skill Upgradation		Total (D)	On Health Safety		On Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
	Employees									
Male	215	215	100	215	100	271	271	100	271	100
Female	101	101	100	101	100	138	138	100	138	100
Total	316	316	100	316	100	409	409	100	409	100
	Workers									
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-

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	215	215	100	271	271	100
Female	101	101	100	138	138	100
Total	316	316	100	409	409	100
Workers						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
Total	-	-	-	-	-	-

10. Health and Safety Management System:**a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No).**

Yes

If yes, the coverage of such system? 100%

b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company conducts EHS training by internal & external trainers and audits for the implementation of best safety practices

c) Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes

d) Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes

11. Details of safety related incidents:

Safety Incident/Number	Category*	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
Number of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

* including in the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company undertakes periodic internal audits to assess the safety practices as per relevant regulations. The safety incidents and hazards are analyzed to determine the root cause, subsequently corrective action plans are laid out to prevent the occurrence of similar incidents in the future. As part of the EHS management system, the company provides safety trainings and safety drill practices to all employees.

13. Number of complaints on the following made by employees and workers:

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

14. Assessments for the year:

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

No safety incident occurred

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of employees: (Y/N)?

Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company requires its value chain partners to abide by the principles of the Company's Supplier Code of Conduct and implement responsible business conduct principles in its operating practices

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable Employment	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Employees	0	0	NA	NA
Workers	-	-	-	-

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes, the Company periodically conducts skill-upgradation training programs for all its employees.

Stakeholder inclusiveness



Principle 4:

Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The stakeholder groups are identified as part of the stakeholder engagement mechanism, built on the principles of inclusivity, accountability, and responsibility. The Company identifies key stakeholder groups based on those groups who are impacted as well those who have a major influence on the business decisions.

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	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investor	No	- Annual/ quarterly reports and earning calls - Issuing specific event based press releases - Investor presentations	Quarterly/ Need Based	Investors form an integral part of the stakeholder group, influencing the decisions of the Company. The key areas of interest for the investors are: - Corporate governance - Regulatory compliance - Overall Company performance

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Regulator	No	- In person meetings - E-mail	Need-based	Transparent communication with the regulators is critical from a compliance perspective
Vendor	No	- Vendor meets - Virtual modes such as telephone, email, etc.	Ongoing	Responsible supply chain practices are critically important for ensuring the business continuity in a sustainable manner. The key areas of interest for the suppliers are: - Timely payments - Collaboration
Customer	No	- In-person meetings - E-mail	Ongoing	Customers form a vital part of the Company's stakeholder engagement group to ensure quality services
Employee	No	- Employee focused web-portal - E-mail - Employee engagement surveys - Town-halls	Ongoing	Employee wellbeing and satisfaction is an integral part of the Company's growth model. Employee engagement through various means of communication provides an insight into the key action areas for employee wellbeing and growth. The key areas of interest for employees are: - Training, professional growth & development - Well-being initiatives - Employee recognition - Fair remuneration - Work-life balance

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The identified material issues are presented to the Board for their feedback and guidance on the sustainable growth model of the Company

2. Whether stakeholder consultation is used to support the identification and management of environmental and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes. The identified issues are mapped with relevant risks as part of the risk management process. The Company subsequently develops mitigation plans for the identified issues

Businesses should respect and promote human rights

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity:

2. Details of minimum wages paid to employees and workers:

[illegible]

3. a. Details of remuneration/salary/wages:

Gender	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
i. Board of Directors (BoD) *	5	Not applicable *	1	Not applicable *
ii. Key Managerial Personnel (KMP)	2	6,31,97,304	1	38,35,092
iii. Employees other than BoD and KMP	213	20,43,755	100	10,48,085
iv. Workers	-	-	-	-

* Directors are only paid sitting fees of ₹ 30,000 per meeting attended

as per Form 16 / WR30

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	22%	25%

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, the Head of Human Resource department of the Company is responsible for addressing human rights impact or issues

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company 'Ask HR' / 'RAY' platform, email and other informal channels of communication form part of the internal mechanism for grievance redressal of human rights issues. The process is in place to address grievances through the open channels of communication and the Ombudsman channel as per the Whistleblower Policy. The Ombudsman ensures the confidentiality of the complaints and grievances received through email.

6. Number of complaints on the following made by employees and workers:

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced/ Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	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.

As per the Whistleblower Policy, the Company ensures protection of the complainant. The investigation of the complaints is done strictly in a confidential manner ensuring the protection of the complainant against any retaliation. The Company provides necessary safeguards to all Whistle Blowers for making Protected Disclosures in good faith, in all the areas covered under the Global Code of Conduct.

For the cases pertaining to sexual harassment, the Company's policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder ensures strict confidentiality of the investigation procedure and protection of the identity of the complainant.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes. They form an integral part of business agreements and contracts.

10. Assessments for the year:

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Sexual harassment	100
Discrimination at workplace	100
Child labour	100
Forced Labour/ Involuntary Labour	100
Wages	100
Other human rights related issues	100

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

No significant risks or concerns observed.

Leadership Indicators

1. Is the premise/office of the entity accessible to differently abled visitors as per the requirements of the Rights of Persons with Disabilities Act 2016?

Yes.

Environment



Principle 6:

Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity:

Parameter	FY 2024-25	FY 2023-24
From renewable sources		
Total electricity consumption (A)	0 GJ	0 GJ
Total fuel consumption (B)	0 GJ	0 GJ
Energy consumption through other sources (C)	0 GJ	0 GJ
Total energy consumption from renewable sources (A+B+C)	0 GJ	0 GJ

Parameter	FY 2024-25	FY 2023-24
From non-renewable sources		
Total electricity consumption (D)	25,640 GJ	24,309 GJ
Total fuel consumption (E)	1,114 GJ	693 GJ
Energy consumption through other sources (F)	425 GJ	49 GJ
Total energy consumption from non-renewable sources (D+E+F)	27,180 GJ	25,050 GJ
Total energy consumed (A+B+C+D+E+F)	27,180 GJ	25,050 GJ
Energy intensity per rupee of turnover (Total energy consumption/ Revenue from operations in Mn rupees)	38	33
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	782	759
Energy intensity in terms of physical output	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. **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? (Yes/ No). If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved provide the remedial action taken if any.**

No.

3. **Provide details of the following disclosures related to water:**

Parameter	FY 2024-25	FY 2023-24
Water Withdrawn by the source (KL)		
i) Surface Water	0	0
ii) Ground Water	5,654	4,642
iii) 3 rd Party Water	30,011	28,447
iv) Seawater/desalinated water	0	0
v) Others	0	0
Total Vol of Water Withdrawn (i + ii + iii + iv + V)	35,665	33,089
Total Vol of Water Consumed (KL)	35,665	33,089
Water intensity per rupee of turnover. (Water consumed in KL/Revenue from operations Mn ₹)	50	44
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	1,027	1003
Water intensity in terms of physical output	NA	NA

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

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		
o No Treatment	0	0
o With Treatment – please specify level of treatment	0	0
ii) To Ground Water		
o No Treatment	0	0
o With Treatment – please specify level of treatment	0	0
iii) To Seawater		
o No Treatment	0	0
o With Treatment – please specify level of treatment	0	0
iv) Sent to third-parties		
o No Treatment	0	0
o With Treatment ((Post primary, secondary and tertiary treatment, treated water is drained in common sewer)	3,921	3,254
Total water discharged (in kilolitres)	3,921	3,254

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 a mechanism for Zero Liquid Discharge? (Yes/ No). If yes, Provide details of its coverage and implementation.

Yes. The Company has effluent treatment plants to treat waste water which then is used for gardening and cleaning.

6. Please provide details of air emissions (other than GHG emissions) by the entity:

Safety Incident/Number	Please specify unit	FY 2024-25	FY 2023-24
NOx	Kgs	106	179
Sox	Kgs	131	112
Particulate Matter (PM)	Kgs	42	149
Persistent organic pollutants (POP)	NA		
Volatile organic compounds (VOC)	NA		
Hazardous air pollutants (HAP)	NA		
Others – Please specify	NA		

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

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:

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)	Metric tonnes of CO ₂ equivalent	0	0
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)	Metric tonnes of CO ₂ equivalent	0	0
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	NA	0	0

Parameter	Unit	FY 2024-25	FY 2023-24
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)	NA	0	0
Total Scope 1 and Scope 2 emission intensity in terms of physical output	NA	0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

8. Does the entity have any project related to reducing Green House Gas emission?

If yes, then provide details.

No

9. Provide details related to waste management by the entity:

Parameter	FY 2024-25	FY 2023-24
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0	0
E-waste (B)	0	0
Bio-medical waste (C)	5	11
Construction and Demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste (G)	19	8
Other Non-hazardous waste generated (H) Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	26	39
Total (A+B+C+D+E+F+G+H)	48	58
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations ₹ Mn)	0.07	0.08
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	1.43	1.77
Waste intensity in terms of physical output	NA	NA
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
(i) Incineration	14	7
(ii) Landfilling	0	0
(iii) Other disposal operations	36	52
Total	50	58

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

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.

The Company has adopted a waste management plan with a comprehensive approach towards waste minimization, segregation and safe disposal. The Company sends the hazardous waste like spent oil to recycling units.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details:

Not applicable

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Not applicable

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances:

Yes

Leadership Indicators

1. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, the Company has a business continuity and disaster management plan in place. This business continuity plan enables the Company to adapt in situations arising from any natural calamity or an unprecedented event which may disrupt the business operations. The Company continuously enhances its existing plan by incorporating interferences and observations from disruptions faced in the unprecedented situations such as the pandemic. Further, the Company's risk management plan enables the minimisation of disaster-linked losses, by assessing the potential for major disruption with its consequent risks to the business, and by providing the appropriate mitigation action plans.

Responsible Public Advocacy



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.

One

- b List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	IMC Chamber of Commerce and Industry	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 regulatory authorities.

Not applicable

Community upliftment

**Principle 8:****Businesses should promote inclusive growth and equitable development****Essential Indicators**

- Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**
Not applicable
- Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:**
Not applicable
- Describe the mechanisms to receive and redress grievances of the community.**
Not applicable
- Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2024-25	FY 2023-24
Directly sourced from MSMEs/ small producers	25%	17%
Directly from within India	79%	82%

- Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

	FY 2024-25	FY 2023-24
Rural	0%	0%
Semi-urban	0%	0%
Urban	43%	49%
Metropolitan	57%	51%

* Above table applicable for India employees only

Consumer Wellbeing

**Principle 9:****Businesses should engage with and provide value to their customers and consumers in a responsible manner****Essential Indicators**

- Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**
The Company is engaged in research and development activities. It does not provide services directly to consumers. Hence not applicable.
- Turnover of products and/ services as a percentage of turnover from all products/ services that carry information about Environmental product and social parameters relevant to the Product, Safe and responsible usage and Recycling and/or safe disposal:**
Not applicable

3. Number of consumer complaints in respect of the following:

	FY 2024-25			FY 2023-24		
	Received during the year	Pending resolution at end of year	Remark	Received during the year	Pending resolution at end of year	Remark
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Others	-	-	-	-	-	-

4. Details of instances of product recalls on account of safety issues:

Not applicable

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No). If available, provide a web-link of the policy.

No

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.

Not applicable

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact

There were no data breaches identified during the year.

b. Percentage of data breaches involving personally identifiable information of customers

Nil

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link if available).

<https://sparc.life>



Financial **Statements**

Independent Auditor's Report

To the Members of **Sun Pharma Advanced Research Company Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Sun Pharma Advanced Research Company Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("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, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered

Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 for the financial year ended March 31, 2025. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition (as described in note 29 of the standalone financial statements) The Company is engaged in the business of Research and Development of pharmaceutical products. The Company has various contractual arrangements with customers which are entered into at various stages of research and development. The Company recognizes revenue based on the contractual terms and performance obligations with customers. Some of these arrangements involve judgments which may impact the manner and timing of revenue recognition. Considering that contractual arrangements with customers involve judgments which may impact the manner and timing of revenue recognition, revenue recognition is considered as a key audit matter.	Our audit procedures amongst others included the following: - Read the accounting policy for revenue recognition of the Company and assessed compliance with the principles enunciated under Ind AS 115. - Evaluated the design and tested the operating effectiveness of management's controls in respect of revenue recognition. - Obtained a sample of contracts and reviewed the terms of the arrangements to determine whether the work performed under the contract qualified for revenue recognition having regard to the performance obligations under the contracts. - Assessed the disclosures in the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Evaluation of direct tax and indirect tax litigations (as described in note 44 of the standalone financial statements) The Company has material direct tax and indirect tax litigations which involve significant judgment to determine the possible outcome of these disputes and accordingly it is considered as key audit matter.	Our audit procedures amongst others included the following: • Evaluated the design and tested the operating effectiveness of controls in respect of the identification and evaluation of tax litigations and the recording and reassessment of the related liabilities and provisions and disclosures. • Obtained list of ongoing tax litigations from management along with their assessment of the cases based on past precedents, judgements and matters in the jurisdiction, legal opinions sought by management, correspondences with tax department etc. • Engaged tax specialists, to evaluate management's assessment of the outcome of these litigations. Our specialists considered legal precedence and other rulings in evaluating management's position on these tax litigations. • Assessed the disclosures in the accompanying standalone financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis Report, Business Responsibility and Sustainability Report and Board's Report, but does not include the standalone financial statements and our auditor's report thereon. The Management Discussion and Analysis Report, Business Responsibility and Sustainability Report and Board's Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we 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 identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for

preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2025 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 1**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, 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;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "**Annexure 2**" to this report;
 - (g) Based on the information and explanations provided to us and based on our examination of books of accounts, the Company has not accrued / paid any managerial remuneration to its directors. Accordingly, the provision of section 197 read with Schedule V to the Act are not applicable;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the

Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer note 44 to the standalone financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in note 50 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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, as disclosed in note 50 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing

or otherwise, that the Company shall, 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; and

- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. Based on our examination which included test checks, the Company has used 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 software (refer note 51(b) to the financial statements). Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Amit Singh**

Partner

Membership Number: 408869

UDIN: 25408869BMNXGB7134

Place of Signature: Mumbai

Date: May 19, 2025

Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date

Re: Sun Pharma Advanced Research Company Limited (the “Company”)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (i) (a) (B) The Company has maintained proper records, where relevant, showing full particulars of intangible assets.

- (i) (b) All Property, Plant and Equipment were physically verified by the management in the previous years in accordance with a planned programme of verifying them once in three year which is reasonable having regard to the size of the Company and the nature of its assets.
- (i) (c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 3a to the standalone financial statements included in property, plant and equipment are held in the name of the Company except for the following immovable properties:

Description	Gross carrying value (INR in Lakhs)	Held in name of	Whether promoter, director or their relative or employee	Period held (In Year)	Reason for not being held in name of Company
R&D building located at Mahakali Caves Road. Andheri, Mumbai admeasuring 1041.29 square meters.	285.99	Sun Pharmaceutical Industries Limited	No	18	The building was transferred (pending registration) to the Company pursuant to a scheme of arrangement in the nature of demerger and transfer of Innovative Research and Development business of Sun Pharmaceutical Industries Limited under Section 391 to 394 of the Companies Act, 1956 in terms of the approval of the Honorable High court of Gujarat. The agreement is in the name of Sun Pharmaceutical Industries Limited

- (i) (d) The Company does not follow the revaluation model for subsequent measurement of its Property, Plant and Equipment (including Right of use assets) or intangible assets. Accordingly, the requirement to report on clause 3(i)(d) of the Order is not applicable to the Company.
- (i) (e) There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Accordingly, the requirement to report on clause 3(i)(e) of the Order is not applicable to the Company.
- (ii) (a) According to the information and explanation given to us and having regard to the nature of the Company's business, the Company does not have any inventory during the year since procurements are issued directly for consumption to the user department. Accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (ii) (b) As disclosed in note 23 to the standalone financial statements, the Company has been sanctioned working capital limits in excess of INR five crore in aggregate from banks and financial institutions during the year on

the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements and the confirmations made available to us by the management, the requirement to submit quarterly returns is waived off by the banks and hence the requirement to report on clause 3(iii)(b) of the order is not applicable.

- (iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to any other entity, other than to its employees details of which are as follows:

Particulars	Loans to employees (INR in Lakhs)
Aggregate amount granted during the year	16.90
Balance outstanding as at balance sheet date	10.08

Accordingly, the requirement to report on clause 3(iii)(a)(A) and (B) of the Order are not applicable to the Company.

- (iii) (b) During the year the investments made and the terms and conditions of the grant of all loans and advances in the nature of loans to its employees are not prejudicial to the Company's interest. Since, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to any other entity, other than to its employees, the requirement to report on clause 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable to the Company in respect of any entity other than employees.
- (iii) (c) The Company has granted loans and advances in the nature of loans during the year to its employees where the schedule of repayment of principal and payment of interest has been stipulated and the repayment/receipts are regular.
- (iii) (d) In respect of loans and advances in the nature of loans granted to employees during the year, there are no amounts overdue for more than ninety days. Accordingly, the requirement to report on clause 3(iii)(d) of the order is not applicable.
- (iii) (e) In respect of loans and advances in the nature of loans granted to employees, there were no amounts

which have fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same employees. Accordingly, the requirement to report on clause 3(iii)(e) of the order is not applicable.

- (iii) (f) In respect of loans and advances in the nature of loans granted to employees, there were no amounts granted which were either repayable on demand or without specifying any terms or period of repayment. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of Section 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act, 2013 and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company and accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (vii) (b) The dues of 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 other statutory dues, where applicable and which have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount involved (INR in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Income Tax and Interest	447.99	A.Y. 2014-15	Commissioner of Income Tax (Appeals)
Finance Act, 1994	Service Tax, Interest and Penalty	6,941.27	April 2014 to June 2017	Custom Excise and Service Tax Appellate Tribunal (CESTAT)

Note: The amounts disclosed above are net of the payments made to the respective authorities where the dispute is pending and includes interest till the date of demand.

- (viii) The Company has not surrendered or disclosed any transaction, previously not recorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (ix) (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (ix) (c) Term loans were applied for the purpose for which the loans were obtained.
- (ix) (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (ix) (e) On an overall examination of the standalone 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 subsidiary. The Company does not have any associate or joint venture.
- (ix) (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary. The Company does not have any associate or joint venture. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments). Accordingly, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (x) (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company
- (xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (xi) (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (xi) (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (xiv) (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly the requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (xvi) (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (xvi) (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (xvi) (d) Based on information and explanation provided by the management of the Company, the group does not have more than one Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.
- (xvii) The Company has incurred cash losses amounting to ₹ 33,354 Lakhs in the current year and amounting to ₹ 37,239 Lakhs in the immediately preceding financial year respectively.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, the requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 49 to the standalone financial statements, the ageing and expected dates of realization of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions and considering the Company's current liabilities exceeds the current assets by ₹ 34,846 Lakhs, the Company has obtained the letter of financial support from the Promoter Group Entity, nothing has come to our attention, which causes us to believe 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 this is not an assurance as to the future viability of the Company and 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) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable to the Company.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Amit Singh**

Partner

Membership Number: 408869

UDIN: 25408869BMNXGB7134

Place of Signature: Mumbai

Date: May 19, 2025

Annexure 2 to the Independent Auditor's Report of even date on the standalone financial statements of Sun Pharma Advanced Research Company Limited

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 the standalone financial statements of Sun Pharma Advanced Research Company 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 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 Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, 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 these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

A company's internal financial controls 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference

to standalone financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Amit Singh**

Partner

Membership Number: 408869

UDIN: 25408869BMNXGB7134

Place of Signature: Mumbai

Date: May 19, 2025

Standalone Balance Sheet

as at March 31, 2025

		(₹ In Lakhs)	
	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
(A) Non-current assets			
(a) Property, plant and equipment	3a	9,526.90	10,246.13
(b) Capital work-in-progress	3b	56.07	126.86
(c) Other intangible assets	3c	6.04	18.56
(d) Intangible assets under development	3d	5,359.22	4,252.63
(e) Financial assets			
(i) Investment in the nature of equity in subsidiary	4	41.69	41.69
(ii) Other financial assets	5	2,611.08	2,548.91
(f) Deferred tax assets (net)	6	-	-
(g) Income tax assets (net)	7	5,616.45	6,677.96
(h) Other non-current assets	8	7,184.45	79.83
Total non-current assets (A)		30,401.90	23,992.57
(B) Current assets			
(a) Financial assets			
(i) Investments	9	-	180.13
(ii) Trade receivables	10	1,605.65	1,553.13
(iii) Cash and cash equivalents	11	118.97	506.31
(iv) Bank balances other than cash and cash equivalents	12	-	15,000.00
(v) Loans	13	16.31	22.17
(vi) Other financial assets	14	235.87	2,067.01
(b) Other current assets	15	548.90	5,312.00
Total current assets (B)		2,525.70	24,640.75
TOTAL ASSETS (A + B)		32,927.60	48,633.32
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	3,245.30	3,245.30
(b) Other equity	17	(25,307.33)	9,240.43
Total equity		(22,062.03)	12,485.73
Liabilities			
(A) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	10,000.00	-
(ii) Lease liabilities	19	499.67	721.19
(iii) Other financial liabilities	20	90.39	83.37
(b) Provisions	21	767.58	604.75
(c) Other non-current liabilities	22	6,259.81	10,349.43
Total non-current liabilities (A)		17,617.45	11,758.74
(B) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	23	15,818.53	4,700.00
(ii) Lease liabilities	24	221.52	202.12
(iii) Trade payables	25		
Total outstanding dues of micro enterprises and small enterprises		93.65	105.78
Total outstanding dues of creditors other than micro enterprises and small enterprises		12,345.90	14,875.80
(iv) Other financial liabilities	26	3,063.57	2,643.64
(b) Other current liabilities	27	5,254.56	1,506.44
(c) Provisions	28	574.45	355.07
Total current liabilities (B)		37,372.18	24,388.85
Total liabilities (A + B)		54,989.63	36,147.59
TOTAL EQUITY AND LIABILITIES		32,927.60	48,633.32
Material accounting policies	2		

The accompanying notes are integral part of the standalone financial statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No.: 324982E/E300003

For and on behalf of the Board of Directors of

SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED

ANILKUMAR RAGHAVAN

Chief Executive Officer

Place: Mumbai

DILIP S. SHANGHVI

Chairman

DIN: 00005588

Place: Mumbai

per AMIT SINGH

Partner

Membership No.: 408869

ANUP M. RATHI

Chief Financial Officer

Place: Mumbai

RAJAMANNAR THENNATI

Director

DIN: 01415412

Place: Mumbai

KAJAL K. DAMANIA

Company Secretary

Place: Mumbai

Place: Mumbai

Date: May 19, 2025

Date: May 19, 2025

Standalone Statement of Profit and Loss

for the year ended March 31, 2025

	Notes	Year ended March 31, 2025	(₹ In Lakhs) Year ended March 31, 2024
(I) Revenue from operations	29 & 46	7,176.60	7,554.53
(II) Other income	30	179.11	2,946.93
(III) Total income (I + II)		7,355.71	10,501.46
(IV) Expenses			
Cost of materials consumed	31	2,311.84	2,813.10
Employee benefits expense	32	10,895.98	11,853.18
Clinical trial expenses / products development expense		8,133.36	10,135.04
Professional charges		14,125.79	17,888.81
Finance costs	33	890.57	165.52
Depreciation and amortisation expense	3a & 3c	1,083.04	1,212.76
Other expenses	34	4,437.34	5,243.57
Total expenses (IV)		41,877.92	49,311.98
(V) Loss before tax (III - IV)		(34,522.21)	(38,810.52)
(VI) Tax expense		-	-
(VII) Loss for the year (V - VI)		(34,522.21)	(38,810.52)
(VIII) Other comprehensive income (OCI)			
A) Items that will not be reclassified to profit or loss			
i. Gain / (Loss) on remeasurement of the defined benefit plans		(25.55)	18.74
Total other comprehensive income (VIII)		(25.55)	18.74
(IX) Total comprehensive loss for the year (VII + VIII)		(34,547.76)	(38,791.78)
(X) Loss per equity share	39		
(Face value ₹ 1/- per equity share)			
Basic and Diluted (in ₹)		(10.64)	(11.96)
Material accounting policies	2		

The accompanying notes are integral part of the standalone financial statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No.: 324982E/E300003

For and on behalf of the Board of Directors of

SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED

ANILKUMAR RAGHAVAN

Chief Executive Officer

Place: Mumbai

DILIP S. SHANGHVI

Chairman

DIN: 00005588

Place: Mumbai

per AMIT SINGH

Partner

Membership No.: 408869

ANUP M. RATHI

Chief Financial Officer

Place: Mumbai

RAJAMANNAR THENNATI

Director

DIN: 01415412

Place: Mumbai

KAJAL K. DAMANIA

Company Secretary

Place: Mumbai

Place: Mumbai

Date: May 19, 2025

Date: May 19, 2025

Standalone Statement of Changes in Equity

for the year ended March 31, 2025

A EQUITY SHARE CAPITAL

	Year ended March 31, 2025	Year ended March 31, 2024
At the beginning of the year	3,245.30	3,245.30
At the end of the year	3,245.30	3,245.30

B OTHER EQUITY

				(₹ in Lakh)
Particulars	Other equity			Total
	Other equity			
	General reserves	Securities premium	Retained earnings	
Balance as at April 1, 2023	3,397.66	2,03,815.89	(1,59,181.34)	48,032.21
Loss for the year	-	-	(38,810.52)	(38,810.52)
Other comprehensive income for the year	-	-	18.74	18.74
Balance as at March 31, 2024	3,397.66	2,03,815.89	(1,97,973.12)	9,240.43
Loss for the year	-	-	(34,522.21)	(34,522.21)
Other comprehensive income for the year	-	-	(25.55)	(25.55)
Balance as at March 31, 2025	3,397.66	2,03,815.89	(2,32,520.88)	(25,307.33)

Note: There are no changes in accounting policies and prior period errors during the current and previous year.

Material accounting policies

2

The accompanying notes are integral part of the standalone financial statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No.: 324982E/E300003

For and on behalf of the Board of Directors of

SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED

ANILKUMAR RAGHAVAN

Chief Executive Officer

Place: Mumbai

DILIP S. SHANGHVI

Chairman

DIN: 00005588

Place: Mumbai

per AMIT SINGH

Partner

Membership No.: 408869

ANUP M. RATHI

Chief Financial Officer

Place: Mumbai

RAJAMANNAR THENNATI

Director

DIN: 01415412

Place: Mumbai

KAJAL K. DAMANIA

Company Secretary

Place: Mumbai

Place: Mumbai

Date: May 19, 2025

Date: May 19, 2025

Standalone Statement of Cash Flows

for the year ended March 31, 2025

(₹ in Lakh)

	Year ended March 31, 2025	Year ended March 31, 2024
A. Cash flow from operating activities		
Loss before tax	(34,522.21)	(38,810.52)
Adjustments to reconcile loss before tax to net cash flows:		
Depreciation and amortisation expense	1,083.04	1,212.76
Gain on disposal of property, plant and equipment (net)	(3.25)	(6.02)
Gain on derecognition of Right to use assets	-	(52.17)
Finance costs	890.57	165.52
Interest income	(67.72)	(2,546.73)
Net gain on sale of financial assets measured at fair value through profit or loss	(105.51)	(317.91)
Net gain arising on financial assets measured at fair value through profit or loss	-	(0.14)
Net unrealised foreign exchange (gain) / loss	85.41	206.63
Provision for doubtful debt	-	204.95
Operating loss before working capital changes	(32,639.67)	(39,943.63)
Working capital adjustments:		
(Increase) / decrease in trade receivables	(42.79)	1,521.44
(Increase) / decrease in other assets	(1,951.36)	(4,054.96)
Increase / (decrease) in trade payables	(2,655.48)	157.74
Increase / (decrease) in other liabilities	(387.38)	272.48
Increase / (decrease) in provisions	356.66	(484.63)
Cash used in operations	(37,320.02)	(42,531.56)
Direct tax (paid) / refund received (including interest on refunds) (net)	1,079.12	(411.08)
Net cash used in operating activities (A)	(36,240.90)	(42,942.64)
B. Cash flow from investing activities		
Payments for purchase of property, plant and equipment (including capital work-in-progress, intangible assets and intangible assets under development)	(1,033.96)	(2,650.79)
Proceeds from disposal of property, plant and equipment (net)	59.48	48.52
Redemption of investments (net)	285.64	28,418.78
Investment in the nature of equity in subsidiary	-	(41.69)
Bank balances not considered as cash and cash equivalents		
Fixed deposits with bank placed	-	(2,500.00)
Fixed deposits with bank matured	15,000.00	13,599.00
Interest received	1,454.84	2,237.19
Net cash generated from investing activities (B)	15,766.00	39,111.01

Standalone Statement of Cash Flows

for the year ended March 31, 2025

	Year ended March 31, 2025	Year ended March 31, 2024
(₹ in Lakh)		
C. Cash flow from financing activities		
Proceeds from borrowings	58,021.04	6,441.22
Repayment of borrowings	(36,902.51)	(1,746.32)
Repayment of principal portion of lease liabilities	(202.12)	(258.90)
Finance costs (including interest on lease liabilities)	(828.85)	(156.42)
Net cash generated from financing activities (C)	20,087.56	4,279.58
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(387.34)	447.95
Cash and cash equivalents at the beginning of the year (Refer Note 11)	506.31	58.36
Cash and cash equivalents at the end of the year (Refer Note 11)	118.97	506.31
Cash and cash equivalents comprises of		
Balances with banks		
In current accounts	118.69	505.99
Cash on hand	0.28	0.32
Cash and cash equivalents (Refer Note 11)	118.97	506.31
Material accounting policies	2	

The accompanying notes are integral part of the standalone financial statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No.: 324982E/E300003

For and on behalf of the Board of Directors of

SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED

ANILKUMAR RAGHAVAN

Chief Executive Officer

Place: Mumbai

DILIP S. SHANGHVI

Chairman

DIN: 00005588

Place: Mumbai

per AMIT SINGH

Partner

Membership No.: 408869

ANUP M. RATHI

Chief Financial Officer

Place: Mumbai

RAJAMANNAR THENNATI

Director

DIN: 01415412

Place: Mumbai

KAJAL K. DAMANIA

Company Secretary

Place: Mumbai

Place: Mumbai

Date: May 19, 2025

Date: May 19, 2025

Standalone Notes to Financial Statements

for the year ended March 31, 2025

1. Corporate Information

Sun Pharma Advanced Research Company Limited ("the Company") (CIN L73100GJ2006PLC047837) is a public limited company incorporated and domiciled in India and has its listing on the BSE Limited and National Stock Exchange of India Limited. The registered office is located at Plot No. 5 & 6/1, Savli, G. I. D. C. Estate, Manjusar, Vadodara – 391 775. The Company is in the business of research and development (R&D) of pharmaceutical products.

The financial statements were approved for issue in accordance with the resolution of the Board of Directors on May 19, 2025.

2. Material accounting policies

2.1 Basis of preparation and presentation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirement of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

The financial statements have been prepared on the historical cost basis, except for : (i) certain financial instruments that are measured at fair values at the end of each reporting period (ii) non-current assets classified as held for sale which are measured at the lower of their carrying amount and fair value less costs to sell and (iii) defined benefit plans – plan assets that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The Company has prepared the financial statement on the basis that it will continue to operate as a going concern.

The financial statements are prepared in INR and all values are rounded to the nearest lakhs up to two decimals, except when otherwise stated. The Company has consistently applied the following accounting policies to all periods presented in these financial statements.

For the purpose of these financial statements, previous year means the financial year ended March 31, 2024.

a) Current versus non-current classification

All assets and liabilities, other than deferred tax assets and liabilities, have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Act. Deferred tax assets and liabilities are classified as non-current assets and

liabilities. The Company has ascertained its normal operating cycle as 12 months for current and non-current classification of assets and liabilities.

b) Foreign currencies

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Transactions and balances

On initial recognition, transactions in currencies other than the Company's functional currency (foreign currencies) are translated at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous period are recognised in statement of profit and loss in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

c) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to

Standalone Notes to Financial Statements

for the year ended March 31, 2025

measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d) Segment reporting

Based on the “Management Approach” as defined in Ind AS 108 - Operating Segment, the Chief Operating Decision Maker (CODM) of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the CODM. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM.

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

e) Property, plant and equipment

Items of property, plant and equipment and other intangible assets are stated in balance sheet at cost net of accumulated depreciation and accumulated impairment losses, if any. Cost directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by the management. Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. All other repairs and maintenance cost are recognised in the statement of profit and loss account as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Asset category	No. of years
Buildings	60
Plant and equipment	3-25
Vehicles	5
Office equipment	2-5
Furniture and fixtures	10

The Company, based on technical assessment made by technical experts and management estimate, depreciates certain items plant and equipment, office equipment, vehicle over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflects fair approximation of the period over which the assets are likely to be used. Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

f) Intangible assets

Intangible assets that are acquired by the Company and that have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses, if any. Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate.

Software for internal use, which is primarily acquired from third-party vendors, including consultancy charges for implementing the software, is capitalised. Subsequent costs are charged to the statement of profit and loss as incurred. The capitalised costs are amortised over the estimated useful life of the software i.e. 5 years.

g) Research and development cost

Expenditure on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognised as an expense when incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

Standalone Notes to Financial Statements

for the year ended March 31, 2025

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

The expenditure to be capitalised include the cost of materials and other costs directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in statement of profit and loss as incurred.

Procurement of research and development materials are issued directly for consumption to the user department and disclosed under cost of materials consumed.

Acquired research and development intangible assets which are under development, are recognised as In-Process Research and Development assets ("IPR&D"). IPR&D assets are not amortised, but evaluated for potential impairment on an annual basis or when there are indications that the carrying value may not be recoverable. Any impairment charge on such IPR&D assets is recognised in profit and loss. Intangible assets relating to products under development, other intangible assets not available for use and intangible assets having indefinite useful life are tested for impairment annually, or more frequently when there is an indication that the assets may be impaired.

Derecognition of intangible assets

Intangible assets are de-recognised either on their disposal or where no future economic benefits are expected from their use. Any gain or loss arising on such de-recognition is recognised in statement of profit and loss and are measured as the difference between the net disposal proceeds, if any, and the carrying amount of respective intangible assets as on the date of de-recognition.

h) Investments in the nature of equity in subsidiary

The Company has elected to recognise its investments in equity instruments in subsidiaries and associates at cost in the separate financial statements in accordance with the option available in Ind AS 27, 'Separate Financial Statements'. Impairment policy applicable on such investments is explained in Note 2.2.i.

i) Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication

exists, then the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit for which the estimates of future cash flows have not been adjusted. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised in the statement of profit and loss if the estimated recoverable amount of an asset or its cash generating unit is lower than its carrying amount. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

j) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement-

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date.

Subsequent measurement-

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments measured at amortised cost
- Debt instruments measured at fair value through other comprehensive income (FVTOCI)
- Debt instruments measured at fair value through profit or loss (FVTPL)
- Equity instruments are measured at fair value through other comprehensive income (FVTOCI)

Standalone Notes to Financial Statements

for the year ended March 31, 2025

A. Debt instruments

- i. **Debt instruments measured at amortised cost** - A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in Other Income in the statement of profit or loss. The losses arising from impairment are recognised in the profit or loss.

- ii. **Debt instruments measured at FVTOCI** - A 'debt instrument' is measured as at FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the instrument give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit or loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

- iii. **Debt instruments measured at FVTPL** - FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election

is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

B. Equity instruments

All equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, including foreign exchange gain or loss and excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The contractual rights to receive cash flows from the asset have expired.
- The Company has transferred its rights to receive contractual cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Standalone Notes to Financial Statements

for the year ended March 31, 2025

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost
- b) Trade receivables or any contractual right to receive cash or another financial asset
- c) Loan commitments which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or any contractual right to receive cash or another financial asset.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Financial liabilities and equity instruments-

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments-

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in statement of profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Initial recognition and measurement-

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement-

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at FVTPL.

Financial liabilities at fair value through profit or loss-

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or is designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred principally for the purpose of repurchasing in the near term or on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking. This category also includes derivative entered into by the Company that are not designated and effective as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities subsequently measured at amortised cost-

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost in subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest rate (EIR) method. Interest expense that is not capitalised as part of costs of an asset is included in the finance costs line item in the statement of profit or loss.

After initial recognition, such financial liabilities are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Derecognition-

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in statement of profit or loss.

Reclassification of financial assets-

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which

Standalone Notes to Financial Statements

for the year ended March 31, 2025

are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

k) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Building 3-5 years

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (h) Impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

l) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flow as a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities and contingent assets-

Contingent liability is disclosed for,

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group, or

Standalone Notes to Financial Statements

for the year ended March 31, 2025

- ii Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the financial statements unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of benefits is probable, contingent assets are disclosed in financial statements.

m) Revenue from operations

Revenue from contracts with customers

Milestone payments and out licensing arrangements

Revenues include amounts derived from product out-licensing agreements. These arrangements typically consist of an initial up-front payment on inception of the license and subsequent payments dependent on achieving certain milestones in accordance with the terms prescribed in the agreement.

Non-refundable up-front license fees received in connection with product out-licensing agreements are recognised at a point in which the Company has no continuing performance obligations. However, in case of continued performance obligations, the Company deferred the non-refundable up-front license fees received in connection with product out-licensing agreements and recognises the same over the period.

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 the Company has continuing performance obligations, if the milestones are not considered substantive.

Research and development services

Revenue from services rendered, which primarily relate to research and development, is recognised in the statement of profit and loss as the underlying services are performed.

Royalties

Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement (provided that it is probable that economic benefits will flow to the Company and the amount of revenue can be measured reliably). Royalty arrangements that are based on sales and other measures are recognised by reference to the underlying arrangement.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the

expected life of the financial asset to that asset's net carrying amount on initial recognition.

Contract balances

Unbilled receivable

During the end of reporting period, unbilled receivable is recognised for the royalty income, milestone payment or Research and development service on satisfaction of revenue recognition criteria mentioned above but the same is not billed to the customers. Upon billing, the amount recognized as unbilled receivable is reclassified to trade receivables.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

Advance received from customer

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

n) Employee benefits

Defined benefit plans

The Company operates a defined benefit gratuity plan which requires contribution to be made to a separately administered fund.

The liability in respect of defined benefit plans is calculated using the projected unit credit method with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds. The currency and term of the government bonds shall be consistent with the currency and estimated term of the post-employment benefit obligations. The current service cost of the defined benefit plan, recognised in the statement of profit and loss as employee benefits expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognised in statement of profit and loss in the period of a plan amendment. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in statement of profit and loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to OCI in the period in which they arise.

Standalone Notes to Financial Statements

for the year ended March 31, 2025

and is reflected immediately in retained earnings and is not reclassified to statement of profit and loss.

Short-term and other long-term employee benefits

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

The Company's net obligation in respect of other long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value.

Defined contribution plans

The Company's contributions to defined contribution plans are recognised as an expense as and when the services are received from the employees entitling them to the contributions. The Company does not have any obligation other than the contribution made.

o) Borrowing cost

Borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

p) Income tax

Income tax expense consists of current and deferred tax. Income tax expense is recognised in statement of profit and loss except to the extent that it relates to items recognised in OCI or directly in equity, in which case it is recognised in OCI or directly in equity respectively. Current tax is the expected tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they

reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Accruals for uncertain tax positions require management to make judgments of potential exposures. Accruals for uncertain tax positions are measured using either the most likely amount or the expected value amount depending on which method the entity expects to better predict the resolution of the uncertainty. Tax benefits are not recognised unless the management, based upon its interpretation of applicable laws and regulations and the expectation of how the tax authority will resolve the matter, concludes that such benefits will be accepted by the authorities. Once considered probable of not being accepted, management reviews each material tax benefit and reflects the effect of the uncertainty in determining the related taxable amounts.

q) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified:

- (1) Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.
- (2) Ind AS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information to enable understand the impact on the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after April 1, 2025. When applying the amendments, an entity cannot restate comparative information.

The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

Standalone Notes to Financial Statements

for the year ended March 31, 2025

NOTE 3a

PROPERTY, PLANT AND EQUIPMENT

	Lease hold land	Right of use assets#	Buildings*	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
(₹ in Lakh)								
At cost or deemed cost								
As at April 1, 2023	803.50	1,787.78	3,036.16	8,208.09	361.44	258.16	51.35	14,506.48
Additions	-	146.07	49.36	1,118.43	28.33	62.69	11.47	1,416.35
Disposals	-	(693.84)	-	(66.16)	-	(94.82)	(0.14)	(854.96)
As at March 31, 2024	803.50	1,240.01	3,085.52	9,260.36	389.77	226.03	62.68	15,067.87
Additions	-	-	18.43	326.78	1.78	58.00	2.53	407.52
Disposals	-	-	-	(233.72)	-	(89.89)	-	(323.61)
As at March 31, 2025	803.50	1,240.01	3,103.95	9,353.42	391.55	194.14	65.21	15,151.78
Accumulated depreciation								
As at April 1, 2023	48.75	306.25	174.20	3,194.91	122.70	88.42	30.55	3,965.78
Depreciation expenses	10.19	295.68	51.81	734.28	36.91	58.31	7.12	1,194.30
Eliminated on disposals of assets	-	(219.72)	-	(62.60)	-	(55.88)	(0.14)	(338.34)
As at March 31, 2024	58.94	382.21	226.01	3,866.59	159.61	90.85	37.53	4,821.74
Depreciation expenses	10.19	216.57	52.60	686.99	38.30	57.50	8.37	1,070.52
Eliminated on disposals of assets	-	-	-	(185.63)	-	(81.75)	-	(267.38)
As at March 31, 2025	69.13	598.78	278.61	4,367.95	197.91	66.60	45.90	5,624.88
Carrying amounts								
As at March 31, 2024	744.56	857.80	2,859.51	5,393.77	230.16	135.18	25.15	10,246.13
As at March 31, 2025	734.37	641.23	2,825.34	4,985.47	193.64	127.54	19.31	9,526.90

* Pending registration of one location (Gross carrying amount: ₹285.99 Lakhs; Net carrying amount ₹185.77 Lakhs)

Refer Note 41.

The Company follows a Cost Model for subsequent measurement of Property plant and equipment and hence no revaluation is done.

Standalone Notes to Financial Statements

for the year ended March 31, 2025

The title deeds of 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 except for the following immovable properties:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative (#) of promoter (*) /director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the Company
Property, plant and equipment	Building	285.99	Sun Pharmaceutical Industries Limited	No	March 1, 2007	(**)

* Relative here means relative as defined in the Companies Act, 2013.

*Promoter here means promoter as defined in the Companies Act, 2013.

** The building was transferred (pending registration) to the Company pursuant to a scheme of arrangement in the nature of demerger and transfer of Innovative Research and Development business of Sun Pharmaceutical Industries Limited under Section 391 to 394 of the erstwhile Companies Act, 1956 in terms of the approval of the Honourable High Court of Gujarat.

NOTE 3b

CAPITAL WORK-IN-PROGRESS

	As at March 31, 2025	As at March 31, 2024
Capital work-in-progress (CWIP)	56.07	126.86
	56.07	126.86

Movement of capital work-in-progress

Particulars	Opening balance	Addition during the year	Capitalised during the year	Closing balance
As at March 31, 2025	126.86	113.53	184.32	56.07
As at March 31, 2024	187.34	924.78	985.26	126.86

Capital work-in-progress ageing schedule

	As at March 31, 2025				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	27.14	28.93	-	-	56.07
Projects temporarily suspended	-	-	-	-	-

	As at March 31, 2024				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	126.86	-	-	-	126.86
Projects temporarily suspended	-	-	-	-	-

There is no project which is overdue or has exceeded its cost compared to its original plan as at balance sheet date.

Standalone Notes to Financial Statements

for the year ended March 31, 2025

NOTE 3c

OTHER INTANGIBLE ASSETS

(₹ in Lakh)

	Computer software
At cost or deemed cost	
As at April 1, 2023	115.78
Additions	2.85
Disposals	-
As at March 31, 2024	118.63
Additions	-
Disposals	-
As at March 31, 2025	118.63
Accumulated amortisation	
As at April 1, 2023	81.61
Amortisation expenses	18.46
Eliminated on disposals of assets	-
As at March 31, 2024	100.07
Amortisation expenses	12.52
Eliminated on disposals of assets	-
As at March 31, 2025	112.59
Carrying amounts	
As at March 31, 2024	18.56
As at March 31, 2025	6.04

NOTE 3d

INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Lakh)

	As at March 31, 2025	As at March 31, 2024
Intangible assets under development	5,359.22	4,252.63
	5,359.22	4,252.63

Movement of Intangible assets under development

(₹ in Lakh)

Particulars	Opening balance	Addition during the year	Capitalised during the year	Closing balance
As at March 31, 2025	4,252.63	1,106.59	-	5,359.22
As at March 31, 2024	2,512.65	1,739.98	-	4,252.63

Intangible assets under development ageing schedule

(₹ in Lakh)

Intangible assets under development	As at March 31, 2025				
	Amount in Intangible asset under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1,106.59	1,739.98	248.13	2,264.52	5,359.22
Projects temporarily suspended	-	-	-	-	-

Standalone Notes to Financial Statements

for the year ended March 31, 2025

(₹ in Lakh)

Intangible assets under development	As at March 31, 2024				
	Amount in Intangible asset under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1,739.98	248.13	2,264.52	-	4,252.63
Projects temporarily suspended	-	-	-	-	-

There is no intangible asset where completion is overdue or has exceeded its cost compared to its original plan as at balance sheet date.

NOTE 4

INVESTMENT IN THE NATURE OF EQUITY IN SUBSIDIARY

	As at March 31, 2025		As at March 31, 2024	
	Quantity (in No.)	Amount (₹ in Lakhs)	Quantity (in No.)	Amount (₹ in Lakhs)
Equity Instrument				
Wholly owned subsidiary				
SPARC LIFE Inc. - Delaware U.S.A. (Face value of USD 0.001 per share)	50	41.69	50	41.69
		41.69		41.69

NOTE 5

OTHER FINANCIAL ASSETS (NON-CURRENT)

(₹ in Lakh)

	As at March 31, 2025	As at March 31, 2024
Security deposits - unsecured, considered good	46.98	46.91
Other receivables	2,564.10	2,502.00
	2,611.08	2,548.91

NOTE 6

DEFERRED TAX ASSETS (NET)

(₹ in Lakh)

	As at April 1, 2024	Recognised in profit or loss	As at March 31, 2025
Deferred tax (liabilities) / assets in relation to:			
Difference between written down value of property, plant and equipment and capital work-in-progress as per books of accounts and income tax	(2,013.09)	81.86	(1,931.23)
Difference in carrying value and tax base of financial assets	(34.49)	34.49	-
Allowance for doubtful debts and advances	59.68	-	59.68
Expenses claimed for tax purpose on payment basis	279.50	111.30	390.80
Deferred revenue	2,364.40	-	2,364.40
Unabsorbed business losses / capital expenditure (unabsorbed depreciation)	(656.00)	(227.65)	(883.65)
(Restricted to the extent of deferred tax liability on depreciation on account of uncertainty of future taxable income)	-	-	-

Standalone Notes to Financial Statements

for the year ended March 31, 2025

(₹ in Lakh)

	As at April 1, 2023	Recognised in profit or loss	As at March 31, 2024
Deferred tax (liabilities) / assets in relation to:			
Difference between written down value of property, plant and equipment and capital work-in-progress as per books of accounts and income tax	(1,781.22)	(231.87)	(2,013.09)
Difference in carrying value and tax base of financial assets	(0.04)	(34.45)	(34.49)
Allowance for doubtful debts and advances	-	59.68	59.68
Expenses claimed for tax purpose on payment basis	426.08	(146.58)	279.50
Deferred revenue	2,364.40	-	2,364.40
Unabsorbed business losses / capital expenditure (unabsorbed depreciation) (Restricted to the extent of deferred tax liability on depreciation on account of uncertainty of future taxable income)	(1,009.22)	353.22	(656.00)
	-	-	-

Unrecognised deferred tax assets relate primarily to unabsorbed business losses which will expire in 8 years after the year in which they originate as per Income Tax Act, 1961.

(₹ in Lakh)

	As at March 31, 2025	As at March 31, 2024
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:		
Tax losses	1,92,753.44	1,65,516.13
Unabsorbed depreciation	23,123.94	22,488.07

NOTE 7

INCOME TAX ASSETS (NET)

(₹ in Lakh)

	As at March 31, 2025	As at March 31, 2024
Advance income tax* (Net of provisions)	5,616.45	6,677.96
	5,616.45	6,677.96

* Includes amount paid under protest.

NOTE 8

OTHER ASSETS (NON-CURRENT)

(₹ in Lakh)

	As at March 31, 2025	As at March 31, 2024
Capital advances - Unsecured, considered good	-	42.04
Prepaid expenses	28.99	37.79
Balances with government authorities*	7,155.46	-
	7,184.45	79.83

*Includes balances of Goods and Services Tax and amount paid under protest

Standalone Notes to Financial Statements

for the year ended March 31, 2025

NOTE 9

INVESTMENTS (CURRENT)

	As at March 31, 2025		As at March 31, 2024	
	Quantity (in No.)	Amount (₹ in Lakhs)	Quantity (in No.)	Amount (₹ in Lakhs)
Investments stated at fair value through profit and loss				
Investments in mutual funds				
Quoted*				
DSP Overnight Direct Growth (Face value of ₹10/- each)	-	-	14,044	180.13
		-		180.13

*Investments in mutual funds have been fair valued at closing net asset value (NAV).

NOTE 10

TRADE RECEIVABLES

	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good (Refer Note 46)	1,605.65	1,553.13
Credit impaired	204.95	204.95
	1,810.60	1,758.08
Less: Impairment allowance (allowance for bad and doubtful debts)	(204.95)	(204.95)
	1,605.65	1,553.13

Note: There are no trade receivables which are due from directors or other officers of the Company either severally or jointly. Trade receivables comprise of receivable due from related parties as mentioned in Annexure A of Note 43. For terms and conditions relating to related party receivables, refer Annexure A of Note 43.

Trade receivables are non-interest bearing and are generally on terms of 15 - 45 days.

Trade receivables ageing schedule

Particulars	As at March 31, 2025						
	Outstanding periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables– considered good	783.85	394.45	-	-	427.35	-	1,605.65
(ii) Undisputed trade receivables– credit impaired	-	-	-	204.95	-	-	204.95
(iii) Disputed trade receivables– which have significant increase in credit risk	-	-	-	-	-	-	-
(iv) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Less: Impairment allowance (allowance for bad and doubtful debts)	-	-	-	(204.95)	-	-	(204.95)
	783.85	394.45	-	-	427.35	-	1,605.65

Standalone Notes to Financial Statements

for the year ended March 31, 2025

(₹ in Lakh)

Particulars	As at March 31, 2024						
	Outstanding periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables– considered good	1,080.96	22.58	32.59	417.00	-	-	1,553.13
(ii) Undisputed trade receivables– credit impaired	-	-	204.95	-	-	-	204.95
(iii) Disputed trade receivables– which have significant increase in credit risk	-	-	-	-	-	-	-
(iv) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Less: Impairment allowance (allowance for bad and doubtful debts)	-	-	(204.95)	-	-	-	(204.95)
	1,080.96	22.58	32.59	417.00	-	-	1,553.13

NOTE 11

CASH AND CASH EQUIVALENTS

(₹ in Lakh)

	As at March 31, 2025	As at March 31, 2024
Balances with banks		
In current accounts	118.69	505.99
Cash on hand	0.28	0.32
	118.97	506.31

Changes in liabilities arising from financing activities

Particulars	Balance as at April 01, 2024	Cash flows	Other	Balance as at March 31, 2025	Balance as at April 01, 2023	Cash flows	Other	Balance as at March 31, 2024
Borrowings	4,700.00	21,118.53	-	25,818.53	5.10	4,694.90	-	4,700.00
Lease Liabilities	923.31	(202.12)	-	721.19	1,562.43	(258.90)	(380.22)	923.31

NOTE 12

BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS (CURRENT)

(₹ in Lakh)

	As at March 31, 2025	As at March 31, 2024
Deposit accounts		
Fixed deposits with bank	-	15,000.00
	-	15,000.00

Standalone Notes to Financial Statements

for the year ended March 31, 2025

NOTE 13

LOANS (CURRENT)

	As at March 31, 2025	(₹ in Lakh) As at March 31, 2024
Loans and advances to employees		
Unsecured, considered good	16.31	22.17
	16.31	22.17

The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person.

NOTE 14

OTHER FINANCIAL ASSETS (CURRENT)

	As at March 31, 2025	(₹ in Lakh) As at March 31, 2024
Interest accrued on fixed deposits (unsecured, considered good)	-	1,404.73
Unbilled revenue (Refer Note 46)	-	287.12
IGST refund receivable	175.86	249.93
Other receivable	60.01	125.23
	235.87	2,067.01

NOTE 15

OTHER ASSETS (CURRENT)

	As at March 31, 2025	(₹ in Lakh) As at March 31, 2024
Prepaid expenses	353.54	428.15
Advances for supply of goods and services (considered good)	195.36	142.17
Balances with government authorities*	-	4,741.14
	548.90	5,312.00

*Includes balances of Goods and Services Tax and amount paid under protest

NOTE 16

EQUITY SHARE CAPITAL

	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount (₹ in Lakhs)	Number of shares	Amount (₹ in Lakhs)
Authorised				
Opening balance (Equity shares of ₹1 each)	42,50,00,000	4,250.00	42,50,00,000	4,250.00
Closing balance (Equity shares of ₹1 each)	42,50,00,000	4,250.00	42,50,00,000	4,250.00
Issued, subscribed and fully paid up				
Equity shares of ₹1 each*	32,45,21,588	3,245.30	32,45,21,588	3,245.30
	32,45,21,588	3,245.30	32,45,21,588	3,245.30

*Consequent to forfeiture of 12,537 equity shares in prior years and on receipt of unpaid amount thereon, the paid-up share capital of the Company have increased by ₹0.08 Lakhs.

Standalone Notes to Financial Statements

for the year ended March 31, 2025

Disclosures relating to share capital

i Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares and declares and pays dividend in Indian Rupees. The equity shares of the Company, having par value of ₹1/- per share, rank pari passu in all respects including voting rights and entitlement to dividend. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company on pro-rata basis. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii Equity shares held by each shareholder holding more than 5% equity shares in the Company are as follows:

	As at March 31, 2025		As at March 31, 2024	
	No. of Equity shares held	% of Holding	No. of Equity shares held	% of Holding
Dilip Shantilal Shanghvi	6,18,10,660	19.05%	6,18,10,660	19.05%
Shanghvi Finance Private Limited	13,72,11,787	42.28%	13,72,11,787	42.28%

iii Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year.

	As at March 31, 2025		As at March 31, 2024	
	No. of Equity shares held	Amount ₹ in lakhs	No. of Equity shares held	Amount ₹ in lakhs
Opening balance	32,45,21,588	3,245.30	32,45,21,588	3,245.30
Closing balance	32,45,21,588	3,245.30	32,45,21,588	3,245.30

iv No equity share has been allotted as fully paid up bonus shares and / bought back during the period of five years immediately preceding the date at which the balance sheet is prepared.

v Details of shares held by promoters

As at March 31, 2025

Sr. No.	Equity shares held by promoters / members of promoter group / person acting in concert	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total shares at the end of the year	% change during the year
1	Mr. Dilip Shantilal Shanghvi	6,18,10,660	-	6,18,10,660	19.05	-
2	Shanghvi Finance Private Limited	13,72,11,787	-	13,72,11,787	42.28	-
3	Mr. Sudhir V. Valia	18,33,951	-	18,33,951	0.57	-
4	Mrs. Vibha Dilip Shanghvi	10,63,236	-	10,63,236	0.33	-
5	Mr. Aalok Dilip Shanghvi	3,50,162	-	3,50,162	0.11	-
6	Ms. Vidhi Dilip Shanghvi	3,44,081	-	3,44,081	0.11	-
7	Mrs. Kumud S. Shanghvi	38,795	-	38,795	0.01	-
8	Shanghvi Family & Friends Benefit Trust (Kumud S. Shanghvi and Dilip S. Shanghvi)	1,54,922	-	1,54,922	0.05	-
9	Mrs. Raksha S. Valia	41,45,231	-	41,45,231	1.28	-
10	Unimed Investments Limited	12,67,963	-	12,67,963	0.39	-
11	Flamboyawer Finance Private Limited	2,543	-	2,543	0.00	-
12	Sanghvi Properties Private Limited	1,887	-	1,887	0.00	-
13	Gujarat Sun Pharmaceutical Industries Private Limited	1,751	-	1,751	0.00	-
14	Aditya Medisales Limited	48,88,126	-	48,88,126	1.51	-
		21,31,15,095		21,31,15,095	65.67	-

Standalone Notes to Financial Statements

for the year ended March 31, 2025

As at March 31, 2024

Sr. No.	Equity shares held by promoters / members of promoter group / person acting in concert	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total shares at the end of the year	% change during the year
1	Mr. Dilip Shantilal Shanghvi	6,18,10,660	-	6,18,10,660	19.05	-
2	Shanghvi Finance Private Limited	13,72,11,787	-	13,72,11,787	42.28	-
3	Mr. Sudhir V. Valia	18,33,951	-	18,33,951	0.57	-
4	Mrs. Vibha Dilip Shanghvi	10,63,236	-	10,63,236	0.33	-
5	Mr. Aalok Dilip Shanghvi	3,50,162	-	3,50,162	0.11	-
6	Ms. Vidhi Dilip Shanghvi	3,44,081	-	3,44,081	0.11	-
7	Mrs. Kumud S. Shanghvi	38,795	-	38,795	0.01	-
8	Shanghvi Family & Friends Benefit Trust (Kumud S. Shanghvi and Dilip S. Shanghvi)	1,54,922	-	1,54,922	0.05	-
9	Mrs. Raksha S. Valia	41,45,231	-	41,45,231	1.28	-
10	Unimed Investments Limited	12,67,963	-	12,67,963	0.39	-
11	Flamboyawer Finance Private Limited	2,543	-	2,543	0.00	-
12	Sanghvi Properties Private Limited	1,887	-	1,887	0.00	-
13	Gujarat Sun Pharmaceutical Industries Private Limited	1,751	-	1,751	0.00	-
14	Aditya Medisales Limited	48,88,126	-	48,88,126	1.51	-
		21,31,15,095	-	21,31,15,095	65.67	-

NOTE 17

OTHER EQUITY

	As at March 31, 2025	As at March 31, 2024
A Securities premium	2,03,815.89	2,03,815.89
B General reserve	3,397.66	3,397.66
C Retained earnings		
Opening balance	(1,97,973.12)	(1,59,181.34)
Add: Loss for the year	(34,522.21)	(38,810.52)
Add: Actuarial gain on remeasurement of defined benefit plan	(25.55)	18.74
	(2,32,520.88)	(1,97,973.12)
D Total (A+B+C)	(25,307.33)	9,240.43

Nature and purpose of each reserve

Securities premium - The amount received in excess of face value of the equity shares is recognised in securities premium. This would be utilised in accordance with the provisions of the Companies Act, 2013.

General reserve - The reserve arises on transfer portion on the net profit pursuant to the earlier provisions of the Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013. The Company can use this reserve for payment of dividend and issue of fully paid-up and not paid-up bonus shares.

Retained earnings - Retained earnings are created from the profit/loss of the Company, as adjusted for distributions to owners, transfers to other reserves, etc.

Standalone Notes to Financial Statements

for the year ended March 31, 2025

NOTE 18

BORROWINGS (NON-CURRENT)

	As at March 31, 2025	(₹ in Lakh) As at March 31, 2024
Unsecured term loan		
Shanghvi Finance Private Limited*	10,000.00	-
	10,000.00	-

*Unsecured term loan from Promoter group entity carrying interest @3 months SBI MCLR + 20 bps p.a. payable in December 2026.

The term loan is utilised for the intended purpose of meeting working capital requirements.

NOTE 19

LEASE LIABILITIES (NON-CURRENT)

	As at March 31, 2025	(₹ in Lakh) As at March 31, 2024
Lease liability (Refer Note 41)	499.67	721.19
	499.67	721.19

NOTE 20

OTHER FINANCIAL LIABILITIES (NON-CURRENT)

	As at March 31, 2025	(₹ in Lakh) As at March 31, 2024
Other non-current financial liabilities	90.39	83.37
	90.39	83.37

NOTE 21

PROVISIONS (NON-CURRENT)

	As at March 31, 2025	(₹ in Lakh) As at March 31, 2024
Provision for employee benefits		
Compensated absences	543.37	604.75
Gratuity (Refer Note 45)	224.21	-
	767.58	604.75

NOTE 22

OTHER LIABILITIES (NON-CURRENT)

	As at March 31, 2025	(₹ in Lakh) As at March 31, 2024
Deferred revenue (Refer Note 46)	6,259.81	10,349.43
	6,259.81	10,349.43

Standalone Notes to Financial Statements

for the year ended March 31, 2025

Movement of deferred revenue

(₹ in Lakh)

Particulars	Opening balance	Addition during the year	Deletion during the year	Transfer to Other liabilities (Current)	Closing balance
As at March 31, 2025	10,349.43	-	-	(4,089.62)	6,259.81
As at March 31, 2024	11,764.73	-	(1,415.30)	-	10,349.43

NOTE 23

BORROWINGS (CURRENT)

(₹ in Lakh)

	As at March 31, 2025	As at March 31, 2024
From Banks		
Temporary Book Overdraft (Secured)	198.49	-
Secured working capital loan		
Kotak Mahindra Bank Limited		
- Working capital loan from bank (secured)*#^	15,600.00	4,700.00
ICICI Bank Limited		
- Working capital loan from bank (secured)*#	20.04	-
	15,818.53	4,700.00

* The Company has availed working capital facilities from Kotak Mahindra Bank Limited and ICICI Bank Limited on the basis of security of current assets. However, the Company has obtained waiver to file quarterly statement with the banks.

Working capital demand loan carries an interest rate of @8.15% p.a. to @9.75% p.a.

*Working capital demand loan from Kotak Mahindra Bank Limited is secured by Corporate Guarantee given by Shanghvi Finance Private Limited.

NOTE 24

LEASE LIABILITIES (CURRENT)

(₹ in Lakh)

	As at March 31, 2025	As at March 31, 2024
Lease liability (Refer Note 41)	221.52	202.12
	221.52	202.12

NOTE 25

TRADE PAYABLES

(₹ in Lakh)

	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises (Refer Note 40)	93.65	105.78
Total outstanding dues of creditors other than micro enterprises and small enterprises	12,345.90	14,875.80
	12,439.55	14,981.58

Note: Trade payables comprises of payables due to directors and related parties as mentioned in Annexure A of Note 43.

Trade payables are non-interest bearing and are generally on terms of 30 - 90 days.

Standalone Notes to Financial Statements

for the year ended March 31, 2025

Trade payable ageing schedule

(₹ in Lakh)

Particulars	As at March 31, 2025						
	Outstanding periods from due date of payment						Total
	Unbilled dues	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro and small enterprises	6.53	74.44	12.52	0.03	-	0.13	93.65
(ii) Others	4,680.26	1,616.07	2,994.25	3,034.24	3.28	17.80	12,345.90
(iii) Disputed dues - Micro and small enterprises	-	-	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-	-	-
	4,686.79	1,690.51	3,006.77	3,034.27	3.28	17.93	12,439.55

(₹ in Lakh)

Particulars	As at March 31, 2024						
	Outstanding periods from due date of payment						Total
	Unbilled dues	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro and small enterprises	41.26	32.52	31.60	0.05	0.35	-	105.78
(ii) Others	4,842.97	3,471.59	6,513.37	33.61	4.18	10.08	14,875.80
(iii) Disputed dues - Micro and small enterprises	-	-	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-	-	-
	4,884.23	3,504.11	6,544.97	33.66	4.53	10.08	14,981.58

NOTE 26

OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in Lakh)

	As at March 31, 2025	As at March 31, 2024
Interest accrued but not due on borrowings	60.65	7.11
Payable on purchase of property, plant and equipment and intangible asset under development	501.82	141.52
Payable to employees	755.67	820.05
Other financial liability	35.83	6.76
Amount refundable to customer	1,709.60	1,668.20
	3,063.57	2,643.64

NOTE 27

OTHER LIABILITIES (CURRENT)

(₹ in Lakh)

	As at March 31, 2025	As at March 31, 2024
Statutory remittances	1,164.74	1,506.41
Advances from customers (Refer Note 46)	0.20	0.03
Deferred revenue (Refer Note 46)	4,089.62	-
	5,254.56	1,506.44

Standalone Notes to Financial Statements

for the year ended March 31, 2025

NOTE 28

PROVISIONS (CURRENT)

	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
Compensated absences	318.23	334.00
Gratuity (Refer Note 45)	256.22	21.07
	574.45	355.07

NOTE 29

REVENUE FROM OPERATIONS

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from contracts with customers		
Sale of services (Refer Note 46)		
Licence fees	1,424.16	76.17
Royalty on technology	4,557.90	5,873.36
R&D services	1,194.54	1,605.00
	7,176.60	7,554.53

NOTE 30

OTHER INCOME

	Year ended March 31, 2025	Year ended March 31, 2024
Interest income on:		
Deposits with banks	46.49	1,728.67
Loans to employees	0.49	0.86
Others (includes refund from government authorities)	21.23	818.06
	68.21	2,547.59
Net gain on sale of financial assets measured at fair value through profit or loss	105.51	317.19
Net gain arising on financial assets measured at fair value through profit or loss	-	0.14
	105.51	318.05
Net gain on disposal of property, plant and equipment	3.25	6.02
Net gain on derecognition of Right to use assets	-	52.17
Miscellaneous income	2.14	23.10
	179.11	2,946.93

NOTE 31

COST OF MATERIALS CONSUMED

	Year ended March 31, 2025	Year ended March 31, 2024
Materials consumed	2,311.84	2,813.10
	2,311.84	2,813.10

Standalone Notes to Financial Statements

for the year ended March 31, 2025

NOTE 32

EMPLOYEE BENEFITS EXPENSE

	Year ended March 31, 2025	(₹ in Lakh) Year ended March 31, 2024
Salaries, wages and bonus	9,892.85	10,788.53
Contribution to provident and other funds*	654.29	683.76
Staff welfare expenses	348.84	380.89
	10,895.98	11,853.18

* includes gratuity expense of ₹145.54 Lakhs (Previous year: ₹ 179.47 Lakhs)

NOTE 33

FINANCE COSTS

	Year ended March 31, 2025	(₹ in Lakh) Year ended March 31, 2024
Interest expense on:		
Borrowings	755.83	15.69
Lease liabilities (Refer Note 41)	76.56	97.84
Corporate guarantee commission	50.00	50.00
Unwinding of discount on provision	8.18	1.99
	890.57	165.52

NOTE 34

OTHER EXPENSES

	Year ended March 31, 2025	(₹ in Lakh) Year ended March 31, 2024
Consumption of stores and spare parts	550.76	630.45
Power and fuel	633.06	614.03
Rent (Refer Note 41)	-	25.08
Rates and taxes	13.04	12.93
Insurance	147.60	120.02
Repairs and maintenance	708.13	830.77
Printing and stationery	14.87	16.70
Travelling and conveyance	200.05	402.59
License and fees	337.82	278.16
Communication expenses	35.31	41.67
Net loss on foreign currency transactions	177.59	289.91
Payment to auditor		
For statutory audit	23.03	23.02
For limited review	9.20	8.92
For certification services	-	1.00
For reimbursement	4.59	5.66
Contract labour expenses	456.27	444.35
Membership fees and subscription	39.87	62.28
Software expenses	774.33	817.89
Staff recruitment expenses	14.84	205.49
Provision for doubtful debt	-	204.95
Miscellaneous expenses	296.98	207.70
	4,437.34	5,243.57

Standalone Notes to Financial Statements

for the year ended March 31, 2025

NOTE 35

CATEGORIES OF FINANCIAL INSTRUMENTS

(₹ in Lakh)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost
Financial assets						
Investments*						
Investments in mutual funds	-	-	-	180.13	-	-
Loans and advances to employees	-	-	16.31	-	-	22.17
Security deposits	-	-	46.98	-	-	46.91
Trade receivables	-	-	1,605.65	-	-	1,553.13
Cash and cash equivalents	-	-	118.97	-	-	506.31
Bank balances other than cash and cash equivalent	-	-	-	-	-	15,000.00
Interest accrued on fixed deposit	-	-	-	-	-	1,404.73
Unbilled revenue	-	-	-	-	-	287.12
Other receivables	-	-	2,799.97	-	-	2,877.16
	-	-	4,587.88	180.13	-	21,697.53
Financial liabilities						
Borrowings	-	-	25,818.53	-	-	4,700.00
Interest accrued but not due on borrowings	-	-	60.65	-	-	7.11
Trade payables	-	-	12,439.55	-	-	14,981.58
Payables on purchase of property, plant and equipment and intangible assets under development	-	-	501.82	-	-	141.52
Lease liabilities	-	-	721.19	-	-	923.31
Payable to employees	-	-	755.67	-	-	820.05
Other payables	-	-	1,835.82	-	-	1,758.33
	-	-	42,133.23	-	-	23,331.90

*Exclude investment in subsidiary ₹41.69 Lakhs (Previous year: ₹41.69 Lakhs) measured at cost. (Refer Note 4)

NOTE 36

FAIR VALUE HIERARCHY

The carrying value and fair value of financial instruments by categories as at balance sheet date were as follows:

(₹ in Lakh)

Particulars	Carrying Value		Fair Value	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Financial assets:				
Investments in mutual fund - quoted	-	180.13	-	180.13
	-	180.13	-	180.13

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

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Standalone Notes to Financial Statements

for the year ended March 31, 2025

Financial assets and liabilities measured at fair value on a recurring basis at the end of each reporting period

(₹ in Lakh)

	As at March 31, 2025			As at March 31, 2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets at FVTPL						
Investments in mutual funds	-	-	-	180.13	-	-
	-	-	-	180.13	-	-

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

There were no transfers between Level 1 and 2 during the years ended March 31, 2025 and March 31, 2024.

NOTE 37

CAPITAL MANAGEMENT

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern (Refer Note 52a); and
- to provide an adequate return to shareholders through optimisation of debts and equity balance.

The Company monitors capital on the basis of the carrying amount of debt less cash and cash equivalents as presented on the face of the financial statements. The Company's objective for capital management is to maintain an optimum overall financial structure.

Net debt equity ratio

(₹ in Lakh)

	As at March 31, 2025	As at March 31, 2024
Debt (includes borrowings and lease liabilities)	26,539.72	5,623.31
Less: cash and cash equivalents	118.97	506.31
Net debt	26,420.75	5,117.00
Total equity (including reserves)	(22,062.03)	12,485.73
Net debt to total equity ratio	(1.20)	0.41

NOTE 38

FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's risk management assessment, policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment, management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of counterparty to which the Company grants credit terms in the normal course of business.

Standalone Notes to Financial Statements

for the year ended March 31, 2025

Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counterparties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The Company has unutilised working capital lines from banks and financial institutions of ₹21,681 Lakhs as on March 31, 2025 (Previous year: ₹37,800 Lakhs). The Company has also received a financial support letter from its promoter group entity.

The table below provides details regarding the contractual maturities of significant financial liabilities based on the contractual undiscounted payments:

Particulars	As at March 31, 2025				As at March 31, 2024			
	Less than 1 year	1 - 3 years	More than 3 years	Total	Less than 1 year	1 - 3 years	More than 3 years	Total
	(₹ in Lakh)							
Non-derivative								
Borrowings	15,818.53	10,000.00	-	25,818.53	4,700.00	-	-	4,700.00
Lease liabilities	278.68	525.49	24.60	828.77	278.68	555.97	272.80	1,107.45
Trade payables	12,439.55	-	-	12,439.55	14,981.58	-	-	14,981.58
Other financial liabilities	3,063.57	2.56	87.83	3,153.96	2,643.64	11.65	71.72	2,727.01
	31,600.33	10,528.05	112.43	42,240.81	22,603.90	567.62	344.52	23,516.04

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include investments. The Company has designed risk management frame work to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

Foreign exchange risk

The Company's foreign exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in US Dollars and Euros). As a result, if the value of the Indian Rupee fluctuates relative to these foreign currencies, the Company's revenues and expenses measured in Indian Rupees may fluctuate. The exchange rate between the Indian Rupee and these foreign currencies have changed substantially in recent periods and may continue to fluctuate substantially in the future.

a) Significant foreign currency risk exposure relating to trade receivables other receivable and trade payables

Particulars	As at March 31, 2025					As at March 31, 2024			
	US Dollars	Pound	Euro	Others	Total	US Dollars	Euro	Others	Total
	Equivalent INR					Equivalent INR			
Financial assets									
Trade receivables	549.14	-	-	-	549.14	479.75	-	-	479.75
Other receivables	2,564.10	-	-	-	2,564.10	2,502.00	-	-	2,502.00
Cash and cash equivalents	32.02	-	-	-	32.02	376.78	-	-	376.78
Financial liabilities									
Trade payables	10,841.96	168.48	57.59	9.17	11,077.20	13,372.84	433.67	80.00	13,886.51
Other financial liability	2,277.55	-	-	-	2,277.55	1,758.06	-	-	1,758.06

Standalone Notes to Financial Statements

for the year ended March 31, 2025

b) Sensitivity

For the years ended March 31, 2025 and March 31, 2024, every 5% strengthening in the exchange rate between the Indian Rupee and the respective currencies for the above mentioned financial assets / liabilities would decrease the Company's loss and increase the Company's equity by approximately ₹510.47 Lakhs and ₹614.30 Lakhs respectively. A 5% weakening of the Indian rupee and the respective currencies would lead to an equal but opposite effect.

Interest rate risk

The Company's borrowings include loans with floating interest rates linked to the MCLR. The Company is exposed to interest rate risk arising from these borrowings. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

A 50 basis points increase in interest rates would result in an additional interest expense of ₹50 lakhs. A 50 basis point decrease in floating interest rate would have led to an equal but opposite effect.

Commodity rate risk

The Company being in the business of Research & Development, does not face any significant Commodity Price Risk.

NOTE 39

LOSS PER SHARE

	Year ended March 31, 2025	Year ended March 31, 2024
Loss for the year (₹ in Lakhs)	(34,522.21)	(38,810.52)
Weighted average number of shares used in computing basic and diluted loss per share	32,45,21,588	32,45,21,588
Nominal / face value per share (in ₹)	1.00	1.00
Basic and diluted loss per share (in ₹)	(10.64)	(11.96)

NOTE 40

DISCLOSURES UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

- The principal amount remaining unpaid as at March 31, 2025 in respect of enterprises covered under the "Micro, Small and Medium Enterprises Development Act, 2006" (MSMED) is ₹ 93.65 Lakhs (Previous year: ₹105.78 Lakhs).
- There are no amounts of interest paid/due/payable during the year/previous year/succeeding year. Also, there is no amount of interest accrued and remaining unpaid at the end of current accounting year/previous accounting year.
- The list of undertakings covered under MSMED was determined by the Company on the basis of information available with the Company and has been relied upon by auditors.

NOTE 41

LEASES

Right-of-use (ROU assets)

Particulars	Amount
At cost or deemed cost	
As at April 1, 2023	1,787.78
Additions	146.07
Disposals	(693.84)
As at March 31, 2024	1,240.01
Additions	-
Disposals	-
As at March 31, 2025	1,240.01

Standalone Notes to Financial Statements

for the year ended March 31, 2025

(₹ in Lakh)	
Particulars	Amount
Accumulated depreciation	
As at April 1, 2023	306.25
Depreciation expenses	295.68
Eliminated on disposals of assets	(219.72)
As at March 31, 2024	382.21
Depreciation expenses	216.57
Eliminated on disposals of assets	-
As at March 31, 2025	598.78
Carrying amounts (Refer Note 3a)	
As at March 31, 2024	857.80
As at March 31, 2025	641.23

Lease liability

Below are the carrying amounts of lease liabilities recognised and the movements during the period:

(₹ in Lakh)	
Particulars	Amount
As at April 1, 2023	1,562.43
Accretion of interest	97.84
Addition during the year	146.07
Deletion during the year	(526.29)
Payments towards lease liability	(356.74)
As at March 31, 2024	923.31
Accretion of interest	76.56
Addition during the year	-
Deletion during the year	-
Payments towards lease liability	(278.68)
As at March 31, 2025	721.19
Lease liabilities (non-current) (Refer Note 19)	499.67
Lease liabilities (Current) (Refer Note 24)	221.52
Total lease liability	721.19

Lease liabilities - maturity analysis - contractual undiscounted cash flows

(₹ in Lakh)		
	As at March 31, 2025	As at March 31, 2024
Not later than one year	278.68	278.68
Later than one year and not later than five years	550.09	828.77
Later than five years	-	-
Amounts recognised in statement of profit and loss		
Interest on lease liabilities	76.56	97.84
Depreciation on right-to-use assets	216.57	295.68

Annual lease costs on short term leases and low value asset leases amounted to ₹Nil in the year ended March 31, 2025 (Previous year: ₹25.08 Lakhs)

Standalone Notes to Financial Statements

for the year ended March 31, 2025

NOTE 42

SEGMENT REPORTING

i. Primary segment

The Company has identified "Pharmaceuticals Research and Development" which as per Ind AS 108 - "operating segment" is considered the only reportable business segment.

ii. Secondary segment

Particulars	(₹ in Lakh)	
	Year ended March 31, 2025	Year ended March 31, 2024
Revenue by geography		
Within India	7,008.23	7,490.13
Outside India	168.37	64.40
Total revenue from operations	7,176.60	7,554.53

[The Company does not have any customer (other than related parties), with whom revenue from transactions is more than 10% of Company's total revenue. (Refer Annexure A of Note 43)]

NOTE 43

RELATED PARTY DISCLOSURE

Disclosure with respect to Ind AS 24 on "Related Party Disclosures" is as per Annexure - "A" annexed.

NOTE 44

CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

i. Contingent liabilities

Particulars	(₹ in Lakh)	
	As at March 31, 2025	As at March 31, 2024
a) Guarantees given by the bankers against pollution control board	0.50	0.50
b) Disputed demands by Income tax authorities* (gross)	3,289.14	8,848.45
c) Disputed demands by Service tax authorities** (gross)	5,190.17	5,190.17

* Amount paid under protest is classified under income tax assets (Refer Note 7) ₹ 3,241.14 Lakhs (Previous Year: ₹ 5,509.63 Lakhs)

**Amount paid under protest is classified under other non-current and current assets (Refer Note 8 & 15) ₹ 172.65 Lakhs (Previous Year ₹ 172.65 Lakhs)

Note: includes, interest till the date of demand, wherever applicable.

Future cash outflows in respect of the above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities. The Company does not expect the outcome of the matters stated above to have material adverse impact on the Company's financial condition, results of operation or cash flows.

ii. Commitments

Particulars	(₹ in Lakh)	
	As at March 31, 2025	As at March 31, 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)*	32,302.27	33,898.79

* The Company is committed to pay milestone payments on a contract, however obligation to pay is contingent upon fulfilment of contractual obligation by parties to the contract.

iii. For commitments relating to lease arrangement. (Refer Note 41)

Standalone Notes to Financial Statements

for the year ended March 31, 2025

NOTE 45

EMPLOYEE BENEFIT PLANS

Defined contribution plan

Contributions are made to Regional Provident Fund (RPF), Family Pension Fund, Employees State Insurance Scheme (ESIC) and other funds which covers all regular employees. While both the employees and the Company make predetermined contributions to the Provident Fund and ESIC, contribution to the Family Pension Fund and other statutory funds are made only by the Company. The contributions are normally based on a certain percentage of the employee's salary. Amount recognised as expense in respect of these defined contribution plans, aggregate to **₹414.73 Lakhs** (Previous year: ₹448.73 Lakhs).

Particulars	(₹ in Lakh)	
	Year ended March 31, 2025	Year ended March 31, 2024
Contribution to Provident Fund and Family Pension Fund	402.35	445.28
Contribution to ESIC and Employees Deposit Linked Insurance (EDLI)	12.32	3.41
Contribution to Labour Welfare Fund	0.06	0.04

Defined benefit plan

a) Gratuity

In respect of Gratuity, a defined benefit plan, contributions are made to LIC's Recognised Group Gratuity Fund Scheme. It is governed by the Payment of Gratuity Act, 1972. Under the Gratuity Act, employees are entitled to specific benefit at the time of retirement or termination of the employment on completion of five years or death while in employment. The level of benefit provided depends on the member's length of service and salary at the time of retirement/termination age. Provision for gratuity is based on actuarial valuation done by an independent actuary as at the year end. Each year, the Company reviews the level of funding in gratuity fund. The Company decides its contribution based on the results of its annual review. The Company aims to keep annual contributions relatively stable at a level such that the fund assets meets the requirements of gratuity payments in short to medium term.

b) Other long-term benefit plan

Actuarial valuation for compensated absences is done as at the year end and the provision is made as per Company rules with corresponding charge to the statement of profit and loss amounting to **₹132.58 Lakhs** (Previous year: ₹126.61 Lakhs) and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.

Obligation in respect of defined benefit plan and other long-term employee benefit plans are actuarially determined as at the year-end using the 'Projected Unit Credit' method. Gains and losses on changes in actuarial assumptions relating to defined benefit obligation are recognised in other comprehensive income whereas gains and losses in respect of other long-term employee benefit plans are recognised in the statement of profit and loss.

	(₹ in Lakh)	
	Year ended March 31, 2025 Gratuity (Funded)	Year ended March 31, 2024 Gratuity (Funded)
I. Reconciliation of liability/(asset) recognised in the balance sheet		
Present value of obligation at the end of the year	1,993.45	1,993.30
Fair value of plan assets at the end of the year	(1,513.02)	(1,972.23)
Net liability recognised in the financial statement	480.43	21.07
II. Movement in net liability / (asset) recognised in the balance sheet		
Net liability / (assets) as at beginning of the year	21.07	414.04
Net expense recognised in the statement of profit and loss	145.55	179.47
Net expense / (gain) recognised in other comprehensive income	25.55	(18.74)
Net (liability) / asset transfer out	(28.47)	(21.28)
Contribution during the year	-	(215.69)
Refund from fund for the benefit paid in previous year	316.73	-
Benefit paid by the employer	-	(316.73)
Net liability / (asset) as at the end of the year (Refer Note 21 and 28)	480.43	21.07

Standalone Notes to Financial Statements

for the year ended March 31, 2025

	(₹ in Lakh)	
	Year ended March 31, 2025 Gratuity (Funded)	Year ended March 31, 2024 Gratuity (Funded)
III. Net interest cost for the current year		
Interest cost	143.32	157.84
Interest income	(141.80)	(127.40)
Net interest cost for the current year	1.52	30.44
IV. Expense recognised in the statement of profit and loss		
Current service cost	144.03	149.03
Net interest cost for the current year	1.52	30.44
Expense charged to the statement of profit and loss	145.55	179.47
V. Expense recognised in the other comprehensive income (OCI)		
Actuarial (gains) / losses on obligation for the year	2.56	(4.50)
Return on plan assets excluding interest income	22.99	(14.24)
Net expenses/ (income) recognised in the OCI	25.55	(18.74)
VI. Return on plan assets		
Expected return on plan assets	141.80	127.40
Actuarial gain	(22.99)	14.24
Actual return on plan assets	118.81	141.64
VII. Reconciliation of defined-benefit obligations		
Obligation as at the beginning of the year	1,993.30	2,153.62
Current service cost	144.03	149.03
Liability transfer out	(28.47)	(21.28)
Interest cost	143.32	157.84
Benefits paid	(261.29)	(124.68)
Benefit paid by the employer	-	(316.73)
Actuarial (gain) / loss arising from changes in financial assumptions	54.91	15.23
Actuarial (gain) / loss arising from demographic assumptions	-	-
Actuarial (gain) / loss arising from changes in experience adjustments	(52.35)	(19.73)
Obligation as at the end of the year	1,993.45	1,993.30
VIII. Reconciliation of plan assets		
Plan assets as at the beginning of the year	1,972.23	1,739.58
Expected return on plan assets	141.80	127.40
Actuarial gain on plan assets	(22.99)	14.24
Employer's contribution during the year	-	215.69
Refund from fund for the benefit paid in previous year	(316.73)	-
Benefits paid	(261.29)	(124.68)
Plan assets as at the year end	1,513.02	1,972.23
IX. Actuarial assumptions		
Discount rate	6.61%	7.19%
Expected return on plan assets	6.61%	7.19%
Expected rate of salary increase	10.00%	10.00%
Mortality	Indian Assured Lives Mortality (2012-14) (Urban)	Indian Assured Lives Mortality (2012-14) (Urban)
Attrition rate	12% p.a.	12% p.a.
Retirement age (years)	60-69 years	60-67 years
X. Investment details		
Insurance fund	1,513.02	1,972.23
XI. Sensitivity analysis for significant assumptions:		
Benefit obligation as at the end of the year	1,993.45	1,993.30

Standalone Notes to Financial Statements

for the year ended March 31, 2025

	Year ended March 31, 2025 Gratuity (Funded)	(₹ in Lakh) Year ended March 31, 2024 Gratuity (Funded)
Increase / (decrease) in the present value of benefit obligation as at the end of the year:		
Delta effect of +1% change in rate of discounting	(92.65)	(91.21)
Delta effect of -1% change in rate of discounting	103.01	101.27
Delta effect of +1% change in rate of salary increase	98.72	97.62
Delta effect of -1% change in rate of salary increase	(90.72)	(89.77)
Delta effect of +1% change in rate of employee turnover	(18.94)	(16.45)
Delta effect of -1% change in rate of employee turnover	20.67	17.90
XII. Maturity analysis of projected benefit obligation		
Projected benefits payable in future years from the date of reporting		
1 st following year	418.85	393.30
2 nd following year	179.13	197.28
3 rd following year	187.15	182.36
4 th following year	250.45	274.26
5 th following year	203.06	232.69
Sum of years 6 to 10	751.75	768.34
Sum of Years 11 and above	969.57	1,019.19

Salary escalation rate

The estimates of future salary increases take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Basis used to determine rate of return on plan assets

The rate of return on plan assets is based on expectation of the average long-term rate of return expected on investments of the fund during the estimated term of the obligation.

The contribution expected to be made by the Company for gratuity in next financial year ending March 31, 2025 ₹256.22 Lakhs (Previous year: ₹165.10 Lakhs).

NOTE 46

REVENUE FROM CONTRACT WITH CUSTOMERS:

	Year ended March 31, 2025	(₹ in Lakh) Year ended March 31, 2024
Particulars		
Revenue from contract with customers	7,176.60	7,554.53

	As at March 31, 2025	(₹ in Lakh) As at March 31, 2024
Particulars		
Trade receivables (Refer Note 10)	1,605.65	1,553.13
Contract assets (Refer Note 14)	-	287.12
Contract liabilities (Refer Note 22 and 27)	10,349.63	10,349.46

Contract balance of Trade receivable, Contract assets and Contract liabilities as on April 1, 2023 were ₹3,271.43 Lakhs, ₹351.62 Lakhs and ₹11,764.84 Lakhs respectively.

Contract assets are initially recognised for revenue from sale of goods. Contract liabilities are on account of the upfront revenue received from customer for which performance obligation has not yet been completed. The performance obligation is satisfied when control of the goods or services are transferred to the customers based on the contractual terms. Payment terms with customers vary depending upon the contractual terms of each contract.

Standalone Notes to Financial Statements

for the year ended March 31, 2025

NOTE 47

USE OF ESTIMATES AND JUDGEMENTS

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- 1 Provisions [Refer Note 21 and 28]
- 2 Contingent liabilities [Refer Note 44]
- 3 Financial risk management [Refer Note 38]
- 4 Revenue [Refer Note 29 and 46]

NOTE 48

The Company does not have any transactions and balances with companies which are struck off except shares held by 9 shareholders holding 4,801 shares (Previous year: 9 shareholders holding 4,801 shares) having face value of ₹ 1 per share.

NOTE 49

RATIO ANALYSIS AND ITS ESTIMATES

Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	% change
Current ratio (Refer Note 49.1)	Current assets	Current liabilities	0.07	1.01	(93.31%)
Debt- Equity Ratio (Refer Note 49.2)	Total debt + lease liability (Non-current and current borrowings)	Total equity	(1.20)	0.45	(367.10%)
Debt Service Coverage Ratio (Refer Note 49.3)	Earnings for debt service = Loss for the year + Non-cash operating expenses	Debt service = Interest and lease payments + Principal repayments	(1.92)	(7.32)	(73.70%)
Return on Equity ratio (Refer Note 49.3)	Loss for the year	Average shareholder's equity	(720.99%)	(121.73%)	(492.27%)
Inventory Turnover ratio (Refer Note 49.4)	Not applicable	Not applicable	-	-	-
Trade Receivable Turnover Ratio (Refer Note 49.5)	Revenue from operations	Average trade receivable	4.54	3.13	45.09%
Trade Payable Turnover Ratio	Cost of materials consumed and Clinical trial expenses	Average trade payable	0.76	0.87	(12.31%)
Net Capital Turnover Ratio (Refer Note 49.3)	Revenue from operations	Working capital = Current assets – Current liabilities	(0.21)	29.99	(100.69%)
Net loss ratio	Loss for the year	Revenue from operations	(4.81)	(5.14)	(6.37%)
Return on Capital Employed (Refer Note 49.3)	Loss before interest and taxes	Capital employed = Tangible net worth + Total debt + Lease liability	(3,789.18%)	(279.27%)	(1,256.82%)
Return on Investment (Refer Note 49.6)	Income from investment	Average investment	2.28%	8.14%	(71.97%)

Standalone Notes to Financial Statements

for the year ended March 31, 2025

Note 49.1 Decrease in current ratio is due to cash losses in the current year and previous year.

Note 49.2 Decrease in debt equity ratio due to negative net-worth caused by cash losses.

Note 49.3 Debt service coverage ratio / Return on equity ratio / Return on capital employed / Net capital turnover ratio is negative since the Company has incurred losses in the current year and previous year.

Note 49.4 The Company does not have inventory and hence, this ratio is not applicable.

Note 49.5 Increase in trade receivable turnover ratio due to decrease in average receivable from customers.

Note 49.6 Decrease in Return on investment ratio is because the Company has not made any fresh investments in the current year.

NOTE 50

OTHER STATUTORY INFORMATION

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- (ii) The Company has not been declared as wilful defaulter.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- (v) The Company has not advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds to any other person or entity, including foreign entities (Intermediaries) with the understanding, (whether recorded in writing or otherwise) that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Company has not received any funds from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) The Company does not have any such transaction which is 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.
- (viii) The Company does not have any scheme of arrangements during the year.

NOTE 51

BACK UP OF BOOKS OF ACCOUNTS AND AUDIT TRAIL

- a) The Company maintains its books of account in electronic mode and these books of accounts are accessible in India at all times. The daily back up were taken on servers physically located in India.
- b) The Company has used 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 software. Further, there are no instance of audit trail feature being tampered with. Additionally, the audit trail of prior year has been preserved as per the statutory requirements for record retention.

Standalone Notes to Financial Statements

for the year ended March 31, 2025

NOTE 52a

GOING CONCERN

The Company has incurred cash losses in past years and in the current year and the current liabilities of the Company exceeds current assets as on March 31, 2025. The Company is subject to risks common to companies in the pharmaceutical research and development industry, including, but not limited to, risks of failure or unsatisfactory results of nonclinical studies and clinical trials, the need to obtain additional financing to fund the future development of its pipeline, the need to obtain marketing approval for its product candidates, the need to successfully commercialize its product candidates, development by competitors of technological innovations etc.

The Company has received a financial support letter from its Promoter Group Entity to ensure its status as "Going Concern" and the continuance of its operations, as and when required. The Company also plans to monetise some of these assets in the future and is exploring various options, including collaborations, sale etc.

NOTE 52b

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though the Company believes its business model will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments, such as new climate-related legislation.

NOTE 52c

The management is continuously evaluating the developments and likely impact of imposition of tariffs by the United States of America and currently believes that there is no material impact on the financial statements.

NOTE 53

The date of implementation of the Code on Wages 2019 and the Code on Social Security, 2020 is yet to be notified by the Government. The Company will assess the impact of these Codes and give effect in the subsequent financial statements when the Rules/Schemes thereunder are notified. The Company will assess the impact of these Codes and give effect in the subsequent financial statements when the Rules / Schemes thereunder are notified.

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No.: 324982E/E300003

per AMIT SINGH

Partner

Membership No.: 408869

Place: Mumbai

Date: May 19, 2025

For and on behalf of the Board of Directors of

SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED

ANILKUMAR RAGHAVAN

Chief Executive Officer

Place: Mumbai

ANUP M. RATHI

Chief Financial Officer

Place: Mumbai

KAJAL K. DAMANIA

Company Secretary

Place: Mumbai

DILIP S. SHANGHVI

Chairman

DIN: 00005588

Place: Mumbai

RAJAMANNAR THENNATI

Director

DIN: 01415412

Place: Mumbai

Date: May 19, 2025

Standalone Notes to Financial Statements

for the year ended March 31, 2025

Annexure "A"

Indian Accounting Standard (Ind AS-24) " Related Party Disclosures "

Names of related parties and description of relationship

1. Key Management Personnel

Dilip S. Shanghvi	Chairman & Non-Executive Director
Sudhir V. Valia	Non-Executive Director (ceased to be director w.e.f. August 12, 2024)
Vidhi D. Shanghvi	Non-Executive Director (appointed w.e.f. July 15, 2024)
Rajamannar Thennati	Non-Executive Director
Bhavna Doshi	Independent Director
Ferzaan Engineer	Independent Director
Robert Jay Spiegel	Independent Director
Anilkumar Raghavan	Chief Executive Officer

2. Subsidiary Company

SPARCLIFE Inc.

3. Enterprises under significant influence/are controlled by Key Management Personnel (with whom transactions are entered)

Spiegel Consulting LLC
Shanghvi Finance Private Limited
Shree Nagardas Dhanaji Shanghvi Trust - Sudarshan Netralaya
Sun Pharmaceutical Medicare Limited
Sun Pharma Laboratories Limited
Sun Pharmaceutical Industries Europe BV
Sun Pharmaceutical Industries Inc.
Sun Pharmaceutical Industries Limited
Taro Pharmaceuticals Industries Limited
Taro Pharmaceuticals U.S.A., Inc.
Terapia S.A.

1. Transaction with Key Management Personnel (KMP)

Particulars	(₹ in Lakh)	
	Year ended March 31, 2025	Year ended March 31, 2024
Director sitting fees		
Dilip S. Shanghvi	3.90	3.90
Sudhir V. Valia	3.30	6.00
Vidhi D. Shanghvi	4.80	-
Bhavna Doshi	6.90	6.60
Rajamannar Thennati	3.00	3.00
Ferzaan Engineer	6.00	6.30
Robert Jay Spiegel	6.00	6.30
Remuneration		
Anilkumar Raghavan	566.85	696.08

Key Management Personnel (KMP) who is under the employment of the Company is entitled to post-employment benefits and other long-term employee benefits recognised as per Ind AS 19 - 'Employee Benefits'. As these employee benefits are lump sum amount provided on the basis of actuarial valuation, the same is not included above.

Standalone Notes to Financial Statements

for the year ended March 31, 2025

2. Subsidiary Company

Particulars	(₹ in Lakh)	
	Year ended March 31, 2025	Year ended March 31, 2024
SPARCLIFE Inc.		
Investment in subsidiary	-	41.69
Receiving of research and development services	5,095.29	2,694.27
Reimbursement of expenses paid	61.16	22.19
Reimbursement of expenses received	44.52	-

3. Transaction with Enterprises under significant influence of / are controlled by Key Management Personnel

Particulars	(₹ in Lakh)	
	Year ended March 31, 2025	Year ended March 31, 2024
Shanghvi Finance Private Limited		
Loan received	10,000.00	-
Commission on corporate guarantee	50.00	50.00
Interest paid	220.55	-
Shree Nagardas Dhanaji Shanghvi Trust - Sudarshan Netralaya		
Sale of Fixed Assets	-	1.74
Sun Pharma Laboratories Limited		
Sale of services - License fees / Royalty on technology / R&D services	776.49	2,817.29
Purchase of goods	0.99	1.07
Sun Pharmaceutical Industries Europe BV		
Receiving of research and development services	238.19	518.42
Reimbursement of expenses paid	1.75	11.92
Sun Pharmaceutical Industries Inc.		
Sale of services - License fees / Royalty on technology / R&D services	160.21	62.50
Reimbursement of expenses paid	204.62	156.67
Receiving of research and development services	1,379.18	6,693.12
Purchase of goods	4.74	-
Sun Pharmaceutical Industries Limited		
Sale of services - License fees / Royalty on technology / R&D services	6,231.75	4,672.85
Purchase of goods	105.13	372.31
Purchase of property, plant and equipment	6.10	-
Payment of lease liabilities	278.68	272.87
Receiving of research and development services	59.45	177.75
Product development cost	1,037.09	2,375.50
Sale of property, plant and equipment	40.58	-
Reimbursement of expenses paid	425.18	365.78
Reimbursement of expenses received	34.45	9.03
Sun Pharmaceutical Medicare Limited		
Purchase of goods	0.31	1.52

Standalone Notes to Financial Statements

for the year ended March 31, 2025

Particulars	(₹ in Lakh)	
	Year ended March 31, 2025	Year ended March 31, 2024
Spiegel Consulting LLC		
Professional fees	42.90	41.70
Taro Pharmaceuticals Industries Limited		
Sale of services - R&D services	8.15	1.90
Taro Pharmaceuticals U.S.A., Inc.		
Payment of lease liabilities	-	116.63
Terapia S.A.		
Receiving of services	-	106.43

Balances outstanding - receivable / (payable)

Particulars	(₹ in Lakh)	
	As at March 31, 2025	As at March 31, 2024
Dilip S. Shanghvi	(0.54)	-
Bhavna Doshi	(0.81)	(0.27)
Ferzaan Nariman Engineer	(0.27)	(0.34)
Robert Jay Spiegel	(0.21)	(0.21)
Vidhi D. Shanghvi	(0.54)	-
Shanghvi Finance Pvt Ltd.	(10,054.00)	(47.50)
SPARCLIFE, Inc.	(1,613.16)	(964.95)
Spiegel Consulting LLC	(42.74)	(83.41)
Sun Pharma Laboratories Limited	426.85	231.19
Sun Pharmaceutical Industries Europe BV	(56.52)	(421.37)
Sun Pharmaceutical Industries Inc.	(4,381.26)	(5,348.84)
Sun Pharmaceutical Industries Limited	629.64	842.06
Sun Pharmaceutical Medicare Limited	(0.10)	(1.52)
Taro Pharmaceuticals U.S.A., Inc.	(80.66)	(78.71)
Terapia S.A.	-	(96.02)

Terms and condition of transactions with related parties.

The sale of services to related parties are made on terms equivalent to those that prevail in arms-length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related parties receivables or payables.

* The Company has an outstanding corporate guarantee from Shanghvi Finance Private Limited amounting to ₹20,000 Lakhs as at March 31, 2025 (Previous year: ₹20,000 Lakhs). Refer Note 23.

Independent Auditor’s Report

To the Members of **Sun Pharma Advanced Research Company Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Sun Pharma Advanced Research Company Limited** (hereinafter referred to as “the Holding Company”) and its subsidiary (the Holding Company and its subsidiary together referred to as “the Group”) comprising of the consolidated Balance Sheet as at March 31, 2025, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Statement of Cash Flows and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended (“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 consolidated state of affairs of the Group, as at March 31, 2025, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the ‘Auditor’s Responsibilities for

the Audit of the Consolidated Financial Statements’ section of our report. We are independent of the Group in accordance with the ‘Code of Ethics’ issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2025. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition (as described in note 29 of the consolidated financial statements) The Group is engaged in the business of Research and Development of pharmaceutical products. The Group has various contractual arrangements with customers which are entered into at various stages of research and development. The Group recognizes revenue based on the contractual terms and performance obligations with customers. Some of these arrangements involve judgments which may impact the manner and timing of revenue recognition. Considering that contractual arrangements with customers involve judgments which may impact the manner and timing of revenue recognition, revenue recognition is considered as a key audit matter.	Our audit procedures amongst others included the following: • Read the accounting policy for revenue recognition of the Group and assessed compliance with the principles enunciated under Ind AS 115. • Evaluated the design and tested the operating effectiveness of management’s controls in respect of revenue recognition. • Obtained a sample of contracts and reviewed the terms of the arrangements to determine whether the work performed under the contract qualified for revenue recognition having regard to the performance obligations under the contracts. • Assessed the disclosures in the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Evaluation of direct tax and indirect tax litigations (as described in note 45 of the consolidated financial statements) The Group has material direct tax and indirect tax litigations which involve significant judgment to determine the possible outcome of these disputes and accordingly it is considered as key audit matter.	Our audit procedures amongst others included the following: • Evaluated the design and tested the operating effectiveness of controls in respect of the identification and evaluation of tax litigations and the recording and reassessment of the related liabilities and provisions and disclosures. • Obtained list of ongoing tax litigations from management along with their assessment of the cases based on past precedents, judgements and matters in the jurisdiction, legal opinions sought by management, correspondences with tax department etc. • Engaged tax specialists, to evaluate management's assessment of the outcome of these litigations. Our specialists considered legal precedence and other rulings in evaluating management's position on these tax litigations. • Assessed the disclosures in the accompanying consolidated financial statements.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis Report, Business Responsibility and Sustainability Report and Board's Report, but does not include the consolidated financial statements and our auditor's report thereon. The Management Discussion and Analysis Report, Business Responsibility and Sustainability Report and Board's Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and 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 identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for 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 statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies

included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies 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.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

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 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

- We communicate with those charged with governance of the Holding Company and such other entity 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 for the financial year ended March 31, 2025 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 1**" a statement on the matters specified in paragraph 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, 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 have been kept by the Holding Company so far as it appears from our examination of those books;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the 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 Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company, is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company, and the operating effectiveness of such controls, refer to our separate Report in “**Annexure 2**” to this report;
- (g) Based on the information and explanations provided to us and based on our examination of books of accounts, the Holding Company has not accrued / paid any managerial remuneration to its directors. Accordingly, the provision of section 197 read with Schedule V to the Act are not applicable.
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated financial statements – Refer note 45 to the consolidated financial statements;
 - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2025;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2025.
 - iv. a) The management of the Holding Company have represented to us that, to the best of its knowledge and belief, as disclosed in note 51 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management of the Holding Company have represented to us that, to the best of its knowledge and belief, as disclosed in note 51 to the consolidated financial statements, no funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, 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; and
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
 - v. No dividend has been declared or paid during the year by the Holding Company.
 - vi. Based on our examination which included test checks, the Holding Company has used 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 software (refer note 54(b) to the financial statements). Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Amit Singh**
Partner
Membership Number: 408869
UDIN: 25408869BMNXGC9596
Place of Signature: Mumbai
Date: May 19, 2025

Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date

Re: Sun Pharma Advanced Research Company Limited (the “Company”)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(xxi) Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated Ind AS financial statements are:

Name	CIN	Nature of Relationship	Clause number of the CARO report which is qualified or is adverse
Sun Pharma Advanced Research Company Limited	L73100GJ2006PLC047837	Holding Company	i(c)

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Amit Singh**

Partner

Membership Number: 408869

UDIN: 25408869BMNXGC9596

Place of Signature: Mumbai

Date: May 19, 2025

Annexure 2 to the Independent Auditor's Report of even date on the consolidated financial statements of Sun Pharma Advanced Research Company Limited

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 Sun Pharma Advanced Research Company Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company, as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company is 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the 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, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, 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 consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company has maintained in all material respects, 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 issued by the ICAI.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Amit Singh**

Partner

Membership Number: 408869

UDIN: 25408869BMNXGC9596

Place of Signature: Mumbai

Date: May 19, 2025

Consolidated Balance Sheet

as at March 31, 2025

		₹ In Lakhs	
	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
(A) Non-current assets			
(a) Property, plant and equipment	3a	9,869.47	10,734.74
(b) Capital work-in-progress	3b	56.07	126.86
(c) Other intangible assets	3c	6.04	18.56
(d) Intangible assets under development	3d	5,359.22	4,252.63
(e) Financial assets			
(i) Other financial assets	4	2,611.08	2,548.91
(f) Deferred tax assets (net)	5	230.88	126.17
(g) Income tax assets (net)	6	5,616.45	6,677.96
(h) Other non-current assets	7	7,184.45	79.83
Total non-current assets (A)		30,933.66	24,565.66
(B) Current assets			
(a) Financial assets			
(i) Investments	8	-	180.13
(ii) Trade receivables	9	1,605.65	1,553.13
(iii) Cash and cash equivalents	10	196.39	532.95
(iv) Bank balances other than cash and cash equivalents	11	-	15,000.00
(v) Loans	12	16.31	22.17
(vi) Other financial assets	13	235.87	4,279.28
(b) Other current assets	14	565.47	5,370.90
Total current assets (B)		2,619.69	26,938.56
TOTAL ASSETS (A + B)		33,553.35	51,504.22
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	3,245.30	3,245.30
(b) Other equity	16	(24,940.10)	9,330.24
Total equity		(21,694.80)	12,575.54
Liabilities			
(A) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	10,000.00	-
(ii) Lease liabilities	18	694.94	1,066.09
(iii) Other financial liabilities	19	101.79	402.63
(b) Provisions	20	767.58	604.75
(c) Other non-current liabilities	21	6,259.81	10,349.43
Total non-current liabilities (A)		17,824.12	12,422.90
(B) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	15,818.53	4,700.00
(ii) Lease liabilities	23	379.94	349.01
(iii) Trade payables	24		
Total outstanding dues of micro enterprises and small enterprises		93.65	105.78
Total outstanding dues of creditors other than micro enterprises and small enterprises		11,298.68	14,123.37
(iv) Other financial liabilities	25	3,789.84	4,332.14
(b) Other current liabilities	26	5,254.56	1,506.44
(c) Provisions	27	744.54	1,224.38
(d) Current tax liabilities (Net)	28	44.29	164.66
Total current liabilities (B)		37,424.03	26,505.78
Total liabilities (A + B)		55,248.15	38,928.68
TOTAL EQUITY AND LIABILITIES		33,553.35	51,504.22
Material accounting policies			
	2		

The accompanying notes are integral part of the consolidated financial statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No.: 324982E/E300003

For and on behalf of the Board of Directors of

SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED

ANILKUMAR RAGHAVAN

Chief Executive Officer

Place: Mumbai

DILIP S. SHANGHVI

Chairman

DIN: 00005588

Place: Mumbai

per AMIT SINGH

Partner

Membership No.: 408869

ANUP M. RATHI

Chief Financial Officer

Place: Mumbai

RAJAMANNAR THENNATI

Director

DIN: 01415412

Place: Mumbai

KAJAL K. DAMANIA

Company Secretary

Place: Mumbai

Place: Mumbai

Date: May 19, 2025

Date: May 19, 2025

Consolidated Statement of Profit and Loss

for the year ended March 31, 2025

₹ In Lakhs

	Notes	Year ended March 31, 2025	Year Ended March 31, 2024
(I) Revenue from operations	29 & 47	7,176.60	7,554.53
(II) Other income	30	179.11	2,946.93
(III) Total income (I + II)		7,355.71	10,501.46
(IV) Expenses			
Cost of materials consumed	31	2,311.84	2,813.10
Employee benefits expense	32	15,358.27	14,183.94
Clinical trial expenses / products development expense		8,133.36	10,135.04
Professional charges		9,171.54	15,245.50
Finance costs	33	903.90	169.46
Depreciation and amortisation expense	3a & 3c	1,239.48	1,251.05
Other expenses	34	4,515.44	5,386.56
Total expenses (IV)		41,633.83	49,184.65
(V) Loss before tax (III - IV)		(34,278.12)	(38,683.19)
(VI) Tax expense			
Current Tax		73.34	163.42
Deferred Tax		(100.52)	(125.22)
Total Tax expenses (VI)	35	(27.18)	38.20
(VII) Loss for the year (V - VI)		(34,250.94)	(38,721.39)
(VIII) Other comprehensive income (OCI)			
A) Items that will not be reclassified to profit or loss			
i. Gain/(loss) on remeasurement of the defined benefit plans		(25.55)	18.74
B) Items that may be reclassified to profit or loss			
i. Gain on translating the financial statements of foreign operations		6.15	0.68
Total other comprehensive income (VIII)		(19.40)	19.42
(IX) Total comprehensive loss for the year (VII + VIII)		(34,270.34)	(38,701.97)
(X) Loss per equity share	40		
(Face value ₹ 1/- per equity share)			
Basic and Diluted (in ₹)		(10.55)	(11.93)
Material accounting policies	2		

The accompanying notes are integral part of the consolidated financial statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No.: 324982E/E300003

For and on behalf of the Board of Directors of

SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED

ANILKUMAR RAGHAVAN

Chief Executive Officer

Place: Mumbai

ANUP M. RATHI

Chief Financial Officer

Place: Mumbai

KAJAL K. DAMANIA

Company Secretary

Place: Mumbai

DILIP S. SHANGHVI

Chairman

DIN: 00005588

Place: Mumbai

RAJAMANNAR THENNATI

Director

DIN: 01415412

Place: Mumbai

per AMIT SINGH

Partner

Membership No.: 408869

Place: Mumbai

Date: May 19, 2025

Date: May 19, 2025

Consolidated Statement of Changes in Equity

for the year ended March 31, 2025

A EQUITY SHARE CAPITAL

	Year ended March 31, 2025	Year ended March 31, 2024
At the beginning of the year	3,245.30	3,245.30
At the end of the year	3,245.30	3,245.30

B OTHER EQUITY

	Other Equity				(₹ in Lakh)
Particulars	Reserves and surplus			Other Comprehensive Income	Total
	General reserves	Securities premium	Retained earnings	Foreign currency translation reserve	
Balance as at April 1, 2023	3,397.66	2,03,815.89	(1,59,181.34)	-	48,032.21
Loss for the year	-	-	(38,721.39)	-	(38,721.39)
Other comprehensive income for the year	-	-	18.74	0.68	19.42
Balance as at March 31, 2024	3,397.66	2,03,815.89	(1,97,883.99)	0.68	9,330.24
Loss for the year	-	-	(34,250.94)	-	(34,250.94)
Other comprehensive income for the year	-	-	(25.55)	6.15	(19.40)
Balance as at March 31, 2025	3,397.66	2,03,815.89	(2,32,160.48)	6.83	(24,940.10)

Note: There are no changes in accounting policies and prior period errors during the current and previous year.

Material accounting policies

2

The accompanying notes are integral part of the consolidated financial statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No.: 324982E/E300003

For and on behalf of the Board of Directors of

SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED
ANILKUMAR RAGHAVAN

Chief Executive Officer

Place: Mumbai

DILIP S. SHANGHVI

Chairman

DIN: 00005588

Place: Mumbai

per AMIT SINGH

Partner

Membership No.: 408869

ANUP M. RATHI

Chief Financial Officer

Place: Mumbai

RAJAMANNAR THENNATI

Director

DIN: 01415412

Place: Mumbai

KAJAL K. DAMANIA

Company Secretary

Place: Mumbai

Place: Mumbai

Date: May 19, 2025

Date: May 19, 2025

Consolidated Statement of Cash Flows

for the year ended March 31, 2025

(₹ in Lakh)

	Year ended March 31, 2025	Year ended March 31, 2024
A. Cash flow from operating activities		
Loss before tax	(34,278.12)	(38,683.19)
Adjustments to reconcile loss before tax to net cash flows:		
Depreciation and amortisation expense	1,239.48	1,251.05
Gain on disposal of property, plant and equipment (net)	(3.25)	(6.02)
Gain on derecognition of Right to use assets	-	(52.17)
Finance costs	903.90	169.46
Interest income	(67.72)	(2,546.73)
Net gain on sale of financial assets measured at fair value through profit or loss	(105.51)	(317.91)
Net gain arising on financial assets measured at fair value through profit or loss	-	(0.14)
Net unrealised foreign exchange (gain) / loss	85.41	206.32
Provision for doubtful debt	-	204.95
Operating loss before working capital changes	(32,225.81)	(39,774.38)
Working capital adjustments:		
(Increase) / decrease in trade receivables	(42.79)	1,521.44
(Increase) / decrease in other assets	335.01	(6,308.98)
Increase / (decrease) in trade payables	(2,928.78)	(589.01)
Increase / (decrease) in other liabilities	(1,693.15)	2,265.07
Increase / (decrease) in provisions	(356.44)	378.11
Cash used in operations	(36,911.96)	(42,507.75)
Direct tax (paid) / refund received (including interest on refunds) (net)	882.65	(411.08)
Net cash used in operating activities (A)	(36,029.31)	(42,918.83)
B. Cash flow from investing activities		
Payments for purchase of property, plant and equipment (including capital work-in-progress, intangible assets and intangible assets under development)	(1,033.96)	(2,650.79)
Proceeds from disposal of property, plant and equipment (net)	59.48	48.52
Redemption of investments (net)	285.64	28,418.78
Fixed deposits with bank placed	-	(2,500.00)
Fixed deposits with bank matured	15,000.00	13,599.00
Interest received	1,454.84	2,237.19
Net cash generated from investing activities (B)	15,766.00	39,152.71

Consolidated Statement of Cash Flows

for the year ended March 31, 2025

	Year ended March 31, 2025	Year ended March 31, 2024
(₹ in Lakh)		
C. Cash flow from financing activities		
Proceeds from borrowings	58,021.04	6,441.22
Repayment of borrowings	(36,902.51)	(1,746.32)
Repayment of principal portion of lease liabilities	(350.79)	(294.03)
Finance costs (including interest on lease liabilities)	(842.18)	(160.36)
Net cash generated from financing activities (C)	19,925.56	4,240.51
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(337.75)	474.39
Cash and cash equivalents at the beginning of the year (Refer Note 10)	532.95	58.36
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	1.19	0.20
Cash and cash equivalents at the end of the year (Refer Note 10)	196.39	532.95
Cash and cash equivalents comprises of		
Balances with banks		
In current accounts	196.11	532.63
Cash on hand	0.28	0.32
Cash and cash equivalents (Refer Note 10)	196.39	532.95
Material accounting policies	2	

The accompanying notes are integral part of the consolidated financial statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No.: 324982E/E300003

For and on behalf of the Board of Directors of

SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED

ANILKUMAR RAGHAVAN

Chief Executive Officer

Place: Mumbai

DILIP S. SHANGHVI

Chairman

DIN: 00005588

Place: Mumbai

per AMIT SINGH

Partner

Membership No.: 408869

ANUP M. RATHI

Chief Financial Officer

Place: Mumbai

RAJAMANNAR THENNATI

Director

DIN: 01415412

Place: Mumbai

KAJAL K. DAMANIA

Company Secretary

Place: Mumbai

Place: Mumbai

Date: May 19, 2025

Date: May 19, 2025

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

1. Corporate Information

Sun Pharma Advanced Research Company Limited (SPARC or the "Parent Company") (CIN L73100GJ2006PLC047837) is a public limited company incorporated and domiciled in India and has its listing on the BSE Limited and National Stock Exchange of India Limited. The registered office is located at Plot No. 5 & 6/1, Savli, G. I. D. C. Estate, Manjusar, Vadodara – 391 775. The parent company is incorporated under the provisions of Companies Act, as applicable in India. The parent company and its subsidiary (hereinafter referred to as the "Company" or the "Group") are engaged in the business of research and development (R&D) of pharmaceutical products.

The consolidated financial statements were approved for issue in accordance with the resolution of the Board of Directors on May 19, 2025.

2. Material accounting policies

Basis of preparation and presentation

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirement of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the consolidated financial statements.

The consolidated financial statements have been prepared on the historical cost basis, except for : (i) certain financial instruments that are measured at fair values at the end of each reporting period (ii) non-current assets classified as held for sale which are measured at the lower of their carrying amount and fair value less costs to sell and (iii) defined benefit plans – plan assets that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The Group has prepared the financial statement on the basis that it will continue to operate as a going concern.

The financial statements are prepared in INR and all values are rounded to the nearest lakhs upto two decimals, except when otherwise stated. The Group has consistently applied the following accounting policies to all periods presented in these financial statements.

For the purpose of these consolidated financial statements, previous year means the financial year ended March 31, 2024.

a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiary as disclosed in Note 52. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-Group balances, transactions including unrealised gain / loss from such transactions and cash flows relating to transactions between members of the Group are eliminated upon consolidation. The carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary are also eliminated. These financial statements are prepared by applying uniform accounting policies in use at the Group.

b) Current versus non-current classification

All assets and liabilities, other than deferred tax assets and liabilities, have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Act. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The Group has ascertained its normal operating cycle as 12 months for current and non-current classification of assets and liabilities.

c) Foreign currencies

The Group's financial statements are presented in INR, which is also the Parent Company's functional currency.

Transactions and balances

In preparing the financial statements of each individual Group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are translated at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous period are recognised in statement of profit and loss in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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Foreign operations

For the purposes of presenting these consolidated financial statements, the assets and liabilities of Group's foreign operation, are translated to the Indian Rupees at exchange rates at the end of each reporting period. The income and expenses of such foreign operations are translated at the average exchange rates for the period. Resulting foreign currency differences are recognised in other comprehensive income and presented within equity as part of Foreign Currency Translation Reserve (and attributed to non-controlling interests as appropriate). When a foreign operation is disposed off, the relevant amount in the Foreign Currency Translation Reserve is reclassified to profit or loss.

d) Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

e) Segment reporting

Based on the "Management Approach" as defined in Ind AS 108 - Operating Segment, the Chief Operating Decision Maker (CODM) of the Group is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the CODM. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM.

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole.

f) Property, plant and equipment

Items of property, plant and equipment and other intangible assets are stated in consolidated balance sheet at cost net of accumulated depreciation and accumulated impairment losses, if any. Cost directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by the management.

Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. All other repairs and maintenance cost are recognised in the consolidated statement of profit and loss account as incurred.

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Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Asset category	No. of years
Buildings	60
Plant and equipment	3-25
Vehicles	5
Office equipment	2-5
Furniture and fixtures	10

The Group, based on technical assessment made by technical experts and management estimate, depreciates certain items plant and equipment, office equipment, vehicle over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflects fair approximation of the period over which the assets are likely to be used. Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

g) Intangible assets

Intangible assets that are acquired by the Group and that have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses, if any. Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate.

Software for internal use, which is primarily acquired from third-party vendors, including consultancy charges for implementing the software, is capitalised. Subsequent costs are charged to the consolidated statement of profit and loss as incurred. The capitalised costs are amortised over the estimated useful life of the software i.e. 5 years.

h) Research and development cost

Expenditure on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognised as an expense when incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

The expenditure to be capitalised include the cost of materials and other costs directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in consolidated statement of profit and loss as incurred.

Procurement of research and development materials are issued directly for consumption to the user department and disclosed under cost of materials consumed.

Acquired research and development intangible assets which are under development, are recognised as In-Process Research and Development assets ("IPR&D"). IPR&D assets are not amortised, but evaluated for potential impairment on an annual basis or when there are indications that the carrying value may not be recoverable. Any impairment charge on such IPR&D assets is recognised in profit and loss. Intangible assets relating to products under development, other intangible assets not available for use and intangible assets having indefinite useful life are tested for impairment annually, or more frequently when there is an indication that the assets may be impaired.

Derecognition of intangible assets

Intangible assets are de-recognised either on their disposal or where no future economic benefits are expected from their use. Any gain or loss arising on such de-recognition is recognised in consolidated statement of profit and loss and are measured as the difference between the net disposal proceeds, if any, and the carrying amount of respective intangible assets as on the date of de-recognition.

i) Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit for which the estimates of future cash flows have not been adjusted. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised in the consolidated statement of profit and loss if the estimated recoverable

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amount of an asset or its cash generating unit is lower than its carrying amount. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

j) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement-

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date.

Subsequent measurement-

For purposes of subsequent measurement, financial assets are classified in four categories:

- i. Debt instruments measured at amortised cost
- ii. Debt instruments measured at fair value through other comprehensive income (FVTOCI)
- iii. Debt instruments measured at fair value through profit or loss (FVTPL)
- iv. Equity instruments are measured at fair value through other comprehensive income (FVTOCI)

A. Debt instruments

- i. **Debt instruments measured at amortised cost** - A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included

in Other Income in the consolidated statement of profit or loss. The losses arising from impairment are recognised in the consolidated statement of profit or loss.

- ii. **Debt instruments measured at FVTOCI** - A 'debt instrument' is measured as at FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the instrument give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Group recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the consolidated statement of profit or loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to consolidated statement of profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

- iii. **Debt instruments measured at FVTPL** - FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

B. Equity instruments

All equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in OCI. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, including foreign exchange gain or loss and excluding dividends, are

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recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the consolidated statement of profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- The contractual rights to receive cash flows from the asset have expired.
- The Group has transferred its rights to receive contractual cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost
- b) Trade receivables or any contractual right to receive cash or another financial asset
- c) Loan commitments which are not measured as at FVTPL

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or any contractual right to receive cash or another financial asset.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Financial liabilities and equity instruments-

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments-

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in consolidated statement of profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Initial recognition and measurement-

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement-

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at FVTPL.

Financial liabilities at fair value through profit or loss-

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or is designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred principally for the purpose of repurchasing in the near term or on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking. This category also includes derivative entered into by

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the Group that are not designated and effective as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities subsequently measured at amortised cost-

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost in subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest rate (EIR) method. Interest expense that is not capitalised as part of costs of an asset is included in the finance costs line item in the consolidated statement of profit or loss.

After initial recognition, such financial liabilities are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit or loss.

Derecognition-

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in consolidated statement of profit or loss.

Reclassification of financial assets-

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

k) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Building 3-5 years

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (i) Impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

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After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

l) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flow as a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities and contingent assets-

Contingent liability is disclosed for,

- i Possible obligations which will be confirmed only by future events not wholly within the control of the Group, or
- ii Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the consolidated financial statements unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of benefits is probable, contingent assets are disclosed in consolidated financial statements.

m) Revenue from operations

Revenue from contracts with customers

Milestone payments and out licensing arrangements

Revenues include amounts derived from product out-licensing agreements. These arrangements typically consist of an initial up-front payment on inception of the license and subsequent payments dependent on achieving certain milestones in accordance with the terms prescribed in the agreement.

Non-refundable up-front license fees received in connection with product out-licensing agreements are recognised at a point in which the Group has no continuing performance obligations. However, in case of continued performance obligations, the Group deferred the non-refundable up-front license fees received in connection with product out-licensing agreements and recognises the same over the period.

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 the Group has continuing performance obligations, if the milestones are not considered substantive.

Research and development services

Revenue from services rendered, which primarily relate to research and development, is recognised in the consolidated statement of profit and loss as the underlying services are performed.

Royalties

Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement (provided that it is probable that economic benefits will flow to the Group and the amount of revenue can be measured reliably). Royalty arrangements that are based on sales and other measures are recognised by reference to the underlying arrangement.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

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Contract balances

Unbilled receivable

During the end of reporting period, unbilled receivable is recognised for the royalty income, milestone payment or Research and development service on satisfaction of revenue recognition criteria mentioned above but the same is not billed to the customers. Upon billing, the amount recognized as unbilled receivable is reclassified to trade receivables.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

Advance received from customer

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

n) Employee benefits

Defined benefit plans

The Parent Company operates a defined benefit gratuity plan which requires contribution to be made to a separately administered fund.

The liability in respect of defined benefit plans is calculated using the projected unit credit method with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds. The currency and term of the government bonds shall be consistent with the currency and estimated term of the post-employment benefit obligations. The current service cost of the defined benefit plan, recognised in the statement of profit and loss as employee benefits expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognised in consolidated statement of profit and loss in the period of a plan amendment. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in consolidated statement of profit and loss. Actuarial

gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to OCI in the period in which they arise and is reflected immediately in retained earnings and is not reclassified to consolidated statement of profit and loss.

Short-term and other long-term employee benefits

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

The Group's net obligation in respect of other long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value.

Defined contribution plans

The Group's contributions to defined contribution plans are recognised as an expense as and when the services are received from the employees entitling them to the contributions. The Group does not have any obligation other than the contribution made.

o) Borrowing cost

Borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

p) Income tax

Income tax expense consists of current and deferred tax. Income tax expense is recognised in consolidated statement of profit and loss except to the extent that it relates to items recognised in OCI or directly in equity, in which case it is recognised in OCI or directly in equity respectively. Current tax is the expected tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Accruals for uncertain tax positions require management to make judgments of potential exposures. Accruals for uncertain tax positions are measured using either the most likely amount or the expected value amount depending on which method the entity expects to better predict the resolution of the uncertainty. Tax benefits are not recognised unless the management, based upon its interpretation of applicable laws and regulations and the expectation of how the tax authority will resolve the matter, concludes that such benefits will be accepted by the authorities. Once considered probable of not being accepted, management reviews each material tax benefit and reflects the effect of the uncertainty in determining the related taxable amounts.

q) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified:

- (1) Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Group w.e.f. April 1, 2024. The Group has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.
- (2) Ind AS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information to enable understand the impact on the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after April 1, 2025. When applying the amendments, an entity cannot restate comparative information.

The Group has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

NOTE 3a

PROPERTY, PLANT AND EQUIPMENT

	Lease hold land	Right of use assets#	Buildings*	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
(₹ in Lakh)								
At cost or deemed cost								
As at April 1, 2023	803.50	1,787.78	3,036.16	8,208.09	361.44	258.16	51.35	14,506.48
Foreign currency translation difference	-	3.98	-	-	-	-	-	3.98
Additions	-	669.28	49.36	1,118.43	28.33	62.69	11.47	1,939.56
Disposal	-	(693.84)	-	(66.16)	-	(94.82)	(0.14)	(854.96)
As at March 31, 2024	803.50	1,767.20	3,085.52	9,260.36	389.77	226.03	62.68	15,595.06
Foreign currency translation difference	-	13.02	-	-	-	-	-	13.02
Additions	-	-	18.43	326.78	1.78	58.00	2.53	407.52
Disposal	-	-	-	(233.72)	-	(89.89)	-	(323.61)
As at March 31, 2025	803.50	1,780.22	3,103.95	9,353.42	391.55	194.14	65.21	15,691.99
Accumulated depreciation								
As at April 1, 2023	48.75	306.25	174.20	3,194.91	122.70	88.42	30.55	3,965.78
Foreign currency translation difference	-	0.29	-	-	-	-	-	0.29
Depreciation expenses	10.19	333.97	51.81	734.28	36.91	58.31	7.12	1,232.59
Eliminated on disposals of assets	-	(219.72)	-	(62.60)	-	(55.88)	(0.14)	(338.34)
As at March 31, 2024	58.94	420.79	226.01	3,866.59	159.61	90.85	37.53	4,860.32
Foreign currency translation difference	-	2.62	-	-	-	-	-	2.62
Depreciation expenses	10.19	373.01	52.60	686.99	38.30	57.50	8.37	1,226.96
Eliminated on disposals of assets	-	-	-	(185.63)	-	(81.75)	-	(267.38)
As at March 31, 2025	69.13	796.42	278.61	4,367.95	197.91	66.60	45.90	5,822.52
Carrying amounts								
As at March 31, 2024	744.56	1,346.41	2,859.51	5,393.77	230.16	135.18	25.15	10,734.74
As at March 31, 2025	734.37	983.80	2,825.34	4,985.47	193.64	127.54	19.31	9,869.47

* Pending registration of one location (Gross carrying amount: ₹ 285.99 Lakhs; Net carrying amount ₹ 185.77 Lakhs)

Refer Note 42.

The Group follows a Cost Model for subsequent measurement of Property plant and equipment and hence no revaluation is done.

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

The title deeds of immovable properties (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Group except for the following immovable properties:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative (#) of promoter (*) /director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the Company
Property, plant and equipment	Building	285.99	Sun Pharmaceutical Industries Limited	No	March 1, 2007	(**)

* Relative here means relative as defined in the Companies Act, 2013.

*Promoter here means promoter as defined in the Companies Act, 2013.

** The building was transferred (pending registration) to the Group pursuant to a scheme of arrangement in the nature of demerger and transfer of Innovative Research and Development business of Sun Pharmaceutical Industries Limited under Section 391 to 394 of the erstwhile Companies Act, 1956 in terms of the approval of the Honourable High Court of Gujarat.

NOTE 3b

CAPITAL WORK-IN-PROGRESS

(₹ in Lakh)

	As at March 31, 2025	As at March 31, 2024
Capital work-in-progress (CWIP)	56.07	126.86
	56.07	126.86

Movement of capital work-in-progress

(₹ in Lakh)

Particulars	Opening balance	Addition during the year	Capitalised during the year	Closing balance
As at March 31, 2025	126.86	113.53	184.32	56.07
As at March 31, 2024	187.34	924.78	985.26	126.86

Capital work-in-progress ageing schedule

(₹ in Lakh)

CWIP	As at March 31, 2025				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	27.14	28.93	-	-	56.07
Projects temporarily suspended	-	-	-	-	-

(₹ in Lakh)

CWIP	As at March 31, 2024				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	126.86	-	-	-	126.86
Projects temporarily suspended	-	-	-	-	-

There is no project which is overdue or has exceeded its cost compared to its original plan as at balance sheet date.

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

NOTE 3c

OTHER INTANGIBLE ASSETS

	(₹ in Lakh)
	Computer software
At cost or deemed cost	
As at April 1, 2023	115.78
Additions	2.85
Disposals	-
As at March 31, 2024	118.63
Additions	-
Disposals	-
As at March 31, 2025	118.63
Accumulated amortisation	
As at April 1, 2023	81.61
Amortisation expenses	18.46
Eliminated on disposals of assets	-
As at March 31, 2024	100.07
Amortisation expenses	12.52
Eliminated on disposals of assets	-
As at March 31, 2025	112.59
Carrying amounts	
As at March 31, 2024	18.56
As at March 31, 2025	6.04

NOTE 3d

INTANGIBLE ASSETS UNDER DEVELOPMENT

	(₹ in Lakh)
	As at March 31, 2025
	As at March 31, 2024
Intangible assets under development	5,359.22
	4,252.63

Movement of Intangible assets under development

(₹ in Lakh)				
Particulars	Opening balance	Addition during the year	Capitalised during the year	Closing balance
As at March 31, 2025	4,252.63	1,106.59	-	5,359.22
As at March 31, 2024	2,512.65	1,739.98	-	4,252.63

Intangible assets under development ageing schedule

(₹ in Lakh)					
Intangible assets under development	As at March 31, 2025				
	Amount in Intangible asset under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1,106.59	1,739.98	248.13	2,264.52	5,359.22
Projects temporarily suspended	-	-	-	-	-

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

(₹ in Lakh)

Intangible assets under development	As at March 31, 2024				
	Amount in Intangible asset under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1,739.98	248.13	2,264.52	-	4,252.63
Projects temporarily suspended	-	-	-	-	-

There is no intangible asset where completion is overdue or has exceeded its cost compared to its original plan as at balance sheet date.

NOTE 4

OTHER FINANCIAL ASSETS (NON-CURRENT)

(₹ in Lakh)

	As at March 31, 2025	As at March 31, 2024
Security deposits - unsecured, considered good	46.98	46.91
Other receivables	2,564.10	2,502.00
	2,611.08	2,548.91

NOTE 5

DEFERRED TAX ASSETS (NET)

(₹ in Lakh)

	As at April 1, 2024	Recognised in profit or loss	Foreign Currency Translation Reserve	As at March 31, 2025
Deferred tax (liabilities) / assets in relation to:				
Difference between written down value of property, plant and equipment and capital work-in-progress as per books of accounts and income tax	(2,012.74)	83.83	0.03	(1,928.88)
Difference in carrying value and tax base of financial assets	(34.49)	34.49	-	-
Allowance for doubtful debts and advances	59.68	-	-	59.68
Expenses claimed for tax purpose on payment basis	551.91	63.26	4.16	619.33
Deferred revenue	2,364.40	-	-	2,364.40
Unabsorbed business losses / capital expenditure (unabsorbed depreciation) (Restricted to the extent of deferred tax liability of the Parent Company on depreciation on account of uncertainty of future taxable income)	(802.59)	(81.06)	-	(883.65)
	126.17	100.52	4.19	230.88

(₹ in Lakh)

	As at April 1, 2023	Recognised in profit or loss	Foreign Currency Translation Reserve	As at March 31, 2024
Deferred tax (liabilities) / assets in relation to:				
Difference between written down value of property, plant and equipment and capital work-in-progress as per books of accounts and income tax	(1,781.22)	(231.52)	-	(2,012.74)
Difference in carrying value and tax base of financial assets	(0.04)	(34.45)	-	(34.49)
Allowance for doubtful debts and advances	-	59.68	-	59.68
Expenses claimed for tax purpose on payment basis	426.08	124.88	0.95	551.91

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

	As at April 1, 2023	Recognised in profit or loss	Foreign Currency Translation Reserve	As at March 31, 2024
Deferred revenue	2,364.40	-	-	2,364.40
Unabsorbed business losses / capital expenditure (unabsorbed depreciation) (Restricted to the extent of deferred tax liability of the Parent Company on depreciation on account of uncertainty of future taxable income)	(1,009.22)	206.63	-	(802.59)
	-	125.22	0.95	126.17

Unrecognised deferred tax assets relate primarily to unabsorbed business losses of the Parent Company, which will expire in 8 years after the year in which they originate as per Income Tax Act, 1961.

	As at March 31, 2025	As at March 31, 2024
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:		
Tax losses	1,92,753.44	1,65,516.13
Unabsorbed depreciation	23,123.94	22,488.07

NOTE 6

INCOME TAX ASSETS (NET)

	As at March 31, 2025	As at March 31, 2024
Advance income tax* (Net of provisions)	5,616.45	6,677.96
	5,616.45	6,677.96

* Includes amount paid under protest.

NOTE 7

OTHER ASSETS (NON-CURRENT)

	As at March 31, 2025	As at March 31, 2024
Capital advances - Unsecured, considered good	-	42.04
Prepaid expenses	28.99	37.79
Balances with government authorities*	7,155.46	-
	7,184.45	79.83

*Includes balances of Goods and Services Tax and amount paid under protest

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

NOTE 8

INVESTMENTS (CURRENT)

	As at March 31, 2025		As at March 31, 2024	
	Quantity (in No.)	Amount (₹ in Lakhs)	Quantity (in No.)	Amount (₹ in Lakhs)
Investments stated at fair value through profit and loss				
Investments in mutual funds				
Quoted*				
DSP Overnight Direct Growth (Face value of ₹10/- each)	-	-	14,044	180.13
		-		180.13

*Investments in mutual funds have been fair valued at closing net asset value (NAV).

NOTE 9

TRADE RECEIVABLES

	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good (Refer Note 47)	1,605.65	1,553.13
Credit impaired	204.95	204.95
	1,810.60	1,758.08
Less: Impairment allowance (allowance for bad and doubtful debts)	(204.95)	(204.95)
	1,605.65	1,553.13

Note: There are no trade receivables which are due from directors or other officers of the Parent Company either severally or jointly. Trade receivables comprise of receivable due from related parties as mentioned in Annexure A of Note 44. For terms and conditions relating to related party receivables, refer Annexure A of Note 44.

Trade receivables are non-interest bearing and are generally on terms of 15 - 45 days.

Trade receivable ageing schedule

Particulars	As at March 31, 2025						
	Outstanding periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables– considered good	783.85	394.45	-	-	427.35	-	1,605.65
(ii) Undisputed trade receivables– credit impaired	-	-	-	204.95	-	-	204.95
(iii) Disputed trade receivables– which have significant increase in credit risk	-	-	-	-	-	-	-
(iv) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Less: Impairment allowance (allowance for bad and doubtful debts)	-	-	-	(204.95)	-	-	(204.95)
	783.95	394.45	-	-	427.35	-	1,605.65

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

(₹ in Lakh)

Particulars	As at March 31, 2024						
	Outstanding periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables– considered good	1,080.96	22.58	32.59	417.00	-	-	1,553.13
(ii) Undisputed trade receivables– credit impaired	-	-	204.95	-	-	-	204.95
(iii) Disputed trade receivables– which have significant increase in credit risk	-	-	-	-	-	-	-
(iv) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Less: Impairment allowance	-	-	(204.95)	-	-	-	(204.95)
(allowance for bad and doubtful debts)							
	1,080.96	22.58	32.59	417.00	-	-	1,553.13

NOTE 10

CASH AND CASH EQUIVALENTS

(₹ in Lakh)

	As at March 31, 2025	As at March 31, 2024
Balances with banks		
In current accounts	196.11	532.63
Cash on hand	0.28	0.32
	196.39	532.95

Changes in liabilities arising from financing activities

(₹ in Lakh)

Particulars	Balance as at April 01, 2024	Cash flows	Foreign currency translation reserve	Other	Balance as at March 31, 2025
Borrowings	4,700.00	21,118.53	-	-	25,818.53
Lease Liabilities	1,415.10	(350.79)	10.57	-	1,074.88

(₹ in Lakh)

Particulars	Balance as at April 01, 2023	Cash flows	Foreign currency translation reserve	Other	Balance as at March 31, 2024
Borrowings	5.10	4,694.90	-	-	4,700.00
Lease Liabilities	1,562.43	(294.03)	3.73	142.97	1,415.10

NOTE 11

BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS (CURRENT)

(₹ in Lakh)

	As at March 31, 2025	As at March 31, 2024
Deposit accounts		
Fixed deposits with bank	-	15,000.00
	-	15,000.00

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

NOTE 12

LOANS (CURRENT)

	As at March 31, 2025	As at March 31, 2024
(₹ in Lakh)		
Loans and advances to employees		
Unsecured, considered good	16.31	22.17
	16.31	22.17

The Group has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person.

NOTE 13

OTHER FINANCIAL ASSETS (CURRENT)

	As at March 31, 2025	As at March 31, 2024
(₹ in Lakh)		
Interest accrued on fixed deposits (unsecured, considered good)	-	1,404.73
Unbilled revenue (Refer Note 47)	-	287.12
IGST refund receivable	175.86	249.93
Receivables from related party*	-	2,212.27
Other receivable	60.01	125.23
	235.87	4,279.28

*Other receivables from related party was receivable from Sun Pharmaceutical Industries Inc. on account of employee liabilities transferred to SPARCLIFE, Inc. (Refer 'Annexure A' of Note 44)

NOTE 14

OTHER ASSETS (CURRENT)

	As at March 31, 2025	As at March 31, 2024
(₹ in Lakh)		
Prepaid expenses	359.73	481.85
Advances for supply of goods and services (considered good)	195.36	147.92
Balances with government authorities*	10.38	4,741.13
	565.47	5,370.90

*Includes balances of Goods and Services Tax and amount paid under protest

NOTE 15

EQUITY SHARE CAPITAL

	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount (₹ in Lakhs)	Number of shares	Amount (₹ in Lakhs)
Authorised				
Opening balance (Equity shares of ₹1 each)	42,50,00,000	4250.00	42,50,00,000	4,250.00
Closing balance (Equity shares of ₹1 each)	42,50,00,000	4250.00	42,50,00,000	4,250.00
Issued, subscribed and fully paid up				
Equity shares of ₹1 each*	32,45,21,588	3,245.30	32,45,21,588	3,245.30
	32,45,21,588	3,245.30	32,45,21,588	3,245.30

*Consequent to forfeiture of 12,537 equity shares in prior years and on receipt of unpaid amount thereon, the paid-up share capital of the Parent Company have increased by ₹0.08 Lakhs.

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

Disclosures relating to share capital

i Rights, preferences and restrictions attached to equity shares

The Parent Company has only one class of equity shares and declares and pays dividend in Indian Rupees. The equity shares of the Parent Company, having par value of ₹1/- per share, rank pari passu in all respects including voting rights and entitlement to dividend. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company on pro-rata basis. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii Equity shares held by each shareholder holding more than 5% equity shares in the Parent Company are as follows:

	As at March 31, 2025		As at March 31, 2024	
	No. of Equity shares held	% of Holding	No. of Equity shares held	% of Holding
Dilip Shantilal Shanghvi	6,18,10,660	19.05%	6,18,10,660	19.05%
Shanghvi Finance Private Limited	13,72,11,787	42.28%	13,72,11,787	42.28%

iii Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year.

	As at March 31, 2025		As at March 31, 2024	
	No. of Equity shares held	Amount ₹ in Lakhs	No. of Equity shares held	Amount ₹ in Lakhs
Opening balance	32,45,21,588	3,245.30	32,45,21,588	3,245.30
Closing balance	32,45,21,588	3,245.30	32,45,21,588	3,245.30

iv No equity share has been allotted as fully paid up bonus shares and / bought back during the period of five years immediately preceding the date at which the balance sheet is prepared.

v Details of shares held by promoters

As at March 31, 2025

Sr. No.	Equity shares held by promoters / members of promoter group / person acting in concert	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total shares at the end of the year	% change during the year
1	Mr. Dilip Shantilal Shanghvi	6,18,10,660	-	6,18,10,660	19.05	-
2	Shanghvi Finance Private Limited	13,72,11,787	-	13,72,11,787	42.28	-
3	Mr. Sudhir V. Valia	18,33,951	-	18,33,951	0.57	-
4	Mrs. Vibha Dilip Shanghvi	10,63,236	-	10,63,236	0.33	-
5	Mr. Aalok Dilip Shanghvi	3,50,162	-	3,50,162	0.11	-
6	Ms. Vidhi Dilip Shanghvi	3,44,081	-	3,44,081	0.11	-
7	Mrs. Kumud S. Shanghvi	38,795	-	38,795	0.01	-
8	Shanghvi Family & Friends Benefit Trust (Kumud S. Shanghvi and Dilip S. Shanghvi)	1,54,922	-	1,54,922	0.05	-
9	Mrs. Raksha S. Valia	41,45,231	-	41,45,231	1.28	-
10	Unimed Investments Limited	12,67,963	-	12,67,963	0.39	-
11	Flamboyance Finance Private Limited	2,543	-	2,543	0.00	-
12	Sanghvi Properties Private Limited	1,887	-	1,887	0.00	-
13	Gujarat Sun Pharmaceutical Industries Private Limited	1,751	-	1,751	0.00	-
14	Aditya Medisales Limited	48,88,126	-	48,88,126	1.51	-
		21,31,15,095	-	21,31,15,095	65.67	-

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

As at March 31, 2024

Sr. No.	Equity shares held by promoters / members of promoter group / person acting in concert	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total shares at the end of the year	% change during the year
1	Mr. Dilip Shantilal Shanghvi	6,18,10,660	-	6,18,10,660	19.05	-
2	Shanghvi Finance Private Limited	13,72,11,787	-	13,72,11,787	42.28	-
3	Mr. Sudhir V. Valia	18,33,951	-	18,33,951	0.57	-
4	Mrs. Vibha Dilip Shanghvi	10,63,236	-	10,63,236	0.33	-
5	Mr. Aalok Dilip Shanghvi	3,50,162	-	3,50,162	0.11	-
6	Ms. Vidhi Dilip Shanghvi	3,44,081	-	3,44,081	0.11	-
7	Mrs. Kumud S. Shanghvi	38,795	-	38,795	0.01	-
8	Shanghvi Family & Friends Benefit Trust (Kumud S. Shanghvi and Dilip S. Shanghvi)	1,54,922	-	1,54,922	0.05	-
9	Mrs. Raksha S. Valia	41,45,231	-	41,45,231	1.28	-
10	Unimed Investments Limited	12,67,963	-	12,67,963	0.39	-
11	Flamboyawer Finance Private Limited	2,543	-	2,543	0.00	-
12	Sanghvi Properties Private Limited	1,887	-	1,887	0.00	-
13	Gujarat Sun Pharmaceutical Industries Private Limited	1,751	-	1,751	0.00	-
14	Aditya Medisales Limited	48,88,126	-	48,88,126	1.51	-
		21,31,15,095	-	21,31,15,095	65.67	-

NOTE 16

OTHER EQUITY

(₹ in Lakh)

	As at March 31, 2025	As at March 31, 2024
A Securities premium	2,03,815.89	2,03,815.89
B General reserve	3,397.66	3,397.66
C Retained earnings		
Opening balance	(1,97,883.99)	(1,59,181.34)
Add: Loss for the year	(34,250.94)	(38,721.39)
Add: Actuarial gain on remeasurement of defined benefit plan	(25.55)	18.74
	(2,32,160.48)	(1,97,883.99)
D Items of other comprehensive income (OCI)		
Foreign currency translation reserve		
Opening balance	0.68	-
Addition during the year	6.15	0.68
	6.83	0.68
Total (A+B+C+D)	(24,940.10)	9,330.24

Nature and purpose of each reserve

Securities premium - The amount received in excess of face value of the equity shares is recognised in securities premium. This would be utilised in accordance with the provisions of the Companies Act, 2013.

General reserve - The reserve arises on transfer portion on the net profit pursuant to the earlier provisions of the Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013. The Group can use this reserve for payment of dividend and issue of fully paid-up and not paid-up bonus shares.

Retained earnings - Retained earnings are created from the profit/loss of the Group, as adjusted for distributions to owners, transfers to other reserves, etc.

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

NOTE 17

BORROWINGS (NON-CURRENT)

	As at March 31, 2025	(₹ in Lakh) As at March 31, 2024
Unsecured term loan		
Shanghvi Finance Private Limited*	10,000.00	-
	10,000.00	-

*Unsecured term loan from Promoter group entity carries interest @ 3 months SBI MCLR + 20 bps p.a. payable in December 2026.

The term loan is utilised for the intended purpose of meeting working capital requirements.

NOTE 18

LEASE LIABILITIES (NON-CURRENT)

	As at March 31, 2025	(₹ in Lakh) As at March 31, 2024
Lease liability (Refer Note 42)	694.94	1,066.09
	694.94	1,066.09

NOTE 19

OTHER FINANCIAL LIABILITIES (NON-CURRENT)

	As at March 31, 2025	(₹ in Lakh) As at March 31, 2024
Payable to employees	11.40	319.26
Other non-current financial liabilities	90.39	83.37
	101.79	402.63

NOTE 20

PROVISIONS (NON-CURRENT)

	As at March 31, 2025	(₹ in Lakh) As at March 31, 2024
Provision for employee benefits		
Compensated absences	543.37	604.75
Gratuity (Refer Note 46)	224.21	-
	767.58	604.75

NOTE 21

OTHER LIABILITIES (NON-CURRENT)

	As at March 31, 2025	(₹ in Lakh) As at March 31, 2024
Deferred revenue (Refer Note 47)	6,259.81	10,349.43
	6,259.81	10,349.43

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

Movement of deferred revenue

(₹ in Lakh)

Particulars	Opening balance	Addition during the year	Deletion during the year	Transfer to Other liabilities (Current)	Closing balance
As at March 31, 2025	10,349.43	-	-	(4,089.62)	6,259.81
As at March 31, 2024	11,764.73	-	(1,415.30)	-	10,349.43

NOTE 22

BORROWINGS (CURRENT)

(₹ in Lakh)

	As at March 31, 2025	As at March 31, 2024
From Banks		
Temporary Book Overdraft (Secured)	198.49	-
Secured working capital loan		
Kotak Mahindra Bank Limited		
- Working capital loan from bank (secured)*#^	15,600.00	4,700.00
ICICI Bank Limited		
- Working capital loan from bank (secured)*##	20.04	-
	15,818.53	4,700.00

* The Parent Company has availed working capital facilities from Kotak Mahindra Bank Limited and ICICI Bank Limited on the basis of security of current assets. However, the Parent Company has obtained waiver to file quarterly statement with the banks.

Working capital demand loan carries an interest rate of @8.15% p.a. to @9.75% p.a.

^Working capital demand loan from Kotak Mahindra Bank Limited is secured by Corporate Guarantee given by Shanghvi Finance Private Limited.

NOTE 23

LEASE LIABILITIES (CURRENT)

(₹ in Lakh)

	As at March 31, 2025	As at March 31, 2024
Lease liability (Refer Note 42)	379.94	349.01
	379.94	349.01

NOTE 24

TRADE PAYABLES

(₹ in Lakh)

	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises (Refer Note 41)	93.65	105.78
Total outstanding dues of creditors other than micro enterprises and small enterprises	11,298.68	14,123.37
	11,392.33	14,229.15

Note: Trade payables comprises of payables due to directors and related parties as mentioned in Annexure A of Note 44.

Trade payables are non-interest bearing and are generally on terms of 30 - 90 days.

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

Trade payable ageing schedule

(₹ in Lakh)

Particulars	As at March 31, 2025						
	Outstanding periods from due date of payment						Total
	Unbilled dues	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro and small enterprises	6.53	74.44	12.52	0.03	-	0.13	93.65
(ii) Others	4,343.76	1,492.94	2,205.30	3,235.60	3.28	17.80	11,298.68
(iii) Disputed dues - Micro and small enterprises	-	-	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-	-	-
	4,350.29	1,567.38	2,217.82	3,235.63	3.28	17.93	11,392.33

Trade payable ageing schedule

(₹ in Lakh)

Particulars	As at March 31, 2024						
	Outstanding periods from due date of payment						Total
	Unbilled dues	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro and small enterprises	41.26	32.52	31.60	0.05	0.35	-	105.78
(ii) Others	4,845.47	2,728.97	6,501.06	33.61	4.18	10.08	14,123.37
(iii) Disputed dues - Micro and small enterprises	-	-	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-	-	-
	4,886.73	2,761.49	6,532.66	33.66	4.53	10.08	14,229.15

NOTE 25

OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in Lakh)

	As at March 31, 2025	As at March 31, 2024
Interest accrued but not due on borrowings	60.65	7.11
Payable on purchase of property, plant and equipment and intangible asset under development	501.82	141.52
Payable to employees	1,481.94	2,508.55
Other financial liability	35.83	6.76
Amount refundable to customer	1,709.60	1,668.20
	3,789.84	4,332.14

NOTE 26

OTHER LIABILITIES (CURRENT)

(₹ in Lakh)

	As at March 31, 2025	As at March 31, 2024
Statutory remittances	1,164.74	1,506.41
Advances from customers (Refer Note 47)	0.20	0.03
Deferred revenue (Refer Note 47)	4,089.62	-
	5,254.56	1,506.44

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

NOTE 27

PROVISIONS (CURRENT)

	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
Compensated absences	488.32	1,203.31
Gratuity (Refer Note 46)	256.22	21.07
	744.54	1,224.38

NOTE 28

CURRENT TAX LIABILITIES (NET)

	As at March 31, 2025	As at March 31, 2024
Provision for income tax (Net of advance income tax)	44.29	164.66
	44.29	164.66

NOTE 29

REVENUE FROM OPERATIONS

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from contracts with customers		
Sale of services (Refer Note 47)		
Licence fees	1,424.16	76.17
Royalty on technology	4,557.90	5,873.36
R&D services	1,194.54	1,605.00
	7,176.60	7,554.53

NOTE 30

OTHER INCOME

	Year ended March 31, 2025	Year ended March 31, 2024
Interest income on:		
Deposits with banks	46.49	1,728.67
Loans to employees	0.49	0.86
Others (includes refund from government authorities)	21.23	818.06
	68.21	2,547.59
Net gain on sale of financial assets measured at fair value through profit or loss	105.51	317.19
Net gain arising on financial assets measured at fair value through profit or loss	-	0.14
	105.51	318.05
Net gain on disposal of property, plant and equipment	3.25	6.02
Net gain on derecognition of Right to use assets	-	52.17
Miscellaneous income	2.14	23.10
	179.11	2,946.93

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

NOTE 31

COST OF MATERIALS CONSUMED

	Year ended March 31, 2025	Year ended March 31, 2024
Materials consumed	2,311.84	2,813.10
	2,311.84	2,813.10

NOTE 32

EMPLOYEE BENEFITS EXPENSE

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages and bonus	13,873.75	12,937.85
Contribution to provident and other funds*	778.45	741.89
Staff welfare expenses	706.07	504.20
	15,358.27	14,183.94

* includes gratuity expense of ₹145.54 Lakhs (Previous year: ₹179.47 Lakhs)

NOTE 33

FINANCE COSTS

	Year ended March 31, 2025	Year ended March 31, 2024
Interest expense on:		
Borrowings	755.83	15.69
Lease liabilities (Refer Note 42)	89.89	101.78
Corporate guarantee commission	50.00	50.00
Unwinding of discount on provision	8.18	1.99
	903.90	169.46

NOTE 34

OTHER EXPENSES

	Year ended March 31, 2025	Year ended March 31, 2024
Consumption of stores and spare parts	550.76	630.45
Power and fuel	633.06	614.03
Rent (Refer Note 42)	-	25.08
Rates and taxes	13.04	12.93
Insurance	150.31	120.02
Repairs and maintenance	708.13	830.77
Printing and stationery	15.08	16.70
Travelling and conveyance	284.99	522.42
License and fees	337.82	278.16
Communication expenses	35.63	41.67
Net loss on foreign currency transactions	146.93	310.25
Payment to auditor		
For statutory audit	27.90	25.50

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

	Year ended March 31, 2025	Year ended March 31, 2024
	(₹ in Lakh)	
For limited review	9.20	8.92
For certification services	-	1.00
For reimbursement	4.59	5.66
Contract labour expenses	456.27	444.35
Membership fees and subscription	44.75	62.28
Software expenses	774.33	817.89
Staff recruitment expenses	14.84	205.49
Provision for doubtful debt	-	204.95
Miscellaneous expenses	307.81	208.04
	4,515.44	5,386.56

NOTE 35

TAX RECONCILIATION

	Year ended March 31, 2025	Year ended March 31, 2024
	(₹ in Lakh)	
Reconciliation of tax expense		
Loss before tax	(34,278.12)	(38,683.19)
Income tax rate in India (%)	29.12%	29.12%
Income tax expense calculated at corporate tax rate	(9,981.79)	(11,264.54)
Effect of unused tax losses and tax offsets not recognised as deferred tax assets (net)	10,052.87	11,301.62
Effect of tax credit in foreign subsidiary	(100.41)	-
Effect of difference between Indian and foreign tax rates and non-taxable subsidiaries	2.15	1.12
Income tax expense recognised in consolidated statement of profit and loss	(27.18)	38.10

NOTE 36

CATEGORIES OF FINANCIAL INSTRUMENTS

	As at March 31, 2025			As at March 31, 2024		
Particulars	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost
Financial assets						
Investments in mutual funds	-	-	-	180.13	-	-
Loans and advances to employees	-	-	16.31	-	-	22.17
Security deposits	-	-	46.98	-	-	46.91
Trade receivables	-	-	1,605.65	-	-	1,553.13
Cash and cash equivalents	-	-	196.39	-	-	532.95
Bank balances other than cash and cash equivalent	-	-	-	-	-	15,000.00
Interest accrued on fixed deposit	-	-	-	-	-	1,404.73
Unbilled revenue	-	-	-	-	-	287.12
Other receivables	-	-	2,799.97	-	-	5,089.43
	-	-	4,665.30	180.13	-	23,936.44

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

(₹ in Lakh)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost
Financial liabilities						
Borrowings	-	-	25,818.53	-	-	4,700.00
Interest accrued but not due on borrowings	-	-	60.65	-	-	7.11
Trade payables	-	-	11,392.33	-	-	14,229.15
Payables on purchase of property, plant and equipment	-	-	501.82	-	-	141.52
Lease liabilities	-	-	1,074.88	-	-	1,415.10
Payable to employees	-	-	1,493.34	-	-	2,827.81
Other payables	-	-	1,835.82	-	-	1,758.33
	-	-	42,177.37	-	-	25,079.02

NOTE 37

FAIR VALUE HIERARCHY

The carrying value and fair value of financial instruments by categories as at balance sheet date were as follows:

(₹ in Lakh)

Particulars	Carrying Value		Fair Value	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Financial assets:				
Investments in mutual fund - quoted	-	180.13	-	180.13
	-	180.13	-	180.13

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

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Financial assets and liabilities measured at fair value on a recurring basis at the end of each reporting period

(₹ in Lakh)

	As at March 31, 2025			As at March 31, 2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets at FVTPL						
Investments in mutual funds	-	-	-	180.13	-	-
	-	-	-	180.13	-	-

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

There were no transfers between Level 1 and 2 during the years ended March 31, 2025 and March 31, 2024.

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

NOTE 38

CAPITAL MANAGEMENT

The Group's capital management objectives are:

- to ensure the Group's ability to continue as a going concern (Refer Note 53); and
- to provide an adequate return to shareholders through optimisation of debts and equity balance.

The Group monitors capital on the basis of the carrying amount of debt less cash and cash equivalents as presented on the face of the financial statements. The Group's objective for capital management is to maintain an optimum overall financial structure.

Net debt equity ratio

	As at March 31, 2025	As at March 31, 2024
(₹ in Lakh)		
Debt (includes borrowings and lease liabilities)	26,893.41	6,115.10
Less: cash and cash equivalents	196.39	532.95
Net debt	26,697.02	5,582.15
Total equity (including reserves)	(21,694.80)	12,575.54
Net debt to total equity ratio	(1.23)	0.44

NOTE 39

FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group's risk management assessment, policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment, management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, loans and investments. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of counterparty to which the Group grants credit terms in the normal course of business.

Investments

The Group limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Group does not expect any losses from non-performance by these counterparties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Group's reputation.

The Group has unutilised working capital lines from banks and financial institutions of ₹21,681 Lakhs as on March 31, 2025 (Previous year: ₹37,800 Lakhs)

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

The table below provides details regarding the contractual maturities of significant financial liabilities based on the contractual undiscounted payments:

Particulars	As at March 31, 2025				As at March 31, 2024			
	Less than 1 year	1 - 3 years	More than 3 years	Total	Less than 1 year	1 - 3 years	More than 3 years	Total
Non-derivative								
Borrowings	15,818.53	10,000.00	-	25,818.53	4,700.00	-	-	4,700.00
Lease liabilities	445.96	724.64	24.60	1,195.20	438.72	885.72	300.64	1,625.08
Trade payables	11,392.33	-	-	11,392.33	14,229.15	-	-	14,229.15
Other financial liabilities	3,789.84	13.96	87.83	3,891.63	4,332.14	330.91	71.72	4,734.77
	31,446.66	10,738.60	112.43	42,297.69	23,700.01	1,216.63	372.36	25,289.00

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include investments. The Group has designed risk management frame work to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

Foreign exchange risk

The Group's foreign exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in US Dollars and Euros). As a result, if the value of the Indian Rupee fluctuates relative to these foreign currencies, the Group's revenues and expenses measured in Indian Rupees may fluctuate. The exchange rate between the Indian Rupee and these foreign currencies have changed substantially in recent periods and may continue to fluctuate substantially in the future.

a) Significant foreign currency risk exposure relating to trade receivables other receivable and trade payables

(₹ in Lakh)

Particulars	As at March 31, 2025					As at March 31, 2024			
	US Dollars	Pound	Euro	Others	Total	US Dollars	Euro	Others	Total
	Equivalent to INR					Equivalent to INR			
Financial assets									
Trade receivables	549.14	-	-	-	549.14	479.75	-	-	479.75
Other receivables	2,564.10	-	-	-	2,564.10	2,502.00	-	-	2,502.00
Cash and cash equivalents	109.44	-	-	-	109.44	376.78	-	-	376.78
Financial liabilities									
Trade payables	9,794.74	168.48	57.59	9.17	10,029.98	12,407.89	433.67	80.00	12,921.56
Other financial liability	3,015.22	-	-	-	3,015.22	1,758.06	-	-	1,758.06

b) Sensitivity

For the years ended March 31, 2025 and March 31, 2024, every 5% strengthening in the exchange rate between the Indian Rupee and the respective currencies for the above mentioned financial assets / liabilities would decrease the Group's loss and increase the Group's equity by approximately ₹491.13 Lakhs and ₹566.05 Lakhs respectively. A 5% weakening of the Indian rupee and the respective currencies would lead to an equal but opposite effect.

Interest rate risk

The Group's borrowings include loans with floating interest rates linked to the MCLR. The Group is exposed to interest rate risk arising from these borrowings. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

A 50 basis points increase in interest rates would result in an additional interest expense of ₹50 lakhs. A 50 basis point decrease in floating interest rate would have led to an equal but opposite effect.

Commodity rate risk

The Group being in the business of Research & Development, does not face any significant Commodity Price Risk.

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

NOTE 40

LOSS PER SHARE

	Year ended March 31, 2025	Year ended March 31, 2024
Loss for the year (₹ in Lakhs)	(34,250.94)	(38,721.39)
Weighted average number of shares used in computing basic and diluted loss per share	32,45,21,588	32,45,21,588
Nominal / face value per share (in ₹)	1.00	1.00
Basic and diluted loss per share (in ₹)	(10.55)	(11.93)

NOTE 41

DISCLOSURES UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Parent Company.

- The principal amount remaining unpaid as at March 31, 2025 in respect of enterprises covered under the "Micro, Small and Medium Enterprises Development Act, 2006" (MSMED) is ₹93.65 Lakhs (Previous year: ₹105.78 Lakhs).
- There are no amounts of interest paid/due/payable during the year/previous year/succeeding year. Also, there is no amount of interest accrued and remaining unpaid at the end of current accounting year/previous accounting year.
- The list of undertakings covered under MSMED was determined by the Parent Company on the basis of information available with the Parent Company and has been relied upon by auditors.

NOTE 42

LEASES

Right-of-use (ROU assets)

Particulars	Amount
At cost or deemed cost	
As at April 1, 2023	1,787.78
Foreign currency translation difference	3.98
Additions	669.28
Disposals	(693.84)
As at March 31, 2024	1,767.20
Foreign currency translation difference	13.02
Additions	-
Disposals	-
As at March 31, 2025	1,780.22
Accumulated depreciation	
As at April 1, 2023	306.25
Foreign currency translation difference	0.29
Depreciation expenses	333.97
Eliminated on disposals of assets	(219.72)
As at March 31, 2024	420.79
Foreign currency translation difference	2.62
Depreciation expenses	373.01
Eliminated on disposals of assets	-
As at March 31, 2025	796.42
Carrying amounts (Refer Note 3a)	
As at March 31, 2024	1,346.41
As at March 31, 2025	983.80

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

Lease liability

Below are the carrying amounts of lease liabilities recognised and the movements during the period:

(₹ in Lakh)

Particulars	Amount
As at April 1, 2023	1,562.43
Accretion of interest	101.78
Addition during the year	669.28
Deletion during the year	(526.31)
Payments towards lease liability	(395.81)
Foreign currency translation difference	3.73
As at March 31, 2024	1,415.10
Accretion of interest	89.89
Addition during the year	-
Deletion during the year	-
Payments towards lease liability	(440.68)
Foreign currency translation difference	10.57
As at March 31, 2025	1,074.88
Lease liabilities (non-current) (Refer Note 18)	694.94
Lease liabilities (Current) (Refer Note 23)	379.94
Total lease liability	1,074.88

Lease liabilities - maturity analysis - contractual undiscounted cash flows

(₹ in Lakh)

	As at March 31, 2025	As at March 31, 2024
Not later than one year	445.96	438.72
Later than one year and not later than five years	749.24	1,186.36
Later than five years	-	-
Amounts recognised in statement of profit and loss		
Interest on lease liabilities	89.89	101.78
Foreign exchange loss / (gain)	-	-
Depreciation on right-to-use assets	373.01	333.97

Annual lease costs on short term leases and low value asset leases amounted to ₹Nil in the year ended March 31, 2025 (Previous year: ₹25.08 Lakhs)

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

NOTE 43

SEGMENT REPORTING

i. Primary segment

The Group has identified "Pharmaceuticals Research and Development" which as per Ind AS 108 - "operating segment" is considered the only reportable business segment.

ii. Secondary segment

		(₹ in Lakh)
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Revenue by geography		
Within India	7,008.23	7,490.13
Outside India	168.37	64.40
Total revenue from operations	7,176.60	7,554.53

[The Group does not have any customer (other than related parties), with whom revenue from transactions is more than 10% of Group's total revenue. (Refer Annexure A of Note 44)]

NOTE 44

RELATED PARTY DISCLOSURE

Disclosure with respect to Ind AS 24 on "Related Party Disclosures" is as per Annexure - "A" annexed.

NOTE 45

CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

i. Contingent liabilities

		(₹ in Lakh)
Particulars	As at March 31, 2025	As at March 31, 2024
a) Guarantees given by the bankers against pollution control board	0.50	0.50
b) Disputed demands by Income tax authorities* (gross)	3,289.14	8,848.45
c) Disputed demands by Service tax authorities** (gross)	5,190.17	5,190.17

* Amount paid under protest is classified under income tax assets (Refer Note 7) ₹ 3,241.14 Lakhs (Previous Year: ₹ 5,509.63 Lakhs)

**Amount paid under protest is classified under other non-current and current assets (Refer Note 8 & 15) ₹ 172.65 Lakhs (Previous Year ₹ 172.65 Lakhs)

Note: includes, interest till the date of demand, wherever applicable.

Future cash outflows in respect of the above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities. The Group does not expect the outcome of the matters stated above to have material adverse impact on the Group's financial condition, results of operation or cash flows.

ii. Commitments

		(₹ in Lakh)
Particulars	As at March 31, 2025	As at March 31, 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)*	32,302.27	33,898.79

* The Group is committed to pay milestone payments on a contract, however obligation to pay is contingent upon fulfilment of contractual obligation by parties to the contract.

iii. For commitments relating to lease arrangement. (Refer Note 42)

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

NOTE 46

EMPLOYEE BENEFIT PLANS

Defined contribution plan

Contributions are made to Regional Provident Fund (RPF), Family Pension Fund, Employees State Insurance Scheme (ESIC) and other funds which covers all regular employees. While both the employees and the Parent Company make predetermined contributions to the Provident Fund and ESIC, contribution to the Family Pension Fund and other statutory funds are made only by the Parent Company. The contributions are normally based on a certain percentage of the employee's salary. Amount recognised as expense in respect of these defined contribution plans, aggregate to **₹414.73 Lakhs** (Previous year: ₹448.73 Lakhs).

Particulars	(₹ in Lakh)	
	Year ended March 31, 2025	Year ended March 31, 2024
Contribution to Provident Fund and Family Pension Fund	402.35	445.28
Contribution to ESIC and Employees Deposit Linked Insurance (EDLI)	12.32	3.41
Contribution to Labour Welfare Fund	0.06	0.04

In the United States, the Group sponsors a defined contribution 401(k) retirement savings plan for all eligible employees who meet minimum age and service requirements. The Group has no further obligations under the plan beyond its annual matching contributions.

Defined benefit plan

a) Gratuity

In respect of Gratuity, a defined benefit plan, contributions are made to LIC's Recognised Group Gratuity Fund Scheme. It is governed by the Payment of Gratuity Act, 1972. Under the Gratuity Act, employees are entitled to specific benefit at the time of retirement or termination of the employment on completion of five years or death while in employment. The level of benefit provided depends on the member's length of service and salary at the time of retirement/termination age. Provision for gratuity is based on actuarial valuation done by an independent actuary as at the year end. Each year, the Parent Company reviews the level of funding in gratuity fund. The Parent Company decides its contribution based on the results of its annual review. The Parent Company aims to keep annual contributions relatively stable at a level such that the fund assets meet the requirements of gratuity payments in short to medium term.

b) Other long-term benefit plan

Actuarial valuation for compensated absences is done as at the year end and the provision is made as per Parent Company rules with corresponding charge to the statement of profit and loss amounting to **₹132.58 Lakhs** (Previous year: ₹126.61 Lakhs) and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.

Obligation in respect of defined benefit plan and other long-term employee benefit plans are actuarially determined as at the year-end using the 'Projected Unit Credit' method. Gains and losses on changes in actuarial assumptions relating to defined benefit obligation are recognised in other comprehensive income whereas gains and losses in respect of other long-term employee benefit plans are recognised in the statement of profit and loss.

	(₹ in Lakh)	
	Year ended March 31, 2025 Gratuity (Funded)	Year ended March 31, 2024 Gratuity (Funded)
I. Reconciliation of liability / (asset) recognised in the balance sheet		
Present value of obligation at the end of the year	1,993.45	1,993.30
Fair value of plan assets at the end of the year	(1,513.02)	(1,972.23)
Net liability recognised in the financial statement	480.43	21.07
II. Movement in net liability / (asset) recognised in the balance sheet		
Net liability / (assets) as at beginning of the year	21.07	414.04
Net expense recognised in the statement of profit and loss	145.55	179.47
Net expense / (gain) recognised in other comprehensive income	25.55	(18.74)
Net (liability) / asset transfer out	(28.47)	(21.28)
Contribution during the year	-	(215.69)
Refund from fund for the benefit paid in previous year	316.73	-
Benefit paid by the employer	-	(316.73)
Net liability / (asset) as at the end of the year (Refer Note 20 and 27)	480.43	21.07

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

	(₹ in Lakh)	
	Year ended March 31, 2025 Gratuity (Funded)	Year ended March 31, 2024 Gratuity (Funded)
III. Net interest cost for the current year		
Interest cost	143.32	157.84
Interest income	(141.80)	(127.40)
Net interest cost for the current year	1.52	30.44
IV. Expense recognised in the statement of profit and loss		
Current service cost	144.03	149.03
Net interest cost for the current year	1.52	30.44
Expense charged to the statement of profit and loss	145.55	179.47
V. Expense recognised in the other comprehensive income (OCI)		
Actuarial (gains) / losses on obligation for the year	2.56	(4.50)
Return on plan assets excluding interest income	22.99	(14.24)
Net expenses/ (income) recognised in the OCI	25.55	(18.74)
VI. Return on plan assets		
Expected return on plan assets	141.80	127.40
Actuarial gain	(22.99)	14.24
Actual return on plan assets	118.81	141.64
VII. Reconciliation of defined-benefit obligations		
Obligation as at the beginning of the year	1,993.30	2,153.62
Current service cost	144.03	149.03
Liability transfer out	(28.47)	(21.28)
Interest cost	143.32	157.84
Benefits paid	(261.29)	(124.68)
Benefit paid by the employer	-	(316.73)
Actuarial (gain) / loss arising from changes in financial assumptions	54.91	15.23
Actuarial (gain) / loss arising from demographic assumptions	-	-
Actuarial (gain) / loss arising from changes in experience adjustments	(52.35)	(19.73)
Obligation as at the end of the year	1,993.45	1,993.30
VIII. Reconciliation of plan assets		
Plan assets as at the beginning of the year	1,972.23	1,739.58
Expected return on plan assets	141.80	127.40
Actuarial gain on plan assets	(22.99)	14.24
Employer's contribution during the year	-	215.69
Refund from fund for the benefit paid in previous year	(316.73)	-
Benefits paid	(261.29)	(124.68)
Plan assets as at the year end	1,513.02	1,972.23
IX. Actuarial assumptions		
Discount rate	6.61%	7.19%
Expected return on plan assets	6.61%	7.19%
Expected rate of salary increase	10.00%	10.00%
Mortality	Indian Assured Lives Mortality (2012-14) (Urban)	Indian Assured Lives Mortality (2012-14) (Urban)
Attrition rate	12%p.a	12% p.a.
Retirement age (years)	60-69 years	60-67 years
X. Investment details		
Insurance fund	1,513.02	1,972.23
XI. Sensitivity analysis for significant assumptions:		
Benefit obligation as at the end of the year	1,993.45	1,993.30
Increase / (decrease) in the present value of benefit obligation as at the end of the year:		
Delta effect of +1% change in rate of discounting	(92.65)	(91.21)

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

	Year ended March 31, 2025 Gratuity (Funded)	(₹ in Lakh) Year ended March 31, 2024 Gratuity (Funded)
Delta effect of -1% change in rate of discounting	103.01	101.27
Delta effect of +1% change in rate of salary increase	98.72	97.62
Delta effect of -1% change in rate of salary increase	(90.72)	(89.77)
Delta effect of +1% change in rate of employee turnover	(18.94)	(16.45)
Delta effect of -1% change in rate of employee turnover	20.67	17.90
XII. Maturity analysis of projected benefit obligation		
Projected benefits payable in future years from the date of reporting		
1 st following year	418.85	393.30
2 nd following year	179.13	197.28
3 rd following year	187.15	182.36
4 th following year	250.45	274.26
5 th following year	203.06	232.69
Sum of years 6 to 10	751.75	768.34
Sum of Years 11 and above	969.57	1,019.19

Salary escalation rate

The estimates of future salary increases take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Basis used to determine rate of return on plan assets

The rate of return on plan assets is based on expectation of the average long-term rate of return expected on investments of the fund during the estimated term of the obligation.

The contribution expected to be made by the Parent Company for gratuity in next financial year ending March 31, 2025 ₹256.22 Lakhs (Previous year: ₹165.10 Lakhs).

NOTE 47

REVENUE FROM CONTRACT WITH CUSTOMERS

	Year ended March 31, 2025	(₹ in Lakh) Year ended March 31, 2024
Particulars		
Revenue from contract with customers	7,176.60	7,554.53

	As at March 31, 2025	(₹ in Lakh) As at March 31, 2024
Particulars		
Trade receivables (Refer Note 9)	1,605.65	1,553.13
Contract assets (Refer Note 13)	-	287.12
Contract liabilities (Refer Note 21 and 26)	10,349.63	10,349.46

Contract balance of Trade receivable, Contract assets and Contract liabilities as on April 1, 2023 were ₹3,271.43 Lakhs, ₹351.62 Lakhs and ₹11,764.84 Lakhs respectively.

Contract assets are initially recognised for revenue from sale of goods. Contract liabilities are on account of the upfront revenue received from customer for which performance obligation has not yet been completed. The performance obligation is satisfied when control of the goods or services are transferred to the customers based on the contractual terms. Payment terms with customers vary depending upon the contractual terms of each contract.

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

NOTE 48

USE OF ESTIMATES AND JUDGEMENTS

The preparation of the Group's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- 1 Provisions [Refer Note 20 and 27]
- 2 Contingent liabilities [Refer Note 45]
- 3 Financial risk management [Refer Note 39]
- 4 Provision for tax [Refer Note 5 and 28]
- 5 Revenue [Refer Note 29 and 47]

NOTE 49

The Group does not have any transactions and balances with companies which are struck off except shares held by **9 shareholders holding 4,801 shares** (Previous year: 9 shareholders holding 4,801 shares) having face value of ₹1 per share.

NOTE 50

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Group due to both physical and transition risks. Even though the Group believes its business model will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Group is closely monitoring relevant changes and developments, such as new climate-related legislation.

NOTE 51

OTHER STATUTORY INFORMATION

- (i) The Parent Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- (ii) The Parent Company has not been declared as wilful defaulter.
- (iii) The Parent Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Group has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- (v) The Parent has not advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds to any other person or entity, including foreign entities (Intermediaries) with the understanding, (whether recorded in writing or otherwise) that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

- (vi) The Parent Company has not received any funds from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) The Parent Company does not have any such transaction which is 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.
- (viii) The Parent Company does not have any scheme of arrangements during the year.

NOTE 52

Disclosures mandated by the Companies Act, 2013 Schedule III Part II by way of additional information is given in Annexure 'B'.

NOTE 53

GOING CONCERN

The Group has incurred cash losses in past years and in the current year and the current liabilities of the Group exceeds current assets as on March 31, 2025. The Group is subject to risks common to companies in the pharmaceutical research and development industry, including, but not limited to, risks of failure or unsatisfactory results of nonclinical studies and clinical trials, the need to obtain additional financing to fund the future development of its pipeline, the need to obtain marketing approval for its product candidates, the need to successfully commercialize its product candidates, development by competitors of technological innovations etc.

The Group has received a financial support letter from its Promoter Group Entity to ensure its status as "Going Concern" and the continuance of its operations, as and when required. The Group also plans to monetise some of these assets in the future and is exploring various options, including collaborations, sale etc.

NOTE 54

BACK UP OF BOOKS OF ACCOUNTS AND AUDIT TRAIL

- (a) The Parent Company maintains its books of account in electronic mode and these books of accounts are accessible in India at all times. The daily back up were taken on servers physically located in India.
- (b) The Parent Company has used 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 software. Further, there are no instance of audit trail feature being tampered with. Additionally, the audit trail of prior year has been preserved as per the statutory requirements for record retention.

NOTE 55

The management is continuously evaluating the developments and likely impact of imposition of tariffs by the United States of America and currently believes that there is no material impact on the financial statements.

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

NOTE 56

The date of implementation of the Code on Wages 2019 and the Code on Social Security, 2020 is yet to be notified by the Government. Certain sections of those Codes came into effect on May 03, 2023. However, the final rules / interpretation have not been issued. The Group will assess the impact of these Codes and give effect in the subsequent financial statements when the Rules / Schemes thereunder are notified.

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No.: 324982E/E300003

per AMIT SINGH

Partner

Membership No.: 408869

Place: Mumbai

Date: May 19, 2025

For and on behalf of the Board of Directors of

SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED

ANILKUMAR RAGHAVAN

Chief Executive Officer

Place: Mumbai

ANUP M. RATHI

Chief Financial Officer

Place: Mumbai

KAJAL K. DAMANIA

Company Secretary

Place: Mumbai

DILIP S. SHANGHVI

Chairman

DIN: 00005588

Place: Mumbai

RAJAMANNAR THENNATI

Director

DIN: 01415412

Place: Mumbai

Date: May 19, 2025

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

Annexure "A"

Indian Accounting Standard (Ind AS-24) " Related Party Disclosures "

Names of related parties and description of relationship

1. Key Management Personnel

Dilip S. Shanghvi	Chairman & Non-Executive Director
Sudhir V. Valia	Non-Executive Director (ceased to be director w.e.f. August 12, 2024)
Vidhi D. Shanghvi	Non-Executive Director (appointed w.e.f. July 15, 2024)
Rajamannar Thennati	Non-Executive Director
Bhavna Doshi	Independent Director
Ferzaan Engineer	Independent Director
Robert Jay Spiegel	Independent Director
Anilkumar Raghavan	Chief Executive Officer

2. Enterprises under significant influence/are controlled by Key Management Personnel (with whom transactions are entered)

Spiegel Consulting LLC
 Shanghvi Finance Private Limited
 Shree Nagardas Dhanaji Shanghvi Trust - Sudarshan Netralaya
 Sun Pharmaceutical Medicare Limited
 Sun Pharma Laboratories Limited
 Sun Pharmaceutical Industries Europe BV
 Sun Pharmaceutical Industries Inc.
 Sun Pharmaceutical Industries Limited
 Taro Pharmaceuticals Industries Limited
 Taro Pharmaceuticals U.S.A., Inc.
 Terapia S.A.

1. Transaction with Key Management Personnel (KMP)

Particulars	(₹ in Lakh)	
	Year ended March 31, 2025	Year ended March 31, 2024
Director sitting fees		
Dilip S. Shanghvi	3.90	3.90
Sudhir V. Valia	3.30	6.00
Vidhi D. Shanghvi	4.80	-
Bhavna Doshi	6.90	6.60
Rajamannar Thennati	3.00	3.00
Ferzaan Engineer	6.00	6.30
Robert Jay Spiegel	6.00	6.30

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

Particulars	(₹ in Lakh)	
	Year ended March 31, 2025	Year ended March 31, 2024
Remuneration		
Anilkumar Raghavan	566.85	696.08

Key Management Personnel (KMP) who are under the employment of the Group is entitled to post employment benefits and other long-term employee benefits recognised as per Ind AS 19 - 'Employee Benefits'. As these employee benefits are lump sum amount provided on the basis of actuarial valuation, the same is not included above.

2. Transaction with Enterprises under significant influence of / are controlled by Key Management Personnel

Particulars	(₹ in Lakh)	
	Year ended March 31, 2025	Year ended March 31, 2024
Shanghvi Finance Private Limited		
Commission on corporate guarantee	50.00	50.00
Loan received	10,000.00	-
Interest paid	220.55	-
Spiegel Consulting LLC		
Professional fees	42.90	41.70
Shree Nagardas Dhanaji Shanghvi Trust - Sudarshan Netralaya		
Sale of Fixed Assets	-	1.74
Sun Pharma Laboratories Limited		
Sale of services - License fees / Royalty on technology / R&D services	776.49	2,817.29
Purchase of goods	0.99	1.07
Sun Pharmaceutical Industries Europe BV		
Receiving of research and development services	238.19	518.42
Reimbursement of expenses paid	1.75	11.92
Sun Pharmaceutical Industries Inc.		
Sale of services - License fees / Royalty on technology / R&D services	160.21	62.50
Reimbursement of expenses paid	317.75	277.42
Receiving of research and development services	1,458.88	6,728.99
Purchase of goods	4.74	-
Receiving of liability on employee's transfer	-	2,212.27
Sun Pharmaceutical Industries Limited		
Sale of services - License fees / Royalty on technology / R&D services	6,231.75	4,672.85
Purchase of goods	105.13	372.31
Purchase of property, plant and equipment	6.10	-
Payment of lease liabilities	278.68	272.87
Receiving of research and development services	59.45	177.75
Product development cost	1,037.09	2,375.50
Sale of property, plant and equipment	40.58	-
Reimbursement of expenses paid	425.18	365.75
Reimbursement of expenses received	34.45	9.03
Sun Pharmaceutical Medicare Limited		
Purchase of goods	0.31	1.52
Taro Pharmaceuticals Industries Limited		
Sale of services - R&D services	8.15	1.90
Taro Pharmaceuticals U.S.A., Inc.		
Payment of lease liabilities	162.00	116.63
Terapia S.A.		
Receiving of services	-	106.43

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

Balances outstanding - receivable / (payable)

Particulars	(₹ in Lakh)	
	As at March 31, 2025	As at March 31, 2024
Dilip S. Shanghvi	(0.54)	-
Bhavna Doshi	(0.81)	(0.27)
Ferzaan Nariman Engineer	(0.27)	(0.34)
Robert Jay Spiegel	(0.21)	(0.21)
Vidhi D. Shanghvi	(0.54)	-
Shanghvi Finance Pvt Ltd.	(10,054.00)	(47.50)
Spiegel Consulting LLC	(42.74)	(83.41)
Sun Pharma Laboratories Limited	426.85	231.19
Sun Pharmaceutical Industries Europe BV	(56.52)	(421.37)
Sun Pharmaceutical Industries Inc.	(4,736.68)	(3,293.19)
Sun Pharmaceutical Industries Limited	629.64	842.06
Sun Pharmaceutical Medicare Limited	(0.10)	(1.52)
Taro Pharmaceuticals U.S.A., Inc.	(284.74)	(78.71)
Terapia S.A.	-	(96.02)

Terms and condition of transactions with related parties.

The sale of services to related parties are made on terms equivalent to those that prevail in arms-length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related parties receivables or payables.

* The Group has an outstanding corporate guarantee from Shanghvi Finance Private Limited amounting to ₹20,000 Lakhs as at March 31, 2025 (Previous year: ₹ 20,000 Lakhs). Refer Note 22.

Consolidated Notes to Financial Statements

for the year ended March 31, 2025

Annexure "B"

Disclosure of additional information pertaining to the Parent Company and subsidiary as per Schedule III of Companies Act, 2013:

Sr. No.	Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		2024-25		2024-25		2024-25		2024-25	
		As % of consolidated net assets	₹ in lakhs	As % of consolidated profit or (loss)	₹ in lakhs	As % of consolidated OCI	₹ in lakhs	As % of consolidated TCI	₹ in lakhs
1	Parent Entity-Sun Pharma Advanced Research Company Limited.	101.69	(22,062.03)	100.79	(34,522.21)	131.70	(25.55)	100.81	(34,547.76)
2	Subsidiary Entity - SPARCLIFE Inc.	(1.88)	408.92	(0.79)	271.27	-	-	(0.79)	271.27
	Total		(21,653.11)		(34,250.94)		(25.55)		(34,276.49)
3	Intercompany Elimination and Consolidation Adjustments	0.19	(41.69)	-	-	(31.70)	(6.15)	(0.02)	6.15
		100.00	(21,694.80)	100.00	(34,250.94)	100.00	(19.40)	100.00	(34,270.34)

Sr. No.	Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		2023-24		2023-24		2023-24		2023-24	
		As % of consolidated net assets	₹ in lakhs	As % of consolidated profit or (loss)	₹ in lakhs	As % of consolidated OCI	₹ in lakhs	As % of consolidated TCI	₹ in lakhs
1	Parent Entity-Sun Pharma Advanced Research Company Limited.	99.29	12,485.73	100.23	(38,810.52)	96.50	18.74	100.23	(38,791.78)
2	Subsidiary Entity - SPARCLIFE Inc.	1.05	131.51	(0.23)	89.13	-	-	(0.23)	89.13
	Total		12,617.24		(38,721.39)		18.74		(38,702.65)
3	Intercompany Elimination and Consolidation Adjustments	(0.33)	(41.70)	-	-	3.50	(0.68)	-	0.68
		100.00	12,575.54	100.00	(38,721.39)	100.00	19.42	100.00	(38,701.97)

Notice of Annual General Meeting

NOTICE is hereby given that 20th (Twentieth) Annual General Meeting of the members of **Sun Pharma Advanced Research Company Limited ("Company")** will be held on **Tuesday, August 12, 2025, at 04:00 P.M. IST (Indian Standard Time)**, through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS:

1. **To receive, consider and adopt the audited standalone financial statements of the Company for the financial year ended March 31, 2025 and the reports of the Board of Directors and Auditors thereon.**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the audited standalone financial statement of the Company for the financial year ended March 31, 2025 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

2. **To receive, consider and adopt the audited consolidated financial statements of the Company for the financial year ended March 31, 2025 and the report of the Auditors thereon.**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the audited consolidated financial statement of the Company for the financial year ended March 31, 2025 and the report of Auditors thereon, as circulated to the Members, be and are hereby considered and adopted.

3. **To appoint Mr. Dilip Shanghvi (DIN: 00005588), who retires by rotation and being eligible has offered himself for re-appointment as a Director.**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Dilip Shanghvi (DIN: 00005588), who retires by rotation at this meeting and being eligible, offers himself for re-appointment, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

4. **To approve the Re-appointment and remuneration of Mr. Anilkumar Raghavan, as the Manager and Whole-time Key Managerial Personnel of the Company, designated as Chief Executive Officer (CEO) for a period of five years.**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Rules made thereunder read with Schedule V to the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), relevant provisions of the Articles of Association of the Company, and subject to such approval(s) / sanction(s) as may be necessary under law, and pursuant to the recommendation by the Nomination and Remuneration Committee and the Board of Directors of the Company, the consent of the members of the Company be and is hereby accorded for (i) Re-appointment of Mr. Anilkumar Raghavan as the Manager and Whole-time Key Managerial Personnel of the Company, designated as Chief Executive Officer (CEO), for a term of 5 (five) years effective from May 25, 2026 upto May 24, 2031; and (ii) maximum remuneration to be paid to Mr. Anilkumar Raghavan for a period of 3 (three) years commencing from May 25, 2026 upto May 24, 2029, on the terms and conditions including the remuneration to be paid to him as set out in the draft agreement to be entered into between Mr. Anilkumar Raghavan and the Company, and his existing appointment letter which inter-alia forms part of the said draft agreement (hereinafter referred to as "Agreement") and material terms of which are given below, with the liberty to the Board of Directors to alter, vary and modify the terms and conditions of the appointment and/or remuneration in such manner as may be agreed to between the Board of Directors and Mr. Anilkumar Raghavan within and in accordance with the Act or any amendment thereto:

1. Mr. Anilkumar Raghavan shall act as the Manager (designated as Chief Executive Officer) of the Company and may devote such time in the performance of his duties as Manager (designated as Chief Executive Officer) as necessary and expedient.
2. Subject to the control and supervision of the Board of Directors and subject to the provisions of the Act, Mr. Anilkumar Raghavan in his capacity as Manager (designated as Chief Executive Officer) of the Company, shall have the powers for general conduct and management of the affairs the Company and he shall be entitled to exercise all such powers and to do all such acts and things the Company is authorized to exercise and all such powers, acts or things which are directed or required by the applicable provisions of the Act or such other applicable laws or under the Memorandum and Articles of Association of the Company or otherwise, except those to be exercised or done by the Company in General meeting or by the Board of Directors at their meeting only. Mr. Anilkumar Raghavan shall perform such duties and exercise such

powers as are additionally entrusted to him by the Board of Directors from time to time.

3. **REMUNERATION:** Mr. Anilkumar Raghavan shall be paid remuneration for his services as may be approved by the Board on the recommendation of the Nomination and Remuneration Committee of the Company, and shall be subject to annual review and revision, subject to his total remuneration not exceeding ₹ 8,00,00,000/- (Rupees Eight Crores only) per annum.

Minimum Remuneration: In the event of loss or inadequacy of profits in any financial year, the Board on the recommendation of the Nomination and Remuneration Committee of the Company may approve a remuneration including salary, perquisites, allowances, etc. to be paid to Mr. Anilkumar Raghavan minimum remuneration, which shall be within the limit of ₹ 8,00,00,000/- (Rupees Eight Crores only) per annum as approved by the members of the Company.

RESOLVED FURTHER THAT in the event of any statutory amendments, modifications or relaxation by the Central Government to Chapter XIII (Appointment and Remuneration of Managerial Personnel) and/or Schedule V to the Companies Act, 2013, the Board of Directors be and is hereby authorized to revise the terms and conditions of appointment including remuneration and that the aforesaid agreement between the Company and Mr. Anilkumar Raghavan be suitably amended to give effect to such modification, relaxation or variation, subject to such approvals as may be required under law.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things and to take all such steps as they may deem fit, expedient or desirable to give effect to this Resolution."

5. **Appointment of Ms. Rekha Warriar (DIN: 08152356) as an Independent Director of the Company for a term of five years.**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT Ms. Rekha Warriar (DIN: 08152356), who was appointed as an Additional Director of the Company on May 19, 2025, pursuant to Section 161(1) of the Companies Act, 2013 and holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice under section 160 of the Companies Act, 2013 for appointment as an Independent Director of the Company. Pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule IV of the Act and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 17 and other applicable provisions of 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),

and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval of members be and is hereby accorded for the appointment of Ms. Rekha Warriar, as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years commencing from May 19, 2025 to May 18, 2030."

RESOLVED FURTHER THAT any Director of the Company or Chief Executive Officer or Chief Financial Officer or the Company Secretary of the Company be and is hereby authorised to do all such acts, deeds, matters, and things as may be necessary, desirable or expedient to give effect to this resolution and to file necessary returns/ forms with the Registrar of Companies and other authorities, as applicable."

6. **Appointment of Mr. Venkateswarlu Jasti (DIN:00278028) as an Independent Director of the Company for a term of five years.**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT Mr. Venkateswarlu Jasti (DIN:00278028), who was appointed as an Additional Director of the Company on May 19, 2025, pursuant to Section 161(1) of the Companies Act, 2013 ("the Act") and holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice under section 160 of the Act for appointment as an Independent Director of the Company. Pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule IV of the Act and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 17(1A) and other applicable provisions of 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), and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval of members be and is hereby accorded for the appointment of Mr. Venkateswarlu Jasti, who has attained the age of 75 years, as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years commencing from May 19, 2025 to May 18, 2030."

RESOLVED FURTHER THAT any Director of the Company or Chief Executive Officer or Chief Financial Officer or the Company Secretary of the Company be and is hereby authorised to do all such acts, deeds, matters, and things as may be necessary, desirable or expedient to give effect to this resolution and to file necessary returns/ forms with the Registrar of Companies and other authorities, as applicable."

7. **To approve enhancement of Line of Credit availed from Shanghi Finance Private Limited.**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT in furtherance to the resolution passed by the members at their 17th Annual General Meeting held on September 22, 2022 and pursuant to applicable provisions of the Companies Act, 2013 including the Rules made thereunder and the provisions of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the members of the Company be and is hereby accorded to enhance the line of credit from ₹. 250 Crores to ₹. 550 Crores for a period of 5 (five) years, from Shanghvi Finance Private Limited, a ‘Related Party’ as defined under Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, on such terms as set out in the explanatory statement and any modifications/amendments thereto, from time to time, as may be approved by the Board, (which term shall include any Committee duly authorised by the Board), subject to the condition that the aggregate of principal amount drawn by the Company pursuant to such line of credit shall not exceed an amount of ₹. 550 Crores, at any point in time.

RESOLVED FURTHER THAT the Board of Directors or Chief Executive Officer of the Company or any other person(s) authorised by them, be and is hereby authorised to execute, deliver and perform such agreements, contracts, deeds and other documents and deal with any matters, take necessary steps in the matter as they may in their absolute discretion deem necessary or expedient and to do or cause to be done all such acts, deeds and things, settle any queries, difficulties, doubts that may arise with regard to transaction(s) and make such changes to the terms and conditions as may be considered necessary, expedient or desirable and execute such addendum agreements, documents and writings and to make such filings as may be necessary or desirable, in order to give effect to this Resolution, in the best interest of the Company.”

8. To approve related party transactions with Tiller Therapeutics, Inc.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder, and Regulation 23(4) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment thereof, for the time being in force, and in terms of the Company’s Policy on Related Party Transactions, and based on the recommendation of the Audit Committee and approval of the Board of Directors, consent of the members be and is hereby accorded to enter into Master Service Agreement (“MSA”) with Tiller Therapeutics Inc. (hereinafter referred to as “Tiller”) which in the near future may become the related party, as defined under Section 2 (76) of the Companies Act, 2013

and regulation 2(1)(zb) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.

RESOLVED FURTHER THAT pursuant to the Master Service Agreement, the Company may enter into the transactions with Tiller, to which both parties will provide certain research and development activities on such terms and conditions as may be mutually agreed between the Company and Tiller, for a period of 5 (five) years.

RESOLVED FURTHER THAT the Board of Directors or Chief Executive Officer of the Company or any other person(s) authorised by them, be and is hereby authorised to execute, deliver and perform such agreements, contracts, deeds and other documents and deal with any matters, take necessary steps in the matter as they may in their absolute discretion deem necessary or expedient and to do or cause to be done all such acts, deeds and things, settle any queries, difficulties, doubts that may arise with regard to any transaction(s) with Tiller, and make such changes to the terms and conditions as may be considered necessary, expedient or desirable and execute such addendum agreements, documents and writings and to make such filings as may be necessary or desirable, in order to give effect to this Resolution, in the best interest of the Company.”

9. To approve the continuation of related party transactions with Sun Pharmaceutical Industries Ltd. under Master Support Service Agreement.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT in furtherance to the resolution passed by the members in its 15th Annual General Meeting held on September 30, 2020 and pursuant to applicable provisions of the Companies Act, 2013 including the Rules made thereunder and the provisions of regulation 23(4) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the members be and is hereby accorded for continuation of and entering into further related party transactions by the Company with Sun Pharmaceutical Industries Limited a related party as defined under Section 2 (76) of the Companies Act, 2013 and regulation 2(1)(zb) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.

RESOLVED FURTHER THAT pursuant to the Master Support Service Agreement dated February 15, 2014, as amended from time to time, the Company shall continue to enter into the transactions with Sun Pharmaceutical Industries Limited, to which both parties agree to provide certain range of research and development activities and other support services to each other, for a period of 5 (five) years, in accordance with the terms and conditions stipulated in the said agreement or any modification thereof.

RESOLVED FURTHER THAT the Board of Directors/ Chief Executive Officer of the Company or any other person(s)

authorised by them be and is hereby authorised to do or cause to be done all such acts, deeds and things, settle any queries, difficulties, doubts that may arise with regard to any transactions with the related party, and make such changes to the terms and conditions as may be considered necessary, expedient or desirable and execute such addendum agreements, documents and writings and to make such filings as may be necessary or desirable, in order to give effect to this resolution in the best interest of the Company.”

10. To approve the continuation of related party transactions with Sun Pharmaceutical Industries Ltd. under Master Licensing Agreement.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** in furtherance to the resolution passed by the members in its 15th Annual General Meeting held on September 30, 2020 and pursuant to applicable provisions of the Companies Act, 2013 including the Rules made thereunder and the provisions of regulation 23(4) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the members be and is hereby accorded for continuation of and entering into further transaction by the Company with Sun Pharmaceutical Industries Ltd, a related party as defined under Section 2 (76) of the Companies Act, 2013 and regulation 2(1)(zb) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.

RESOLVED FURTHER THAT pursuant to the Master License Agreement (“Contract”) dated January 20, 2014, as amended from time to time, the Company shall continue to enter into the transactions with Sun Pharmaceutical Industries Limited for Licensing of Products/ Technology / Know how, etc, for a period of 5 (five) years, in accordance with the terms and conditions stipulated in the said agreement or any modification thereof.

RESOLVED FURTHER THAT the Board of Directors or Chief Executive Officer of the Company or any other person(s) authorised by them, be and is hereby authorised to do or cause to be done all such acts, deeds and things, settle any queries, difficulties, doubts that may arise with regard to any transactions with the related party, and make such changes to the terms and conditions as may be considered necessary, expedient or desirable and execute such addendum agreements, documents and writings and to make such filings as may be necessary or desirable, in order to give effect to this resolution in the best interest of the Company.”

11. To approve the continuation of related party transactions with Sun Pharma Laboratories Ltd. under Master Licensing Agreement.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** in furtherance to the resolution passed by the members in its 15th Annual General Meeting held on September 30, 2020 and pursuant to applicable provisions of the Companies Act, 2013 including the Rules made thereunder and the provisions of regulation 23(4) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the members be and is hereby accorded, for continuation and entering into further transaction with Sun Pharma Laboratories Limited, a related party as defined under Section 2 (76) of the Companies Act, 2013 and regulation 2(1)(zb) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.

RESOLVED FURTHER THAT pursuant to the Master License Agreement (“Contract”) dated January 15, 2014 as amended from time to time, the Company shall continue to enter into the transactions with Sun Pharma Laboratories Ltd for Licensing of Products/ Technology / Know how, etc, for a period of 5 (five) years, in accordance with the terms and conditions stipulated in the said agreement or any modification thereof

RESOLVED FURTHER THAT the Board of Directors or Chief Executive Officer of the Company or any other person(s) authorised by them be and is hereby authorised to do or cause to be done all such acts, deeds and things, settle any queries, difficulties, doubts that may arise with regard to any transactions with the related party, and make such changes to the terms and conditions as may be considered necessary, expedient or desirable and execute such addendum agreements, documents and writings and to make such filings as may be necessary or desirable, in order to give effect to this Resolution in the best interest of the Company.”

12. Appointment of KJB & Co LLP, Practising Company Secretaries, as the Secretarial Auditors of the Company

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, KJB & Co LLP, Practising Company Secretaries, (LLPIN: AAM-3002) be and are hereby appointed as the Secretarial Auditors of the Company for a term of five (5) consecutive years, to hold such office from the conclusion of this 20th Annual General Meeting up to the conclusion of 25th Annual General Meeting, at such remuneration as may be fixed by the Board of Directors of the Company, from time to time.

13. To approve raising of funds through equity shares, convertible warrants, preference shares/ bonds / debentures /any other instruments whether convertible into equity or not, American Depository Receipts ("ADRs"), Global Depository Receipts ("GDRs"), Foreign Currency Convertible Bonds ("FCCBs"), etc.

To consider and, if thought fit, to pass, the following enabling resolution, as a **Special Resolution**:

"RESOLVED THAT in supersession of the resolution passed by the members at the 19th Annual General Meeting held on August 12, 2024 and pursuant to the provisions of Sections 23, 41, 42, 55, 62(1)(a), 62(1)(c), 71, 179, 180(1)(a), 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 ("Companies Act"), the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any amendment(s), statutory modification(s) or re-enactment thereof), the provisions of the Memorandum of Association and the Articles of Association of the Company and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations"), the listing agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited ("Stock Exchanges") on which the equity shares having face value of ₹ 1/- each of the Company ("Equity Shares") are listed, the provisions of the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, as amended (the "FEMA"), including the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended, Foreign Exchange Management (Debt Instruments) Rules, 2019, as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended, the Depository Receipts Scheme, 2014, as amended, the extant Consolidated FDI Policy issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, (the "Debt Listing Regulations"), the Reserve Bank of India Master Directions on Foreign Investment in India and subject to other applicable rules, regulations and guidelines issued by the Ministry of Corporate Affairs ("MCA"), the relevant Registrar of Companies, Securities and Exchange Board of India ("SEBI"), Reserve Bank of India ("RBI"), Government of India ("GoI"), Stock Exchanges and / or any competent statutory, regulatory, governmental or any other authorities whether in India or abroad (herein referred to as "Applicable Regulatory Authorities"), from time to time and to the extent applicable, and subject to such approvals, permissions, consents and sanctions as may be necessary or required from the Applicable Regulatory Authorities in this

regard and further subject to such terms and conditions or modifications as may be prescribed or imposed by any or all of them while granting any such approvals, permissions, consents and / or sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any committee thereof which the Board may duly have constituted or may hereinafter constitute to exercise its powers including the powers conferred by this Resolution), consent, authority and approval of the Members of the Company, be and is hereby accorded to the Board and the Board be and is hereby authorised to create, offer, issue and allot (including with provisions for reservations on firm and/ or competitive basis, or such part of issue and for such categories of persons, including employees, as may be permitted) with or without green shoe option such number of equity shares, convertible warrants, preference shares/ bonds /debentures /any other instruments whether convertible into equity or not, American Depository Receipts ("ADRs"), Global Depository Receipts ("GDRs"), Foreign Currency Convertible Bonds ("FCCBs"), or any other securities or combination of such securities (hereinafter collectively referred to as "Securities"), or any combination of Securities, in one or more tranches, whether Rupee denominated or denominated in one or more foreign currencies in the course of international and / or domestic offerings, in one or more foreign markets and/or domestic markets, through public and/ or private offerings and/or rights offering and/ or by way of Qualified Institutions Placement("QIP"), or any combination thereof, through issue of prospectus and/or preliminary placement document, placement document and/or other permissible/ requisite offer documents to any eligible person, including Qualified Institutional Buyers ("QIBs") as defined under the SEBI ICDR Regulations, or otherwise, including foreign/ resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), alternate investment funds, foreign institutional investors, foreign portfolio investors, qualified foreign investors, Indian and/or multilateral financial institutions, non-resident Indians, stabilizing agents, pension funds and/or any other categories of investors, whether they be holders of Securities of the Company or not (collectively called the "Investors"), as may be decided by the Board in its discretion and permitted under applicable laws and regulations, for an aggregate consideration of up to ₹ 1,800 crores (Rupees One Thousand Eight Hundred Crores only) (inclusive of such premium as may be fixed on such Securities) at such time or times, at such price or prices, at a discount or premium to market price or prices, as permitted under applicable laws and in such manner and on such terms and conditions including security, rate of interest etc. and any other matters incidental thereto as may be deemed appropriate by the Board in its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment of Securities shall be made to the exclusion of other categories of Investors at the time of such creation, offer, issue and allotment considering

the prevailing market conditions and other relevant factors and wherever necessary in consultation with book running lead manager(s) and/or underwriter(s) and/or other advisor(s) appointed and/or to be appointed by the Board, in foreign currency and/ or equivalent Indian Rupees as may be determined by the Board, or in any convertible foreign currency, as the Board in its absolute discretion may deem fit and appropriate (the "Issue").

RESOLVED FURTHER THAT if any issue of Securities is made by way of a QIP in terms of Chapter VI of the SEBI ICDR Regulations:

- (a) the allotment of the Securities, or any combination of Securities as may be decided by the Board, shall be completed within 365 days from the date of passing of the special resolution by the Members or such other time as may be allowed under the SEBI ICDR Regulations from time to time;
- (b) the Securities shall not be eligible to be sold by the allottees for a period of 1 year from the date of allotment, except on a recognized stock exchange, or except as may be permitted under the SEBI ICDR Regulations;
- (c) the relevant date for the purpose of pricing of the Securities shall be the date of the meeting in which the Board decides to open the QIP and at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations;
- (d) no single allottee shall be allotted more than 50% of the proposed QIP size and the minimum number of allottees shall be two, where the issue size is less than or equal to ₹ 250 crores and five, where the issue size is greater than ₹ 250 crores, in accordance with Chapter VI of the SEBI ICDR Regulations;
- (e) in the event that convertible securities and/or warrants which are convertible into Equity Shares of the Company are issued along with nonconvertible debentures to QIBs under Chapter VI of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of such securities, shall be the date of the meeting in which the Board (or relevant committee thereof) decides to open the issue of such convertible securities and/or warrants simultaneously with non-convertible debentures or any other date in accordance with applicable law and such Securities shall be issued at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations; and
- (f) the Board may, in accordance with applicable law, also offer a discount of not more than 5% or such percentage as permitted under applicable law on the price calculated in accordance with the pricing formula provided under the SEBI Regulations.

RESOLVED FURTHER THAT if any issue of Securities is made by way of a rights issue to the existing members of the Company as on a record date to be determined, including reservation of Equity Shares in favour of holders of outstanding convertible debt instruments, if any, as on a record date to be determined, in terms of Chapter III of the SEBI ICDR Regulations ("Rights Issue"), the same shall be on such other terms and conditions as may be mentioned in the draft letter of offer and letter of offer to be issued by the Company in respect of the Rights Issue, including:

- (a) rights to the existing members to whom the offer is made to renounce, the Equity Shares being offered, in favour of any other person(s) fully or partly;
- (b) the persons to whom the Equity Shares are being issued shall be entitled to apply for additional Equity Shares in the Rights Issue;
- (c) the manner in which allotment of the additional Equity Shares, if any, shall be made in the proportion to be decided by the Board at its discretion;
- (d) the Securities to be so created, offered, issued, and allotted shall rank pari passu in all respects with the existing Securities, if any, of the Company and shall be subject to the provisions of the Memorandum of Association and the Articles of Association of the Company in a permissible way;
- (e) the Board may dispose of the unsubscribed portion in such manner as it may think most beneficial to the Company;
- (f) all monies received out of Rights Issue shall be transferred to a separate bank account maintained by the Company for the purpose of the Rights Issue;
- (g) the Company shall utilize the monies received pursuant to the Rights Issue upon a confirmation from the lead manager(s) to the bankers by way of copies of listing and trading approvals that all formalities in connection with the issue have been completed, in accordance with the provisions of the SEBI ICDR Regulations and other applicable laws;
- (h) details of all monies utilised out of the Rights Issue referred to in (g) hereinabove shall be disclosed under an appropriate separate head in the balance sheet of the Company indicating the purpose for which such monies had been utilized, or in any other manner as may be required under the applicable laws; and
- (i) details of all unutilised monies out of the Rights Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of the Company indicating the form in which such unutilised monies have been invested, or in any other manner as may be required under the applicable laws.

RESOLVED FURTHER THAT the issue to the holders of the Securities, which are convertible into or exchangeable with Equity Shares at a later date shall be, inter alia, subject to the following terms and conditions:

- (a) in the event the Company is making a bonus issue by way of capitalization of its profits or reserves prior to the allotment of the Equity Shares, the number of Equity Shares to be allotted shall stand augmented in the same proportion in which the equity share capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced pro tanto;
- (b) in the event the Company is making a rights offer by issue of Equity Shares prior to the allotment of the Equity Shares, the entitlement to the Equity Shares will stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall be offered to the holders of the Securities at the same price at which the same are offered to the existing members;
- (c) in the event of merger, amalgamation, takeover or any other re-organization or restructuring or any such corporate action, if and as required, the number of Equity Shares, the price and the time period as aforesaid shall be suitably adjusted; and
- (d) in the event of consolidation and/or division of outstanding Equity Shares into smaller number of Equity Shares (including by way of stock split) or re-classification of the Securities into other securities and/or involvement in such other event or circumstances which in the opinion of concerned stock exchange requires such adjustments, necessary adjustments will be made.

RESOLVED FURTHER THAT in pursuance of the aforesaid resolutions the Equity Shares that may be issued by the Company (including issuance of the Equity Shares pursuant to conversion of any Securities, as the case may be in accordance with the terms of the offering) shall rank pari passu with the existing equity shares of the Company in all respects.

RESOLVED FURTHER THAT in the event the Securities are proposed to be issued as ADRs or GDRs, the relevant date for the purpose of pricing the Securities shall be the date of the meeting in which the Board decides to open the issue of such Securities in accordance with the Depository Receipts Scheme, 2014 (including any amendment or replacement/substitution thereof) and other applicable pricing provisions issued by the Ministry of Finance.

RESOLVED FURTHER THAT in the event the Securities are proposed to be issued as FCCBs, the relevant date for the purpose of pricing the Securities shall be the date of the meeting in which the Board decides to open the issue of such Securities in accordance with the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through the Depository Receipt Mechanism) Scheme, 1993

(including any amendment or replacement/substitution thereof) and other applicable pricing provisions issued by the Ministry of Finance.

RESOLVED FURTHER THAT in pursuance of the aforesaid resolutions the Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to any creation, offer, issue or allotment of Equity Shares and/or Securities or instruments representing the same, the Board be and is hereby authorised on behalf of the Company to seek listing of any or all of such Securities, on one or more Stock Exchanges in India or outside India and the listing of Equity Shares underlying the ADRs and/or GDRs on the Stock Exchanges in India.

RESOLVED FURTHER THAT without prejudice to the generality of the above, subject to applicable laws and subject to approval, consents, permissions, if any, of any governmental body, authority or regulatory institution including any conditions as may be prescribed in granting such approval or permissions by such governmental authority or regulatory institution, the aforesaid Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets including but not limited to the terms and conditions for issue if additional Securities and the Board subject to applicable laws, regulations and guidelines be and is hereby authorized in its absolute discretion in such manner as it may deem fit, to dispose of such Securities that are not subscribed.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board be and is hereby authorized to negotiate, modify, sign, execute, register, deliver including sign any declarations required in connection with the private placement offer letter, information memorandum, draft prospectus, prospectus, the draft offer document, application form, Confirmation Allocation Note ("CAN"), abridged prospectus, offer letter, offer document, offer circular, preliminary placement document or placement document for issue of the Securities, term sheet, issue agreement, registrar agreement, escrow agreement, underwriting agreement, placement agreement, consortium agreement, trustee agreement, trust deed, subscription agreement, purchase agreement, agency agreement, agreements with the depositories, security documents, and other necessary agreements, memorandum of understanding, deeds, general undertaking/indemnity, certificates, consents, communications, affidavits, applications (including those to be filed with the regulatory authorities, if any) (the "Transaction Documents") (whether before or after execution of the Transaction Documents) together with all other documents, agreements, instruments, letters and writings required in connection with, or ancillary to, the Transaction Documents (the "Ancillary Documents") as may

be necessary or required for the aforesaid purpose including to sign and/or dispatch all forms, filings, documents and notices to be signed, submitted and/ or dispatched by it under or in connection with the documents to which it is a party as well as to accept and execute any amendments to the Transaction Documents and the Ancillary Documents and further to do all such other acts, deeds mentioned herein as it may deem necessary in connection with the issue of the Securities in one or more tranches from time to time and matters connected therewith.

RESOLVED FURTHER THAT the Board be and is hereby authorized to engage/ appoint consultants, lead managers, underwriters, guarantors, depositories, custodians, registrars, stabilizing agent, escrow agent, trustees, bankers, legal advisors and any other advisors, professionals and intermediaries and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees or the like and to enter into and execute all contracts, agreements / arrangements / memorandums of understanding/fee letters/documents with such agencies as may be required or desirable in connection with the issue and listing of the Securities, on any stock exchanges in India or abroad.

RESOLVED FURTHER THAT the Board or person(s) as may be authorized by the Board, be and is/are hereby severally authorised to finalize all the terms and conditions and the structure of the proposed Securities, to do all such acts, deeds, matters and things as it may be considered necessary desirable or expedient including to resolve and settle any questions and difficulties that may arise in connection with the proposed creation, offer, issue and allotment of

the Securities.(including in relation to the issue of such Securities in one or more tranches from time to time) and the utilization of the issue proceeds in such manner as may be determined by the Board, subject however, to applicable laws, and to take such actions or give such directions as may be necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable, as it may deem fit or as the Board may suo moto decide in its absolute discretion in the best interests of the Company

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to a committee of the Board or any such persons as it may deem fit in its absolute discretion, with the power to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper for the purposes of the issue(s) and settle any questions or difficulties that may arise in regard to the issue(s)."

By Order of the Board of Directors
For Sun Pharma Advanced Research Company Limited

Place: Mumbai
Date: May 19, 2025

SD/-
Kajal Damania
Company Secretary and
Compliance Officer

Registered Office:
Plot No. 5 & 6/1, Savli G.I.D.C. Estate,
Savli - Vadodara Highway, Manjusar,
Vadodara - 391775, Gujarat, India.

NOTES:

1. Pursuant to various circulars issued by the Ministry of Corporate Affairs ("MCA") and SEBI, and other applicable provisions of the Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (together referred to as "applicable provisions"), companies are allowed to hold AGM through Video Conference (VC) or Other Audio-Visual Means ("OAVM"), without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the 20th AGM of the Company is being held through VC/ OAVM. The Registered Office of the Company shall be the deemed venue for the AGM.
2. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ('the Act') relating to the Ordinary/ Special Business(es) to be transacted at the 20th Annual General Meeting of the Company (the "Meeting" or "AGM") is annexed hereto. The relevant details as required under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India (SS-2), in respect of the persons seeking re-appointment as Directors, are given under the heading "Profile of Directors" forming part of this Notice.
3. In terms of the provisions of Section 152 of the Act, Mr. Dilip Shanghvi (DIN: 00005588), Director of the Company, retire by rotation at the Meeting and being eligible for appointment, the Nomination and Remuneration Committee and the Board of Directors of the Company have recommended his re-appointment to the members for their approval. Mr. Dilip Shanghvi is interested in the Item no. 3 of the Notice with regard to his re-appointment. Relatives of Mr. Dilip Shanghvi may be deemed to be interested in Item No. 3 of the Notice to the extent of their shareholding interest, if any, in the Company. Save and except the above none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under Item No. 3 of the Notice.
4. Since the AGM is being held in accordance with the Circulars through VC / OAVM, the facility for the appointment of proxies by the members will not be available. However, pursuant to Section 112 and Section 113 of the Act, representatives of the shareholders such as the President of India or the Governor of a State or body corporate can attend the AGM through VC / OAVM and cast their votes through e-voting.
5. Since the AGM will be held through VC in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.
6. Members are informed that in case of joint holders attending the AGM, only such joint holder whose name stands first in the Register of Members of the Company/ list of Beneficial Owners as received from Depositories in respect of such joint holding will be entitled to vote, provided the votes are not already cast by remote e-voting.
7. The Members can join the AGM through VC/OAVM thirty (30) minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Members (2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee and Auditors of the Company etc. who are allowed to attend the AGM without restriction on account of first come first served basis. Members of the Company under the category of 'Institutional Investor' are encouraged to attend the Meeting and to exercise their vote.
8. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / Authorization letter etc. authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting at least 48 hours before the AGM. The said resolution / authorization shall be sent by e-mail to secretarial@sparcmail.com or upload on the e-voting portal i.e. www.evotingindia.com
9. Participation of members through VC / OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
10. In compliance with the Circulars, the Annual Report for 2024-25, the Notice of the 20th AGM, and instructions for e-voting are being sent through electronic mode to those members whose email addresses are registered with the Company / depository participant(s) (DP).
11. In compliance with Section 108 of the Act, read with the corresponding rules, Regulation 44 of the LODR Regulations and in terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, the Company has provided a facility to its members to exercise their votes electronically through the electronic voting (e-voting) facility provided by the Central Depository Services Limited (CDSL). Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the 'Instructions for e-voting' section which forms part of this Notice. The Board has appointed Mr. Alpesh Panchal, Company Secretary, Partner of KJB & Co. LLP, Practicing Company Secretaries, and failing him, Mr. Chintan Goswami, Company Secretary, Partner of KJB & Co. LLP, Practicing Company Secretaries, as the scrutinizer ("Scrutinizer") for conducting the e-voting process in a fair and transparent manner.
12. The register of directors and key managerial personnel (KMP) and their shareholding, maintained under Section 170 of the Act, and the register of contracts or arrangements in which the directors are interested, maintained under Section

189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to secretarial@sparcmail.com, mentioning their name, Demat account number/folio number, e-mail id and mobile number.

13. Members holding shares either in physical or dematerialized mode, as on cut-off date, i.e. Tuesday, August 5, 2025, may cast their votes electronically. The e-voting period commences on Friday, August 8, 2025 (9:00 a.m. IST) and ends on Monday, August 11, 2025 (5:00 p.m. IST). The e-voting module will be disabled by CDSL thereafter. Members will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. August 5, 2025. A person who is not a member as on the cut-off date is requested to treat this Notice for information purposes only.

14. The facility for voting during the AGM will also be made available. Members present in the AGM through VC / OAVM and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.

15. We urge members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses, are requested to register their email addresses with their respective DP, and members holding shares in physical mode are requested to update their email addresses with the Company's RTA, Link Intime India Private Limited at rnt.helpdesk@in.mpms.mufig.com, to receive copies of the Annual Report 2024-25 in electronic mode. Members may follow the process detailed below for registration of email ID to obtain the report.

Type of holder	Process to be followed	Helpdesk Details
Physical	For availing the following investor services, send a written request in the prescribed forms to the RTA of the Company, MUFG Intime India Private Limited either by email to rnt.helpdesk@in.mpms.mufig.com or by post to MUFG Intime India Private Limited. The relevant forms prescribed by SEBI for furnishing the above details are available on the Company's website at www.sparc.life as well as on RTA's website at https://in.mpms.mufig.com/	
	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode	Form ISR-1 https://sparc.life/wp-content/uploads/2023/09/Form-ISR-1_Request-for-registering-PAN-KYC-Details-or-Changes-or-Updation.pdf
	Declaration to opt out	Form ISR-3 https://sparc.life/wp-content/uploads/2023/09/Form-ISR-3_Declaration-Form-for-Opting-out-of-Nomination.pdf
	Update of signature of securities holder	Form ISR-2 https://sparc.life/wp-content/uploads/2023/09/Form-ISR-2_Confirmation-of-Signature-of-Securities-Holder-by-the-Banker.pdf
	For nomination as provided in Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014	Form ISR-13 https://sparc.life/wp-content/uploads/2023/09/Form-SH-13_Nomination.pdf
	Cancellation of nomination by the holder(s) (along with ISR-3) / Change of nominee	Form SH-14 https://sparc.life/wp-content/uploads/2023/09/Form-SH-14_Cancellation-or-Variation-of-Nomination.pdf
	Form for requesting issue of duplicate certificate and other service requests for shares / debentures / bonds, etc., held in physical mode	Form ISR-4 https://sparc.life/wp-content/uploads/2023/09/Form-ISR-4_Request-for-issue-of-Duplicate-Certificate-and-other-service.pdf
Demat	Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your DP	

16. Members may also note that the Notice of the 20th AGM and the Annual Report 2024-25 will also be available on the Company's website at, www.sparc.life, websites of the stock exchanges, i.e. BSE and NSE, at www.bseindia.com and www.nseindia.com, respectively and CDSL at www.evotingindia.com.
17. Members who would like to express their views/ ask questions during the AGM may register themselves as a speaker by sending their request, mentioning the name, Demat account number/folio number, email id, mobile number, at secretarial@sparcmail.com latest by August 08, 2025. Only those Members who have registered themselves as a speaker will be allowed to express their views/ ask questions during the AGM for a maximum time of 3 (three) minutes each, once the floor is open for members queries. The Company reserves the right to restrict the number of speakers and number of questions depending on the availability of time for the AGM.
18. Members who do not wish to speak during the AGM but have queries may send their queries, mentioning the name, securities demat account number/folio number, email id, mobile number, to secretarial@sparcmail.com. These queries will be suitably replied to by the Company by e-mail.
19. The Scrutinizer shall submit his report to the Chairman of the Meeting or any person authorised by him in writing. The result declared along with the Scrutinizer's Report will be submitted to BSE Limited and National Stock Exchange of India Limited, and will be placed on the Company's website at <https://sparc.life/> and on the website of CDSL at www.evotingindia.com, as well as displayed on the notice board at the Registered Office and Corporate Office of the Company, within the prescribed time.
20. Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to be passed on the date of the Meeting, that is, August 12, 2025.
21. In terms of the Listing Regulations, transfer of securities of listed companies held in physical form shall be effected only in demat mode. Further, SEBI, has also mandated that listed companies shall, while processing investor service requests pertaining to issue of duplicate share certificate, claim from Unclaimed Suspense Account, renewal/ exchange of share certificate, endorsement, sub-division / splitting / consolidation of share certificates, transmission, transposition etc. issue securities only in demat mode. In view of this as also to eliminate all risks associated with physical shares and to get inherent benefits of dematerialization, members holding shares in physical form are advised to avail the facility of dematerialization.
22. Instructions for Remote E-Voting and E-Voting during the AGM:
 - i. **The remote e-voting period begins on Friday, August 08, 2025 at 9:00 a.m. (IST) and ends on Monday, August 11, 2025 at 5:00 p.m. (IST)**, during this period, members of the Company holding shares either in physical form or in dematerialised form, as on the cut-off date, i.e. Tuesday, August 05, 2025, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Those members who will be present in the AGM through VC/ OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
 - ii. Members who have already voted prior to the meeting date would not be entitled to vote during the meeting.
 - iii. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its members, in respect of all members' resolutions. However, it has been observed that the participation by the public non-institutional members/retail members is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the members.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
 - iv. In terms of **SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242** dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual members holding securities in Demat mode CDSL/NSDL** is given below:

Type of members	Login Method
Individual Members holding securities in Demat mode with CDSL Depository	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Members holding securities in demat mode with NSDL Depository	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Members/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Members (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Members holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 2109911
Individual Members holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

v. Login method for e-Voting and joining virtual meetings for **Physical members and members other than individual holding in Demat form.**

- The members should log on to the e-voting website www.evotingindia.com.
- Click on “Members” module.
- Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- If you are a first-time user follow the steps given below:

	For Physical members and other than individual members holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat members as well as physical members) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- vi. After entering these details appropriately, click on “SUBMIT” tab.
- vii. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii. For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on the EVSN: 250707013 for the Sun Pharma Advanced Research Company Limited.
- x. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

- xii. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiv. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xv. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvi. There is also an optional provision to upload BR/ POA if any uploaded, which will be made available to scrutinizer for verification.
- xvii. **Additional Facility for Non – Individual Members and Custodians –For Remote Voting only.**
 - Non-Individual members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual members are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; secretarial@sparcmail.com (designated email address by company), if they have voted from individual tab & not

uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

Process for members to register / update their e-mail addresses/ mobile nos. with the depositories/RTA:

- 1) For Physical members – please provide necessary details like Folio No., Name of members, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by e-mail to Company/RTA e-mail id.
- 2) For Demat members - Please update your e-mail id & mobile no. with your respective Depository Participant (DP).
- 3) For Individual Demat members – Please update your e-mail id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

xviii. INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM/EGM

THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Members who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Members are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. If any Votes are cast by the members through the e-voting available during the EGM/AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes cast by such members may be considered invalid as the facility of e-voting during the meeting is available only to the members attending the meeting.
- xix. In case you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800225533

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services

(India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

By Order of the Board of Directors
For Sun Pharma Advanced Research Company Limited

SD/-
Kajal Damania
Place: Mumbai
Date: May 19, 2025
Company Secretary and
Compliance Officer

Registered Office:
Plot No. 5 & 6/1, Savli G.I.D.C. Estate,
Savli - Vadodara Highway, Manjusar,
Vadodara - 391775, Gujarat, India.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

As required under Section 102 of the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), this statement sets out material facts and disclosures about the Special Business at Item Nos. 4 to 13 of the Notice.

Item No. 4

To approve the re-appointment and remuneration of Mr. Anilkumar Raghavan, as the Manager and Whole-time Key Managerial Personnel of the Company, designated as Chief Executive Officer (CEO) for a further period of five years i.e. from May 25, 2026 to May 24, 2031:

The members of the Company at the 16th Annual General Meeting held on September 29, 2021 had approved the appointment of Mr. Anilkumar Raghavan as Chief Executive Officer (CEO) of the Company for a period of 5 (five) years with effect from May 25, 2021 to May 24, 2026. Accordingly, he will be completing his term as Chief Executive Officer on May 24, 2026. It is now proposed to re-appoint Mr. Anilkumar Raghavan as a Chief Executive Officer of the Company for a period of five (5) years from May 25, 2026 to May 24, 2031.

On the recommendation of the Nomination and Remuneration Committee of the Company, the Board of Directors has approved the re-appointment of Mr. Anilkumar Raghavan as the Manager and Whole-time Key Managerial Personnel (designated as Chief Executive Officer) of the Company for a period of 5 (five) years with effect from May 25, 2026, including the remuneration to be paid to him in any financial year, subject to the approval of the members. Further, in view of loss/ inadequacy of profit, the approval for remuneration to be paid to Mr. Anilkumar Raghavan can be sought only for a period of 3 (three) years at a time, pursuant to requirements of Schedule V of Companies Act, 2013 ("Act").

The remuneration of ₹ 8,00,00,000/- (Rupees Eight Crores only) per annum as proposed in the resolution is the maximum limit of remuneration of Mr. Anilkumar Raghavan, within which limit the Nomination and Remuneration Committee and the Board shall approve the actual remuneration to be paid to Mr. Anilkumar Raghavan. His remuneration for the financial year 2024-25 was ₹ 5,66,85,494.

Pursuant to provisions of Section 197 read with Schedule V to the Act, in case the Company has no profits/ inadequate profits in any financial year during the tenure of the managerial personnel, the minimum remuneration shall be paid to such personnel, as may be decided by the Board of Directors, if the approval of members is obtained by way of Special Resolution. Since the net profit of the Company is presently negative in terms of the Act, it is proposed to seek members' approval by way of a Special Resolution, to enable the Company to pay Remuneration as per the proposed resolution to Mr. Anilkumar Raghavan, for his re-appointment as the Manager, designated as Chief Executive Office.

Members' approval is therefore sought for his re-appointment as the Manager and Whole-time Key Managerial Personnel designated as Chief Executive Officer for a period of 5(five) years effective from May 25, 2026 upto May 24, 20231 and for remuneration to be paid to him for a period of 3(Three) years effective from May 25, 2026 upto May 24, 2029, as stated aforesaid and detailed in the resolution, including the Minimum Remuneration to be paid to him in event of loss or inadequacy of profits in any financial year during the aforesaid period, as

recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

The additional information as required under Schedule V to the Act, including brief profile of Mr. Anilkumar Raghavan, is provided under the heading "Statement of Information for the Members pursuant to Section II of Part II of Schedule V to the Companies Act, 2013" given below. Particulars of Mr. Anilkumar Raghavan, as required under the provisions of Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, are provided under heading "Profile of Director and Manager" forming part of this Notice.

The copy of the draft agreement with Mr. Anilkumar Raghavan is available for inspection by any member as detailed in point no. 12 of Notes to this Notice.

The Board recommends the Resolution as set out at Item no. 4 of the Notice for approval of the members as a Special Resolution.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Anilkumar Raghavan to whom this resolution pertains and his relatives, are in any way concerned or interested in the Resolution as set out at Item no. 4 of this Notice.

STATEMENT OF INFORMATION FOR THE MEMBERS PURSUANT TO SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013

I. General Information:

i. Nature of Industry

The Company is presently engaged in the business of Pharmaceutical Research and Development.

ii. Date or expected date of commencement of commercial production

The Company carries on above business since its incorporation.

iii. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable

iv. Financial performance based on given indicators:

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Profit (Loss) after Tax	(34,522.21)	(38,810.52)
Total Equity (Share capital + Other equity)	(22,062.03)	12,485.73
Revenue from operations	7,176.60	7,554.53
Earnings Per Share	(10.64)	(11.96)

v. Foreign investments or collaborations, if any.

The Company has one Wholly Owned Subsidiary namely SPARCLIFE Inc. incorporated in Delaware, USA on September 25, 2023.

As on March 31, 2025, the shareholding of foreign investors, in the Company is detailed as under:

Particulars	No. of shares	%
Foreign Portfolio Investors	46,97,813	1.45
Overseas Bodies Corporates	9,600	0.00
Non Resident Indians (Non Repat)	7,07,806	0.22
Non Resident Indians (Repat)	14,71,478	0.45
Total	68,86,697	2.22

II. Information about the appointee:

i. Background details

Mr. Anilkumar Raghavan is a senior pharmaceutical services executive with significant global exposure spanning business strategy and operations.

Mr. Anilkumar Raghavan currently serves as the Chief Executive Officer of Sun Pharma Advanced Research Company Limited (SPARC). Mr. Anilkumar is responsible for developing and executing strategies to realize SPARC's vision of becoming a Global Pharmaceutical Leader with a portfolio of innovative solutions.

Mr. Anilkumar Raghavan also serves as the Director of an early stage Machine Learning company, AIRAMATRIX Private Limited which focuses on the application of high content image processing and deep learning to transform drug development and clinical practice.

Prior to joining SPARC in the year 2014, he served as the Managing Director of the India and Sri Lanka business of Quintiles, a global pharmaceutical services company. He was part of Quintiles leadership team and an active member of its Asia management board. As a leader of the largest clinical research organization at a time when the industry lived through substantial regulatory and public relations challenges, he led and participated in several efforts to reposition the CRO brand, operational mix and shape policy in a positive direction.

Mr. Anilkumar played several strategy and operational roles within the Quintiles global organization, including heading its strategy function before relocating to India to take up leadership of the India organization. Anilkumar also served on the board of Quintiles' early development joint venture.

Anilkumar spent a decade consulting with leading firms such as Arthur Andersen, KPMG and Cambridge Technology Partners before joining Quintiles. He helped the leadership teams of several companies in developing and evaluating business strategy, and improving business performance. Anilkumar served customers in varied segments like

Media and Entertainment, Telecommunications, Health Care services, and Technology/Outsourcing. Anilkumar substantially contributed to developing consulting solutions for the emerging Information Technology and Business Process Outsourcing industries.

Anilkumar is an Industrial Engineer with a deep interest in evolving science and technologies in pharmaceutical R&D and health care delivery segments. An active speaker at events, he has participated in several industry sector studies, working with business lobbies and industry associations to highlight sectoral opportunities and challenges.

His interests outside of work include Emerging New Media, Photography, and South Indian Classical Music

ii. Past Remuneration:

The remuneration to Mr. Anilkumar Raghavan for financial year 2024-25 was as follows:

Fixed Pay Including notional gratuity	Variable Pay	Total Remuneration
₹ 5,26,33,892	₹ 40,51,602	₹ 5,66,85,494

iii. Recognition or awards:

NIL

iv. Job profile and its suitability

Detailed profile of Mr. Anilkumar Raghavan has been provided under Point No. II(i) above.

v. Remuneration proposed

Details of remuneration proposed for approval of the members at this 20th Annual General Meeting of the Company is as provided in the Resolution no. 4 in this Notice.

vi. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

The proposed remuneration considering the above parameters, profile of the position commensurate with the remuneration being paid by the companies of comparable size in the industry in which the Company operates.

vii. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel (or other director), if any.

Apart from receiving remuneration, Mr. Anilkumar Raghavan do not have any pecuniary relationship directly or indirectly with the Company and its Directors.

III. Other information:

i. Reasons of loss or inadequate profits

The Company is in business of Pharmaceutical Research & Development and incur significant expenses on clinical trials of new drugs.

ii. Steps taken or proposed to be taken for improvement

The Company is monitoring its fixed and overheads tightly.

iii. Expected increase in productivity and profits in measurable terms

Various projects of the Company are in the clinical stage evaluation and read outs are expected in next 2-3 years.

IV. Disclosures:

The information and disclosures of the remuneration has been mentioned above.

Mr. Anilkumar Raghavans satisfies the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section 3 of section 196 of the Act for being eligible for his re-appointment.

Item No. 5**Appointment of Ms. Rekha Warriar (DIN: 08152356) as an Independent Director of the Company for a term of five years:**

In exercise of the powers conferred on the Board vide article 116 of the Articles of Association of the Company, the Board of Directors of the Company had in its meeting held on May 19, 2025 appointed Ms. Rekha Warriar (DIN: 08152356) as an Additional Independent Director of the Company.

Pursuant to Section 161 of the Companies Act, 2013 read with article 116 of the Articles of Association of the Company, Ms. Rekha Warriar continues to hold office as an Additional Director until the conclusion of the ensuing Annual General Meeting of the Company. Also, pursuant to Regulation 17(1C) of Listing Regulations, appointment of a Director is required to be approved by the members within a time period of three months from the appointment or at the next general meeting, whichever is earlier.

Your Company has received a notice under section 160 of the Companies Act, 2013, from certain member signifying their intention to propose Ms. Rekha Warriar as a candidate for the office of Independent Director of the Company for a term of five years.

Information/ profile pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of ICSI detailing the brief profile of Ms. Rekha Warriar including age, qualifications, experience, shareholding in the Company and other Directorships, Membership/ Chairmanship of Committees of other Boards are annexed to this notice. The terms & conditions of appointment of Independent Directors is also available on the web-site of the Company www.sparc.life under the 'Investors section' and can be accessed through the web link <https://www.sparc.life/policies-and-codes>.

The Company has received declarations from the aforesaid Director stating that she meets all the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and regulation 16(1)(b) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015. She has also given her consent to act as Director of the Company, if so appointed by the members.

In the opinion of the Board, Ms. Rekha Warriar fulfils the conditions specified in the said Act and the rules made thereunder for

appointment as Independent Director and that she is independent of the management. She is not debarred by virtue of any order of Securities and Exchange Board of India or any other such authority from holding office as a director.

In the opinion of the Nomination and Remuneration Committee and the Board, Ms. Rekha Warriar fulfill the conditions specified in the said Act and Rules made thereunder for appointment as Independent Directors and, in view of her vast professional experience, consider that her appointment as an Independent Director for a term of five years shall benefit the Company immensely.

Ms. Rekha Warriar is not related with any other Directors or Key Managerial Personnel of the Company. None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Ms. Rekha Warriar for her own appointment, is in any way concerned or interested, financially or otherwise, in the Resolution.

Accordingly, the Nomination and Remuneration Committee and the Board recommends the Resolution as set out at Item No. 5 of the Notice for approval of the Members.

Item No. 6**Appointment of Mr. Venkateswarlu Jasti (DIN:00278028) as an Independent Director of the Company for a term of five years:**

In exercise of the powers conferred on the Board vide article 116 of the Articles of Association of the Company, the Board of Directors of the Company had in its meeting held on May 19, 2025 appointed Mr. Venkateswarlu Jasti (DIN:00278028) as an Additional Independent Director of the Company.

Pursuant to Section 161 of the Companies Act, 2013 read with article 116 of the Articles of Association of the Company, Mr. Venkateswarlu Jasti continues to hold office as an Additional Director until the conclusion of the ensuing Annual General Meeting of the Company. Also, pursuant to Regulation 17(1C) of Listing Regulations, appointment of a Director is required to be approved by the members within a time period of three months from the appointment or at the next general meeting, whichever is earlier.

Your Company has received a notice under section 160 of the Companies Act, 2013, from certain member signifying their intention to propose Mr. Venkateswarlu Jasti as a candidate for the office of Independent Director of the Company for a Term of five years.

Information/ profile pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of ICSI detailing the brief profile of Mr. Venkateswarlu Jasti including age, qualifications, experience, shareholding in the Company and other Directorships, Membership/ Chairmanship of Committees of other Boards are annexed to this notice. The terms & conditions of appointment of Independent Directors is also available on the web-site of the Company www.sparc.life and can be accessed through the web link <https://www.sparc.life/policies-and-codes>.

The Company has received declarations from the aforesaid Director stating that he meets all the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies

Act, 2013 and regulation 16(1)(b) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015. He has also given his consent to act as Director of the Company, if so appointed by the members.

In the opinion of the Board, Mr. Venkateswarlu Jasti fulfils the conditions specified in the said Act and the rules made thereunder for appointment as Independent Director and that he is independent of the management. He is not debarred by virtue of any order of Securities and Exchange Board of India or any other such authority from holding office as a Director.

Since regulation 25(2A) of the SEBI (LODR) Regulations, 2015 require approval of the members for appointment of the independent director by way of a Special Resolution, this resolution is proposed to as the Special Resolution, Mr. Venkateswarlu Jasti attained the age limit of 75 years, pursuant to regulation 17(1A) of the SEBI (LODR) Regulations, 2015, approval of the members, by way of a Special Resolution is also sought for an appointment of Mr. Venkateswarlu Jasti as an Independent Director of the Company having attained the age specified in the aforesaid regulation. In view of his vast R&D and operational experience in biopharmaceuticals, the Board considered that his appointment as an Independent Director shall benefit the Company immensely.

Mr. Venkateswarlu Jasti is not related with any other Directors or Key Managerial Personnel of the Company. None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Venkateswarlu Jasti for his own appointment, is in any way concerned or interested, financially or otherwise, in the Resolution.

Accordingly, the Nomination and Remuneration Committee and the Board recommends the Resolution as set out at Item No. 6 of the Notice for approval of the Members.

Item No. 7

To approve enhancement of Line of Credit availed from Shanghvi Finance Private Limited.

The members, at the 17th Annual General Meeting held on September 22, 2022, approved to link the rate of interest with a transparent benchmark i.e the rate of interest be revised to a rate which does not exceed prevailing SBI-MCLR + 250 basis points, subject to arm's length pricing.

In light of the company's strategic focus on expanding its Research and Development (R&D) capabilities, and in alignment with its long-term growth objectives, it is proposed to enhance the existing line of credit limit from ₹250 Crores to ₹550 Crores.

Further, the enhanced line of credit is also intended to provide financial flexibility for funding the increased working capital requirements resulting from expansion in R&D and related business activities; meeting capital expenditure; managing cash flow requirements and maintaining operational continuity; ensuring timely execution of large-scale R&D contracts and long-term customer commitments.

Considering the above and the anticipated growth over the next five years, it is proposed to enhance the existing line of credit from ₹250 crores to ₹550 crores for a period of five years.

Accordingly, the approval of the members is being sought for enhancing the line of credit limit to ₹550 crores to enable the company to effectively pursue its expansion plans and strengthen its position in the global R&D services. Information pursuant to SEBI Circular No. SEBI/HO/ CFD/CM1/CIR/P/2021/662 dated November 22, 2021 and the Act, including terms and conditions, are given below:

Sr. No	Particulars	Details
1	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Shanghvi Finance Private Limited (SFPL) Promoter and Promoter Group
2	Type, material terms and particulars of the proposed transaction	Presently, the Company has a Line of Credit of ₹ 250 crores at the rate which does not exceed prevailing SBI-MCLR + 250 basis points, subject to arm's length pricing (rate effective from April 01, 2022) from SFPL. The said transaction was approved / ratified by the members at the 17 th AGM of the Company. In the current resolution, it is proposed to enhance the line of credit from ₹ 250 crores to ₹ 550 crores.

Sr. No	Particulars	Details
3	Tenure of the proposed transaction (particular tenure shall be specified)	The Company shall have the Line of Credit for a further period of 5 (five) years (i.e. from the conclusion of this 20 th AGM till conclusion of 25 th AGM)
4	Value of the proposed transaction	Principal – The principal amount under the Line of Credit shall not exceed an amount of ₹ 550 Crores (Rupees Five Hundred and Fifty Crores only), outstanding at any point in time. Interest – Not to exceed prevailing SBLI-MCLR +250 basis points.
5	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	~767% (calculated basis the principal value i.e. ₹ 550 crores)
6	Any advance paid or received for the contract or arrangement, if any	Not applicable
7	The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract	The pricing / commercial terms are determined on arm's length basis
8	Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors	Yes
9	Name of the director or key managerial personnel who is related, if any	Mr. Dilip Shanghvi Ms. Vidhi Shanghvi
10	Justification as to why the RPT is in the interest of the listed entity	The Company, to carry out its research and other business activities, require funds from time to time. Having a line of credit facility from SFPL would help the Company meet its fund requirements. Therefore, in the opinion of the Board, the transaction is in the best interest of the Company.
11	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: (i) details of the source of funds in connection with the proposed transaction (ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, • nature of indebtedness; • cost of funds; and • tenure; (iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not applicable
12	A statement that the valuation or other external party report, if any such report has been relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the members	Not applicable
13	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis	--
14	Any other information that may be relevant	The amount of ₹ 550 crores shall be subject to the limits for borrowing as approved by the shareholders of the Company u/s 180 of the Act from time to time.

Pursuant to regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provision of Section 188 of the Companies Act, 2013 all material related party transactions require approval of the members in which the related parties shall not vote to approve the transaction. The above facility would exceed the threshold limit of 'materiality' as per Related Party Transaction Policy of the Company and Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and accordingly it is proposed for approval by the members of the Company. The related parties shall not vote to approve this transaction. In the opinion of the Board, proposed enhancement, is in the interest of the Company. The Board recommends the resolution as set out at Item No. 7 of the Notice for approval by the Members as an Ordinary Resolution.

Mr. Dilip Shanghvi, Chairman & Non-Executive Director, Mr. Vidhi Shanghvi, Non-Executive Director, and their relatives are deemed to be interested in the proposed resolution. Other than Mr. Dilip Shanghvi, Ms. Vidhi Shanghvi and their relatives, none of the other Directors or Key Managerial Persons or their

relatives are concerned or interested financially or otherwise in the proposed resolution.

Item No. 8

To approve related party transactions with Tiller Therapeutics Inc.

The Company has executed Binding Letter of Intent with University of California, San Francisco (UCSF) and Tiller Therapeutics Inc. (Tiller) for Pre-clinical Oncology Asset and Associated Intellectual Property on December 17, 2024.

Further to the binding letter, SPARC will receive 55% equity stake in Tiller upon execution of Licensing Agreement. The equity will vest in two tranches; 45% equity will vest upon execution of License agreement and the remaining 10% equity will vest at the earlier of achievement of certain milestones as mentioned in detail in License Agreement. Consequently Tiller is likely to become a Related Party during the year in accordance with the provisions of Section 2(76) of the Companies Act, 2013, and Regulation 2(1) (zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Company will enter into various transaction under Master Service Agreement ("MSA") in the ordinary course of business, the Company and Tiller will be required to provide services or any other transactions from time to time, on an arm's length basis, in line with business requirements. However, value of such transactions is expected to exceed the prescribed threshold limit of 10% of the consolidated annual turnover of the Company as per the latest audited financial statements, and will therefore qualify as a Material Related Party Transaction in terms of Regulation 23(4) of the Listing Regulations. The details of the proposed transaction, as required under the Listing Regulations and the Company's Policy on Material Related Party Transactions, are as under:

Material terms the Contracts / arrangements / transactions	All transactions to be carried out based on business requirements of the Company shall be entered on an arm's length basis and in the ordinary course of business. The transactions to be carried out between the Company and Tiller will be research and development activities and other support services or such other various transactions including but not limited to availing and rendering of services, sale and purchase of goods, reimbursement of expenses etc. for consideration in cash or other than cash as maybe agreed under MSA/SOW from time to time or as may be deemed fit by the Audit Committee and Board of Directors of the Company.
Monetary Value /Consideration	In consideration of the transactions/services provided by performing party to receiving party, the receiving party shall pay to performing party such amount in cash or other than cash as may be determined in accordance with the arm's length principles and the value of the proposed transaction will be upto ₹ 50 crores per annum with additional 20% increase in limit annually.
Tenure of the proposed transaction (particular tenure shall be specified)	For a period of 5 (five) years (i.e. from the conclusion of this 20 th AGM till conclusion of 25 th AGM)
Other relevant information	As a "master" form of Contract, the Agreement will allow the parties to contract for multiple projects through the issuance of multiple Scope of Work ("SOW") under the MSA, without having to re-negotiate the basic terms and conditions contained herein. Performing party shall provide services to receiving party from time to time as identified and described in a mutually agreed upon SOW (all such activities as they relate to a particular set of services).
Are the transactions in the ordinary course of business	Yes
Are the transactions on an arm's length basis	Yes
Whether the transactions have been approved by Audit Committee	Yes

Pursuant to regulation 23(4) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 all material Related Party Transactions requires approval of the members in which the concerned related parties are required to abstain from voting. Under Master Service Agreement, the transactions to be entered into by the Company pursuant to the same may exceed the threshold limit of 'Materiality' as per Related Party Transaction Policy of the Company and Regulation 23(4) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015. Accordingly, the Company seeks approval of the members for entering into the transactions pursuant to this Agreement for the tenure of five years. Pursuant to the applicable provisions of the Companies Act, 2013 and the Regulations 23(4) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.

Pursuant to the applicable provisions of the Companies Act, 2013 and the 23(4) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, none of the Directors or Key Managerial Persons or their relatives are concerned or interested

financially or otherwise in the proposed resolution. In the opinion of the Board entering into transactions pursuant to the Agreement is in the best interest of the Company. Accordingly, the Board recommends the Resolution as set out at Item No. 8 of the Notice for approval of the Members.

Item No. 9

To approve the continuation of transaction with Sun Pharmaceutical Industries Ltd. under Master Support Service Agreement

The members of the Company, had in their 15th Annual General Meeting held on September 30, 2020, given its approval for entering into transactions pursuant to the Master Support Service Agreement dated 15th February 2014 entered into by the Company with Sun Pharmaceutical Industries Ltd. (SPIL), pursuant to which both the Companies have agreed to provide certain range of research & development activity related assistance and other support services to each other in its ordinary course of business, based on their requirements from time to time.

The brief terms & conditions and other particulars of the above contract are as follows:

Material terms the Contracts / arrangements / transactions	All transactions to be carried out based on business requirements of the Company shall be entered on an arm's length basis irrespective of whether the same is in the ordinary course of business or not. The transactions to be carried out between the Company and SPIL including but not limited to sales and purchase of goods or materials, availing or rendering of services, leasing of property, reimbursement of any kind or other transaction as may be deemed fit by the Audit Committee and Board of Directors of the Company
Tenure of the proposed transaction (particular tenure shall be specified)	For a period of 5 (five) years from the date of this 20 th Annual General Meeting till the date of 25 th Annual General Meeting.
Monetary Value /Consideration	- In consideration of the transactions to be carried out between the performing party and receiving party, receiving party shall pay to performing party such amount as may be determined in accordance with the arm's length principles under the Transfer Pricing Regulations which shall consist of the fully absorbed internal costs incurred by performing party plus an appropriate mark-up percentage of upto thirty percent (30%) and the value of the proposed transaction will be upto ₹150 Crores per annum with additional 20% increase in limit annually. - If either party establishes to the reasonable satisfaction of the other that the percentage mark-up included is greater or less than the percentage mark-up that would be charged in a comparable arms-length transaction under similar terms and conditions the parties shall enter into a good faith negotiations to agree to a different arms-length markup percentage.
Other relevant information	- As a "master" form of Contract, this Agreement allows the parties to contract for multiple projects through the issuance of multiple Scope of Work ("SOW") under the contract, without having to re-negotiate the basic terms and conditions contained herein. Specific scope to be provided by the Performing party shall be specified in the respective SOWs along with the consideration. - Receiving party has granted performing party and its authorized representatives and/or agents a limited non-exclusive, non-transferable, revocable license to use the technical information and intellectual property rights during the term of this Agreement and any extensions thereof for the purpose of rendering the services under the Agreement and the respective SOW. The License shall be royalty-free, unless otherwise agreed in writing between the parties. - The term of this Contract commenced on 15th February, 2014 and will continue in full force and effect thereafter until terminated in accordance with the terms and conditions of this Contract and as amended from time to time.
Are the transactions in the ordinary course of business	Yes
Are the transactions on an arm's length basis	Yes
Whether the transactions have been approved by Audit Committee	Yes

Pursuant to regulation 23(4) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 all material Related Party Transactions requires approval of the members in which the concerned related parties are required to abstain from voting. Due to the inherent open-ended nature of the Master Support Service Agreement, the transactions to be entered into by the Company pursuant to the same may exceed the threshold limit of 'Materiality' as per Related Party Transaction Policy of the Company and regulation 23(4) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.

Since no maximum term for entering into the aforesaid transaction was sought or specified by the members while approving the above transactions in their 15th Annual General Meeting held on September 30, 2020, due to continual and ongoing nature of the arrangement, it was decided to voluntarily put up the proposal for continuation of the arrangement, for the approval of the members after every five years, as a measure of good Corporate Governance. Accordingly, the Company seeks further approval of the members for continuation of transactions pursuant to this Agreement for a period of five years.

Pursuant to the applicable provisions of the Companies Act, 2013 and the 23(4) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, Mr. Dilip Shanghvi, Chairman

& Non-Executive Director, Ms. Vidhi Shanghvi, Non-Executive Director and their relatives are deemed to be interested in the Agreement. Other than Mr. Dilip Shanghvi, Ms. Vidhi Shanghvi and their relatives, none of the other Directors or Key Managerial Persons or their relatives are concerned or interested financially or otherwise in the proposed resolution.

In the opinion of the Board entering into transactions pursuant to the aforesaid Agreement is in the best interest of the Company. Accordingly, the Board recommends the Resolution as set out at Item No. 9 of the Notice for approval of the Members.

Item No. 10 & 11

To approve the continuation of transaction with Sun Pharma Laboratories Ltd. and Sun Pharmaceutical Industries Limited under Master Licensing Agreement

The members of the Company, had in their 15th Annual General Meeting held on September 30, 2020, given its approval for entering into transactions pursuant to the Master Licensing Agreement with Sun Pharma Laboratories Limited and Sun Pharmaceutical Industries Limited ('Other Party'), under which the Company has agreed to grant to the respective Other Party, exclusive license under the License Rights in respect of the Licensed Products in the Licensed Field & Territory.

The brief terms & conditions and other particulars of the above are as follows:

Material terms the Contracts / arrangements / transactions	The Agreements being placed for approval are Master Licensing Agreement, which governs in principle, the terms of the licensing arrangement between the Company and Sun Pharma Laboratories Limited (SPLL) and Sun Pharmaceutical Industries Limited (SPIL) respectively (hereinafter severally referred to as 'the Respective Other Party'). The Master Agreements sets out broad framework of the licensing arrangement between the Company and the Respective Other Party. Pursuant to the Master Agreement, individual products/ technologies/ know how may be licensed to the Respective Other Party by way of Product Specific Licensing Exhibits. The key terms of the Master Agreement contain enabling clauses for entering into exclusive licence under certain licensed rights in respect of certain licensed products in certain licensed fields in certain licensed territory (including other rights and obligations which are on arm's length basis.) The licensed technology or the product which is being/to be licensed shall be determined on a case of case basis by way of Product Specific Licensing Exhibit signed between the Company and the Respective Other Party.
Tenure of the proposed transaction (particular tenure shall be specified)	For a period of 5(five) years from the date of this 20 th Annual General Meeting till the date of 25 th Annual General Meeting
Monetary Value /Consideration	In consideration of the rights granted pursuant to the Master Agreement, the Respective Other Party agrees to make the payments as mutually agreed in the Product Specific Licensing Exhibit. However, all the Parties, in principle, agree to the following method of product valuation for licensing of the licensed product to the Other Party. The net present value split from revenues from commercialization of the licensed product shall be agreed by the Parties based on benchmarking information such as: market analysis, research report, industry trends, business strategies, financial forecasts, third party comparable, valuation reports (if required), management assessment of pricing terms and business justification for the transaction; and comparative analysis, if any, of other such transaction entered into by the Parties. Provided however that normally such net present value of the transaction shall not be more than Rs 150 crores for the Company which will be determined having regard the to the aforesaid factors on a product by product basis and shall be on an arms-length basis

Other relevant information	- The Respective Other Party shall pay to the Company royalties on net sales of licensed products in the territory during each financial year at the royalty rates set forth in the Product Specific Licensing Exhibit. - Parties may perform certain obligations such as: development and manufacturing of the licensed product in accordance with the applicable laws; conducting pilot & pivotal clinical studies, regulatory submissions & fillings; product pricing approvals in the Territory; post-product approval regulatory communications; development of packaging and labelling components for regulatory approval and manufacturing process development and associated validation etc. under this Contract. Cost of the above-mentioned activities will be borne or by the parties on a case-by-case basis and product-by-product basis as determined by further case-by-case negotiation between the parties. - The term of this Contract commenced on the date of execution of the respective Agreement and will continue in full force and effect thereafter until terminated in accordance with the terms and conditions of this Contract.
Are the transactions in the ordinary course of business	Yes
Are the transactions on an arm's length basis	Yes
Whether the transactions have been approved by Audit Committee	Yes

Pursuant to regulation 23(4) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 all material Related Party Transactions requires approval of the members in which the concerned related parties are required to abstain from voting. Due to the inherent open-ended nature of the Master Agreement, the transactions to be entered into by the Company pursuant to the same may exceed the threshold limit of 'Materiality' as per Related Party Transaction Policy of the Company and regulation 23(4) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.

Since no maximum term for entering into the aforesaid transaction was sought or specified by the members while approving the above transactions in their 15th Annual General Meeting held on September 30, 2020, due to continual and ongoing nature of the arrangement, it was decided to voluntarily put up the proposal for continuation of the transaction, for the approval of the members after every five years, as a measure of good Corporate Governance. Accordingly, the Company seeks further approval of the members for continuation of transactions pursuant to this Agreements for a period of five years.

Pursuant to the applicable provisions of the Companies Act, 2013 and the 23(4) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, Mr. Dilip Shanghvi, Chairman & Non-Executive Director, Ms. Vidhi Shanghvi, Non-Executive Director and their relatives are deemed to be interested in the Agreement. Other than Mr. Dilip Shanghvi, Ms. Vidhi Shanghvi and their relatives, none of the other Directors or Key Managerial Persons or their relatives are concerned or interested financially or otherwise in the proposed resolution.

In the opinion of the Board entering into transactions pursuant to the aforesaid Master Agreements are in the best interest of the

Company. Accordingly, the Board recommends the Resolutions as set out at Item No. 10 & 11 of the Notice for approval of the members.

Item No. 12

Appointment of KJB & Co LLP, Practising Company Secretaries, as the Secretarial Auditors of the Company

Secretarial Audit is required to be conducted for every financial year, as per the provisions of Section 204 of the Act, and its report forms a part of the Board's Report of the Company. Under the provisions of the Act, the Board of Directors is authorised to appoint the Secretarial Auditors and fix its remuneration on an annual basis. However, pursuant to Regulation 24A of the Listing Regulations, the appointment of the Secretarial Auditors is required to be approved by the shareholders for a term of five years.

The Board of Directors has approved and recommended the appointment of KJB & Co LLP, Practising Company Secretaries ("KJB & Co"), as the Secretarial Auditors of the Company, for a term of five consecutive years, from the conclusion of the 20th Annual General Meeting up to the conclusion of the 25th Annual General Meeting. The remuneration of the Secretarial Auditors shall be determined by the Board of Directors from time to time, in consultation with them.

Brief profile of KJB & Co along with other particulars as required pursuant to the Listing Regulations, is provided below.

KJB & Co has consented to act as the Secretarial Auditors of the Company for the said term, and has confirmed that it is eligible to be appointed as such.

The Board recommends the resolution at Item No. 12 of the Notice for the approval of the members as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel or their relatives, are in any way concerned or interested in the resolution as set out at Item No. 12 of the Notice.

Brief Profile	KJB & Co LLP, Practising Company Secretaries ("KJB & Co") is a full-service, dynamic, and trustworthy company secretary firm that specializes in a variety of legal disciplines. It has been providing complete corporate compliance, tax compliance, transaction advisory, foreign exchange, securities law, and dispute resolution services across key cities in India. Formed in the year 2018, the firm has grown in its domain knowledge and has constantly added newer areas of practice since then. It consists of a team of more than 20 professionals dedicatedly to working towards the services rendered by the firm in different core areas, i.e. Transactions, Compliance and Assurance. Technology is one of the key enablers and differentiators at the firm, and the firm's professionals are aided in their work with more than 20 cloud-based software tools, including artificial intelligence and automation, to enable them to deliver better turnaround times for clients and operational efficiency. It provides secretarial audit and assurance services to many clients and is known for its integrity and ethical practices while rendering assurance services.
Basis of Recommendation by the Board	KJB & Co is considered as expert in corporate and securities law advisory and handles regular and complex advisory assignments on corporate and securities law.
Brief Terms of Appointment	i. KJB & Co shall ensure that it is peer-reviewed during its term. ii. In the event of becoming ineligible to continue its appointment, the KJB & Co shall inform the Company promptly. iii. KJB & Co shall maintain the confidentiality of the information provided by the Company and use such information solely to carry out the audit. iv. KJB & Co shall adhere to the Professional Standards specified by the Institute of Company Secretaries of India (ICSI)
Proposed Fee	The proposed fee for FY 2025-26 is ₹ 7.27 lakhs per annum (Previous year: ₹ 7.27 lakhs per annum) plus reimbursement of out-of-pocket expenses and applicable taxes. This fee is commensurate with the industry in which the Company operates, its size and volume of operations. The Board of Directors shall be authorised to fix its annual fee.

Item No. 13

To approve raising of funds through equity shares, convertible warrants, preference shares/ bonds /debentures /any other instruments whether convertible into equity or not, American Depository Receipts ("ADRs"), Global Depository Receipts ("GDRs"), Foreign Currency Convertible Bonds ("FCCBs"), etc.

In view of the future outlook of the Company, its growth targets and prospects, the Company would require additional funding. While it is expected that the internal generation of funds would partially finance the need for capital but, it is thought prudent for the Company to have enabling approval to raise funds through the issue of appropriate securities as mentioned below.

An enabling Resolution in this regard was passed by the members at the 19th Annual General Meeting held on August 12, 2024, for ₹ 1,800 crore (Rupees One Thousand Eight Hundred crore) which was valid for 365 days. No amount was raised by the Company pursuant to the said enabling Resolution. Since, the expiry date of the aforesaid approval from members is approaching, the Board of Directors ("Board") of the Company in its meeting held on May 19, 2025 decided to seek a fresh approval from the members on the fund raising for the same amount, as also to have the flexibility in timing of raising of funds as and when it is required, and approved

the raising of capital by the Company through further public offer or issuance of American Depository Receipts / Global Depository Receipts / Foreign Currency Convertible Bonds or qualified institutions placement or through a combination thereof, as may be considered appropriate, subject to requisite approvals.

In order to enable the Company to raise funds through a public issue and/or private offering and/or rights offering and/or qualified institutions placement or any combination thereof, the approval of the Members is hereby sought for the proposal to create, offer, issue and allot equity shares of the Company of face value of ₹ 1/- each ("Equity Shares") convertible warrants, preference shares/ bonds /debentures /any other instruments whether convertible into equity or not, American Depository Receipts ("ADRs"), Global Depository Receipts ("GDRs"), Foreign Currency Convertible Bonds ("FCCBs"), or any other securities (collectively referred to as "Securities") or any combination of Securities, in one or more tranches, to eligible investors, whether they being existing members or not, as may be decided by the Board in its discretion and permitted under applicable laws, for an aggregate consideration of up to ₹ 1,800 Crores (Rupees One Thousand Eight Hundred Crores only) or equivalent thereof, in one or more currency(ies).

As the issue may result in the issue of Equity Shares of the Company to investor(s) who may or may not be members of the Company, consent of the members is being sought pursuant to Section 62(1) (c) and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and any other law for the time being in force and being applicable.

In case of issuance of securities through a qualified institutions placement ("QIP"), in terms of Chapter VI of the SEBI ICDR Regulations, an issue of securities pursuant to a QIP shall be made at a price not less than the average of the weekly high and low of the closing prices of the equity shares of the same class quoted on the stock exchange during the two weeks preceding the "relevant date." The relevant date for the purpose of pricing of the securities shall be the date of the meeting in which the Board decides to open the QIP and at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI Regulations. In case of a QIP, the special resolution has a validity period of 365 days within which allotments under the authority of said resolution should be completed.

In case of issuance of ADRs or GDRs, the relevant date for the purpose of pricing the Securities shall be the date of the meeting in which the Board decides to open the issue of such Securities in accordance with the Depository Receipts Scheme, 2014 and other applicable pricing provisions issued by the Ministry of Finance.

In case of issuance of FCCBs, the relevant date for the purpose of pricing the Securities shall be the date of the meeting in which the Board decides to open the issue of such Securities in accordance with the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993 and other applicable pricing provisions issued by the Ministry of Finance.

The issue / allotment / conversion would be subject to the receipt by the Company of regulatory approvals, if any. The conversion of Securities held by foreign investors, into Equity Shares would be subject to the applicable foreign investment cap.

The proceeds of the proposed issue of Securities shall be utilized for any of the purposes as may be decided by the Board, subject to applicable laws. The Resolution at Item No. 13 is an enabling resolution conferring authority on the Board to do all acts and deeds, which may be required to issue/offer Securities of appropriate nature at appropriate time, including the size, structure, price and timing of the issue(s) /offer(s) at the appropriate time(s). The detailed terms and conditions for the domestic/international offering will be determined in consultation

with the lead managers, merchant bankers, global business coordinators, guarantors, consultants, advisors, underwriters and/ or such other intermediaries as may be appointed for the issue/ offer. Wherever necessary and applicable, the pricing of the issue/ offer will be finalized in accordance with applicable guidelines in force. As and when the Board takes a decision on matters on which it has the discretion, necessary disclosures will be made to the relevant stock exchanges on which the Equity Shares are listed under the provisions of the SEBI Listing Regulations.

In case the securities to be issued are Debentures or any other debt instruments then in such case the resolution passed herein above shall also be treated as the approval for the limits in terms of 180(1)(a) and 180(1)(c) of the Companies Act, 2013 and the existing limits under the said sections approved by the members of the Company at their extra ordinary general meeting held on April 26, 2021 shall not in any case be affected.

The Directors accordingly recommend this resolution at Item No. 13 of the Notice for the approval of the Members of the Company as an enabling special resolution.

None of the Directors or Key Managerial Personnel of the Company and / or their relatives are concerned or interested, financially or otherwise, in the proposed resolution except to the extent of his/her holding of Equity Shares and to the extent of his/ her subscribing to Equity Shares if and when issued as also to the extent of subscription by a financial institution/ company/body corporate in which the KMPs, Director or his/her relative may be directly or indirectly interested.

By Order of the Board of Directors
For Sun Pharma Advanced Research Company Limited

Place: Mumbai
Date: May 19, 2025

Registered Office:
Plot No. 5 & 6/1, Savli G.I.D.C. Estate,
Savli - Vadodara Highway, Manjusar,
Vadodara - 391775, Gujarat, India.

SD/-
Kajal Damania
Company Secretary and
Compliance Officer

Profile of Directors and Manager

As required under to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and/or as required under Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India (SS – 2), the particulars of Director / Manager who are proposed to be appointed/re-appointed are given below:

The details of Board and Committee Meetings attended by the Directors, as applicable, during FY25 are stated in the Corporate Governance Report which forms part of the Annual Report.

Particulars	Mr. Venkateswarlu Jasti	Ms. Rekha G. Warriar	Mr. Dilip S. Shanghvi
Age	76 years	69 years	69 years
Brief Resume of the Director	Mr. Venkateswarlu Jasti was a Registered Pharmacist in the state of New York and New Jersey and owned and operated chain (6) of community pharmacies in the state of New York and New Jersey in USA until year 1989. Since 1989 he is running the operations of Suven group companies. He was the Chairman and CEO of Suven Pharmaceuticals until it was sold in 2023. He is involved in Drug Discovery and Development by name Suven Life Sciences Limited specializing in CNS therapeutics for discovering developing unmet medical needs in that area with 5 molecules in Clinical stage ranging from Phase 1 to Phase 3 and 8 molecules in pre-clinical stage. He is heading SLSL as Chairman and Managing Director. Venkateswarlu Jasti has been instrumental as the chief architect for the formation of the then A.P. Chief Minister's task force for Pharma during 2001 and responsible for the creation of Pharma City at Vizag by the erstwhile Government of Andhra Pradesh and Pharmexcil (Pharmaceutical Export Promotion Council) by the Government of India with HQ at Hyderabad.	Ms. Rekha Warriar retired from the Reserve Bank of India in July 2017 as Regional Director of the Bank's Kolkata office after over 3 decades of service in various capacities. She has worked in various departments of the RBI including bank regulation and supervision, management of public debt, rural planning and foreign exchange. She has headed the departments of Financial Stability and Internal Debt Management at the Bank's Central Office. She has also worked as a member of faculty in RBI's training colleges and at the National Institute of Banking Management, Pune.	Mr. Dilip Shanghvi is the Founder Chairman of Sun Pharmaceutical Industries Limited. He is also the Chairman of Sun Pharma Advanced Research Company Ltd., which is engaged in R&D of new innovative drugs and delivery technologies. He was awarded the Padma Shri in 2016 for his distinguished contribution to the Indian Trade & Industry. In January 2018, the Indian Government appointed Mr Shanghvi to the Reserve Bank of India's 21-member central board committee. He is part of the Economic Advisory Council formed by the Government of Maharashtra to achieve rapid and comprehensive development in the state. The Government of Gujarat appointed him as the Chairman of Gujarat Biotechnology University in 2022. He is a former President of Indian Pharmaceutical Alliance (IPA) and has also served as the chairman of the Board of Governors of Indian Institute of Technology (Bombay). He is a former trustee of the Rhodes Scholarship Program at Oxford University. In 2019, he was conferred with an honorary doctorate by the Tel Aviv University, Israel's largest and most comprehensive institution of higher learning. Mr. Shanghvi has played a vital role in the globalisation of the Indian pharmaceutical industry and continues to inspire generations of entrepreneurs in their journey of success.
Nature of expertise in specific functional areas	Quality Assurance and Control of pharmaceutical products; Research & Development in New Drugs and Therapies; Handling the Regulatory Affairs.	RBI, Internal Debt Management Department, Financial Stability Unit and Foreign Exchange Department.	Global Exposure; Business Strategy; Business Development; Research and Development; Finance and Accounts.

Particulars	Mr. Venkateswarlu Jasti	Ms. Rekha G. Warriar	Mr. Dilip S. Shanghvi
The skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Strategy and strategic planning, Product Delivery, Research & Development Academic and Training, Leadership and Governance, Business Development and stakeholder engagement.	Strategy and strategic planning, Financial Expertise, Academic and Training, Leadership and Governance, Foreign Exchange, Financial Stability and stakeholder engagement.	Strategic Thinking, Planning, Problem Solving, Decision Making, Leadership, Analytical Approach. Mr. Shanghvi has vast experience in pharma industry and fulfils the above-mentioned skills required for his role in the Company.
Date of First appointment on the Board	May 19, 2025	May 19, 2025	March 1, 2006
Directorship held in other companies (excluding foreign companies and section 8 companies)	- Suven Life Sciences Limited - Jasti Property and Equity Holdings Private Limited - The Federation of Telangana Chambers of Commerce and Industry (FTCCI)	360 One Prime Limited - IIFL Capital Services Limited - Credit Access Grameen Limited	- Sun Pharmaceuticals Industries Limited - Alfa Infracore Private Limited - Sun Petrochemicals Private Limited - Aditya Clean Power Ventures Limited
Memberships/ Chairmanships of Committees of other Public Companies	Suven Life Sciences Ltd - Risk Management Committee- Chairman - Stakeholder Relationship Committee- Member - Corporate Social Responsibility Committee- Member	360 One Prime Limited - Audit Committee- Chairperson - Nomination and Remuneration Committee- Chairperson - Risk Management Committee - Chairperson - Corporate Social Responsibility Committee- Member - Asset Liability Management Committee- Member Credit Access Grameen Limited - Audit Committee - Chairperson - Risk Management Committee- Member - Asset Liability Management Committee- Member IIFL Capital Services Limited - Nomination and Remuneration Committee- Chairperson - Stakeholder Relationship Committee - Chairperson - Audit Committee - Member - Corporate Social Responsibility Committee - Member	Sun Pharmaceuticals Industries Limited - Risk Management Committee - Chairman - Corporate Social Responsibility Committee-Chairman - Stakeholders' Relationship Committee-Member

Particulars	Mr. Venkateswarlu Jasti	Ms. Rekha G. Warriar	Mr. Dilip S. Shanghvi
Listed entities from which the person has resigned in the past three years	Suven Pharmaceuticals Limited resigned on September 29, 2023.	None	None
Inter-se relationship between Directors	Mr. Venkateswarlu Jasti is not related to any other Directors or Key Managerial Personnel of the Company.	Ms. Rekha Warriar is not related to any other Directors or Key Managerial Personnel of the Company.	Mr. Dilip Shanghvi is the father of Ms. Vidhi Shanghvi, Non-Executive Director of the Company.
No. of equity shares held in the Company (singly or jointly as first holder) as on the date of Notice:	Nil	Nil	6,18,10,660

Particulars	Mr. Anilkumar Raghavans
Age	57 years
Qualification and Brief Resume of the Manager (designated as CEO)	Please refer the resolution / explanatory statement set out at Item No. 4 of the Notice
Experience and Expertise in specific functional area	Please refer the resolution / explanatory statement set out at Item No. 4 of the Notice
Terms and conditions of appointment	Please refer the resolution / explanatory statement set out at Item No. 4 of the Notice
Remuneration last drawn and proposed to be paid	Please refer the resolution / explanatory statement set out at Item No. 4 of the Notice
Date of first appointment on the Board of the Company	Not applicable
Relationship with other Directors / KMP's	None
No. of meetings of the Board attended during the FY 2024-25	Not a Board member
Directorship held in other companies in India (excluding foreign companies and section 8 companies)	AIRAMATRIX PRIVATE LIMITED
Membership/ Chairmanship of Committees of other public companies in India	Nil
No. of Equity Shares held in the Company (singly or jointly as first holder) as on March 31, 2025	Nil

Notes

[illegible]

Notes

[illegible]



Sun Pharma Advanced Research Company Ltd.

Plot No. 5 & 6/1, Savli G.I.D.C. Estate,
Savli - Vadodara Highway, Manjusar,
District Vadodara – 391 775.
CIN: L73100GJ2006PLC047837

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