sparc

SPARC/Sec/SE/2026-27/21 July 16, 2026

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

Scrip Symbol: SPARC

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

Scrip Code: 532872

Dear Sir/ Madam,

Sub: Submission of Annual Report of the Company for the financial year 2025-26 along with the Notice of 21st Annual General Meeting of the Company.

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby enclosing the Annual Report of the Company for the financial year 2025-26 ("Annual Report") along with the Notice convening the 21st Annual General Meeting ("Notice") of the Company, scheduled to be held on Monday, August 10, 2026 at 04:30 P.M. (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), copies of which are being e-mailed to the shareholders of the Company whose e-mail ids are registered with the Company's RTA, MUFG Intime India Private Limited or their respective Depository Participant.

A copy of the Annual Report 2025-26 is enclosed herewith. The Notice and Annual Report is also available on the Company's website at [https://sparc.life/SPARC-Annual Report and Notice of 21st AGM FY 26] and can also be accessed by scanning the QR code.

The remote e-voting period shall commence on Thursday, August 06, 2026 at 09:00 A.M. (IST) and shall end on Sunday, August 09, 2026 at 05:00 P.M. (IST).

This is for your information and dissemination.

Thanking you,

Yours faithfully,

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

Kajal Damania
Digitally signed by Kajal Damania
DN: O=Sun Pharma Advanced Research Company Limited, CN=Kajal Damania, E=Kajal.damania@sparcmail.com
Reason: I am the author of this document
Location:
Date: 2026.07.16 19:18:00+05'30'
Foxit PDF Editor Version: 2024.3.0

Kajal Damania
Company Secretary and Compliance Officer
Encl: As above

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Innovations Inspired by **Life**

Sun Pharma Advanced Research Company Ltd.
Annual Report 2025-26

Navigate through the

Pages

To view the report online, log in to https://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 Shanghvi
Chairman and Non-Executive Director

Dr. T. Rajamannar
Non-Executive Director

Ms. Vidhi Shanghvi
Non-Executive Director

Dr. Robert J. Spiegel
Independent Director

Mr. Venkateswarlu Jasti
Independent Director

Ms. Rekha Warriar
Independent Director

Key Managerial Personnel

Mr. Anil Kumar 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 Highway, Manjusar, District Vadodara – 391 775.

Corporate Office & Research Centre
17-B, Mahal Industrial Estate,
Off Mahakali Caves Road,
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, Tandalja, Vadodara - 390 012.

Registrar & Transfer Agent

MUFG Intime India Pvt Ltd
(formerly known as Link Intime India Pvt Ltd.)
C 101, 247 Park, LBS Marg, Vikhroli West, Mumbai - 400 083.

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Management Discussion & Analysis

Global Pharmaceutical Industry

The global biopharmaceutical industry operated in a paradoxical environment: strong underlying demand and scientific innovation on one side, and geopolitical fragmentation, pricing pressure, patent cliffs and capital discipline on the other. Despite macroeconomic uncertainty, the sector remained one of the most resilient innovation-driven industries globally.

One of the defining macro themes of 2025 was the return of aggressive US industrial and trade protectionism. The proposed tariff measures targeting imported pharmaceuticals and APIs created significant uncertainty for global supply chains. Tariff threats potentially increased API procurement costs, logistics expenses and capex requirements for local manufacturing. Global pharma companies accelerated US based manufacturing investments and "China+1" API sourcing models. Pressure on drug pricing also intensified through the implementation of Most Favoured Nation (MFN) deals.

The MFN pharmaceutical pricing policy represents one of the most ambitious federal efforts to address prescription drug costs in the US history. The policy has evolved into a comprehensive framework that combines voluntary manufacturer agreements with three distinct regulatory models: GENEROUS for Medicaid, GLOBE for Medicare Part B, and GUARD for Medicare Part D. Collectively, these mechanisms aim to fundamentally reset US drug pricing by benchmarking domestic prices against those paid in other developed nations.

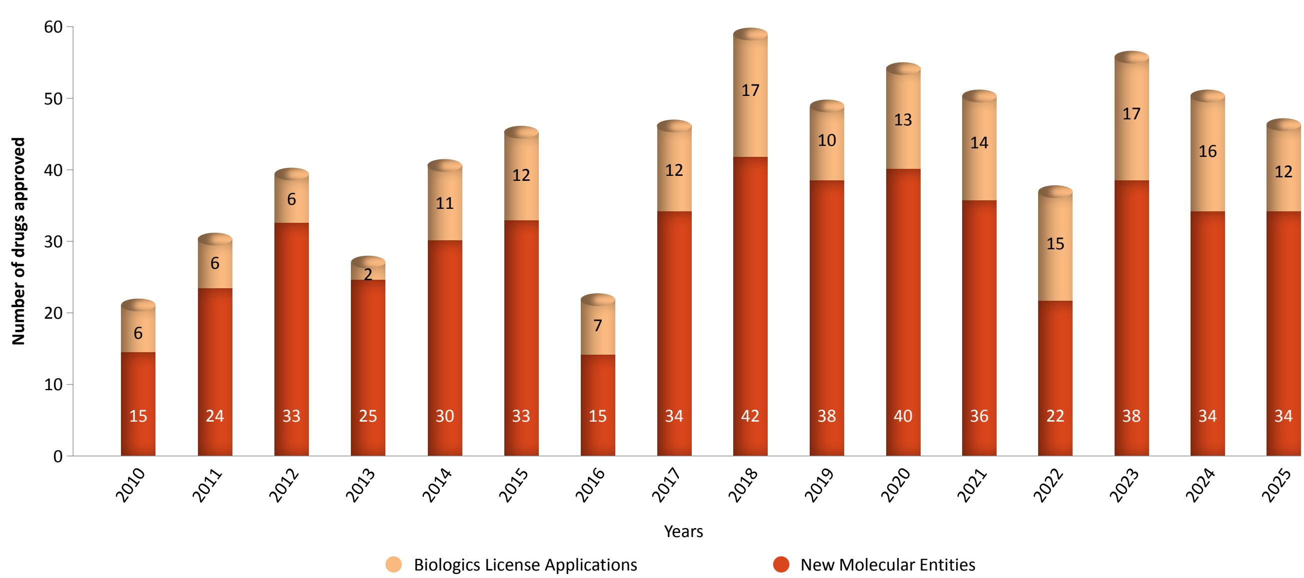
Beyond the three MFN models, the administration has pursued voluntary agreements with pharmaceutical manufacturers. These agreements extend beyond pricing commitments to provisions supporting domestic manufacturing investments. Participating companies have collectively committed to invest at least US$150 billion in US based manufacturing in the near term[1]. Notably, majority of these manufacturing commitments were secured prior to the formal rollout of the MFN policy framework.

The regulatory environment has also continued to evolve, with the US Food and Drug Administration (FDA) experiencing a period of organizational transition. Over the past year, the FDA has been impacted by workforce reductions, voluntary resignations and the departure or reassignment of several experienced personnel, alongside changes in leadership across select divisions. These developments have, at times, created operational capacity constraints and contributed to longer review timelines, reduced frequency of formal interactions and increased variability in regulatory feedback.

Despite these near-term challenges, the FDA continues to prioritize its core mandate of safeguarding public health and supporting innovation. The approval cadence remained resilient, with a notable concentration of approvals in the second half of 2025. During calendar year 2025, the FDA approved 46 novel drugs, reflecting a slight moderation compared to 50 approvals in 2024 and 55 in 2023, while remaining broadly consistent with the long-term average of ~47 approvals annually[2].

Cancer remains the most common therapeutic area for newly approved drugs. 16 (35%) of FDA's newly approved drugs in 2025 were for cancer, up from a rolling 5-year average of 29%. The other most active areas were cardiology, with 5 (11%) new approvals, and allergy and inflammatory diseases, with 4 (9%) new approvals[2]. 2025 was also the biggest year yet for kinase inhibitors, which accounted for around one third of the newly approved small molecules. Novartis's remibrutinib (Rhapsido) became the 100th kinase inhibitor to secure FDA approval, showcasing the continued expansion of this type of drug beyond oncology.

FDA Approved Drugs[2]



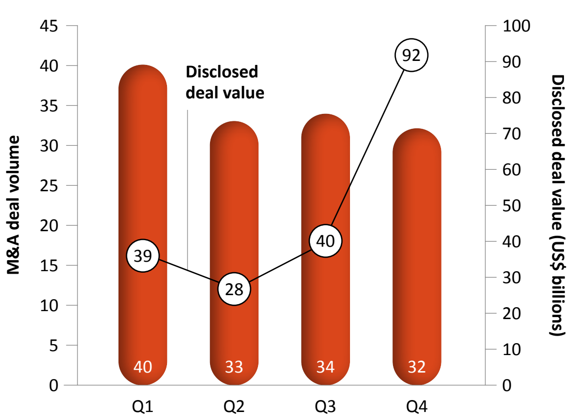
During the year, the industry witnessed unprecedented growth in artificial intelligence (AI) adoption, an intensifying "obesity war" between market leaders, and a renewed, yet selective, appetite for dealmaking.

The battle for dominance in the obesity drug market was a defining story, with Novo Nordisk's Ozempic/Wegovy and Eli Lilly's Mounjaro/Zepbound driving immense growth, making obesity medications the largest contributor to the industry's pipeline value for the first time in 16 years. In November, Lilly became the first pharma company to enter the trillion-dollar club, joining the tech-dominated pantheon of companies such as NVIDIA, Apple, Microsoft and Alphabet with a market cap over US$1 trillion[3]. At the same time, biotech funding remained selective with investors preferring clinically validated late-stage assets over speculative early-stage platforms.

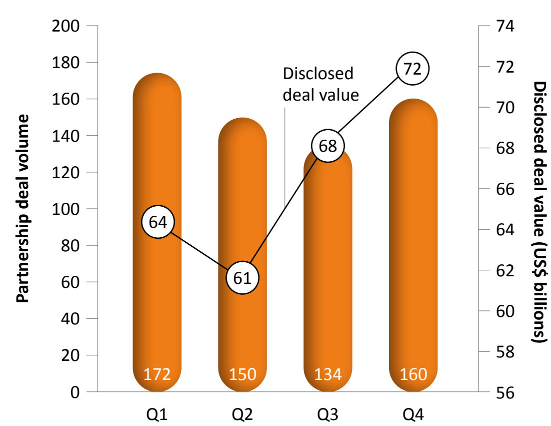
M&A and Partnering Trends

Mergers and acquisitions (M&A) and licensing deals represent a key aspect of Emerging Biopharma (EBP) fundraising and company evolution, and the number of deals has surged in 2025. In 2025, the total of 139 M&A transactions was similar to 2024’s 136 aggregate, but the dollars spent on M&As rebounded by more than doubling the previous year, with a 146% increase from US$81 billion in 2024 to $199 billion in 2025[4].

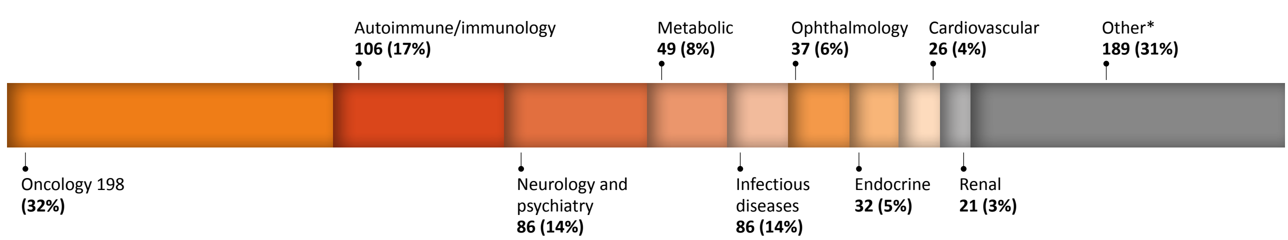
M&A deal volume in 2025[4]



Partnership deal volume in 2025[4]



Volume of partnership by therapeutic area[4]

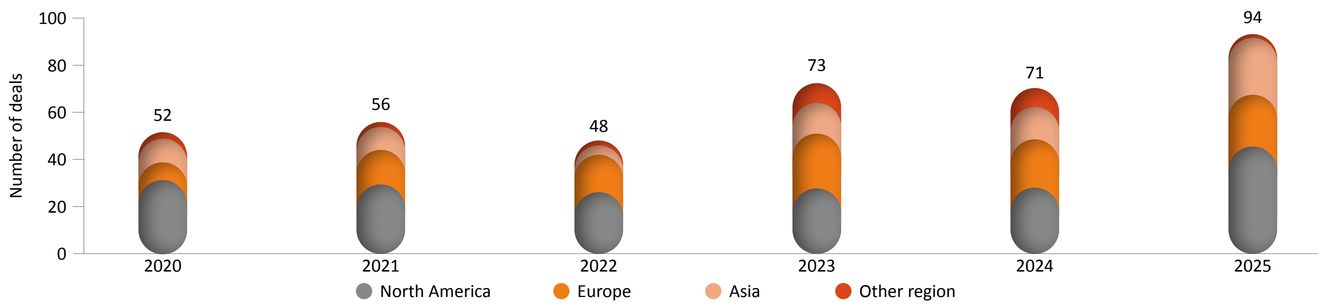


*Other includes allergy, ENT/dental, gastroenterology (non-inflammatory bowel disease), haematology, obstetrics/gynaecology, orthopaedics, respiratory, rheumatology (non-autoimmune), urology, and unspecified.

Deals involving more than one therapy area may be counted multiple times, if applicable

China has emerged as a key driver of biopharma innovation with Chinese biopharmaceutical companies gaining prominence in developing new therapies and securing a growing share of global licensing transactions. The overall number of international deals for China-based companies surged in 2025, with 94 M&A or licensing deals, up from 71 in 2024, and with the largest increase from North American companies[5].

International M&A and licensing activity of China companies and assets[5]

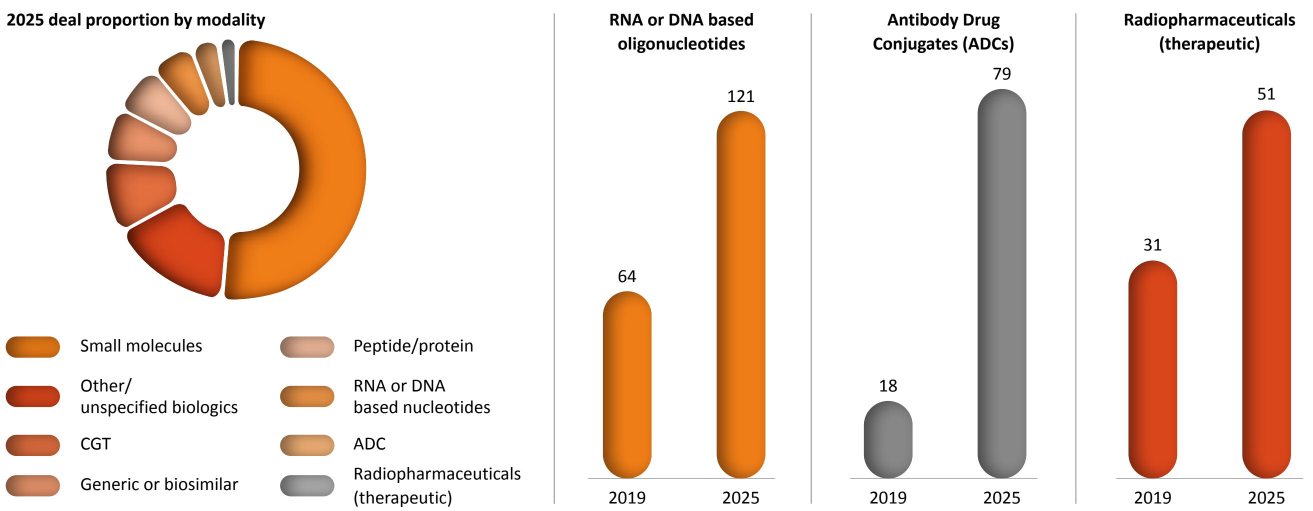


Oncology Therapy Area Momentum

The appetite for advanced molecular therapies was clear as several billion-dollar acquisitions occurred in this area, spanning multiple therapeutic areas.

Oncology was a big focus in the billion-dollar M&A group, capturing over one-third of the volume and 19% of the aggregate value[4]. The type of drug modalities involved in deals has varied relatively little over the past seven years, with more than half of all deals still involving small molecules. Deals focusing on radiopharmaceuticals, oligonucleotides and antibody drug conjugates have increased considerably.

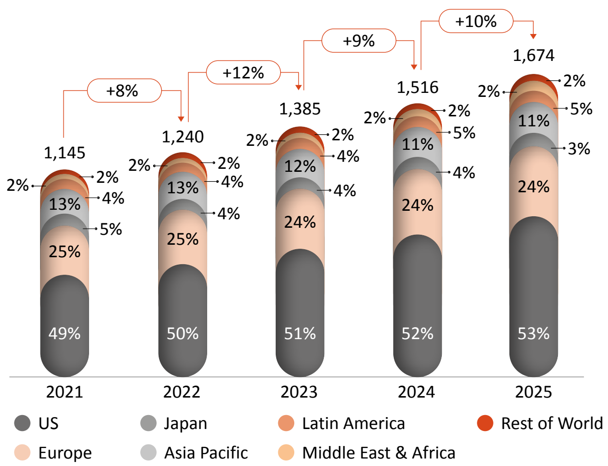
Number of deals for selected modalities[5]



Beyond these macroenvironmental shifts shaping the industry, the global prescription medicine market delivered strong underlying performance in 2025. At list prices, the market reached ~ US$1.7 trillion, reflecting 10% year-on-year growth[6]. This expansion was driven primarily by established medicines but also complemented by a continued flow of innovation. An estimated 73 novel active substances (NAS) were launched globally during the year, exceeding the average of the past decade.

The global pharmaceutical market reached US$1.7 Trillion in 2025 and is increasingly concentrated in the top therapy areas[6]

Global Rx list price sales (US$ Bn)



Therapy area list price sales in 2025 (US$ Bn)

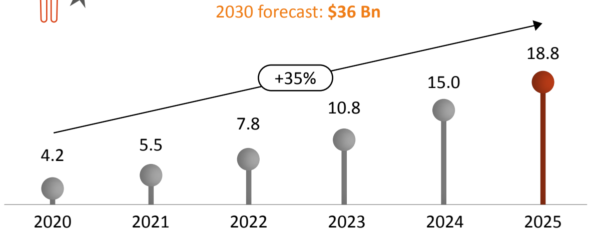
#	Therapy area	List price sales 2025 (US$ Bn)	2025 growth (US$ Bn)
1	Oncology	288	34.3
2	Immunology	225	24.3
3	Diabetes	207	21.5
4	Thrombosis	67	2.0
5	Obesity	66	30.8
6	Respiratory	47	1.7
7	HIV	45	3.2
8	Hypertension	45	1.9
9	Pain	41	1.2
10	Mental Health	41	3.6

As 2025 unfolded, oncology continued to lead the global prescription medicine market, with sales reaching approximately US$288 billion. The majority of this value was concentrated in solid tumours, which accounted for US$194 billion, led by breast cancer, non-small cell lung cancer and prostate cancer. In contrast, hematological tumors accounted for US$75 billion, with multiple myeloma, chronic lymphocytic leukemia, and non-Hodgkin's lymphoma representing the leading indications[6].

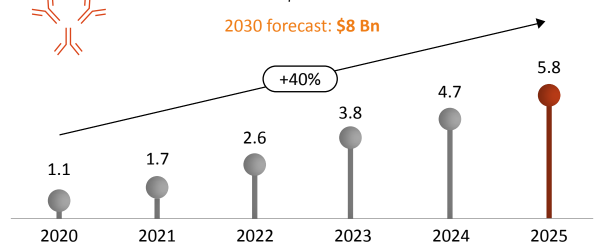
Looking ahead, similar dynamics are expected across the wider oncology market, as several blockbuster products approach losses of exclusivity towards the end of the decade, such as pembrolizumab and nivolumab. Nonetheless, novel modalities could help to compensate for value erosion ahead of these looming patent cliffs.

New modalities have been growing considerably faster than the overall oncology market in the past five years[6]

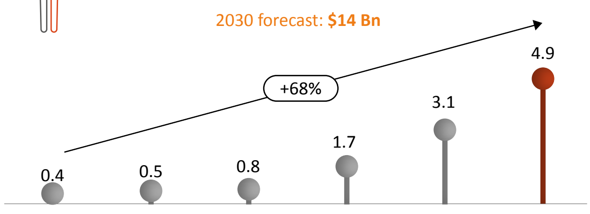
Antibody-Drug Conjugates (ADCs),
US$ Bn
2030 forecast: **$36 Bn**



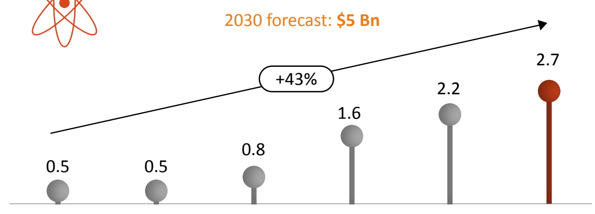
CAR-T cell therapies (CAR-Ts),
US$ Bn
2030 forecast: **$8 Bn**



Bispecific antibodies,
US$ Bn
2030 forecast: **$14 Bn**



Radioligand Therapies (RLTs),
US$ Bn
2030 forecast: **$5 Bn**



ADCs have firmly established themselves as a transformative force within oncology, generating US$18.8 billion in sales in 2025 and projected to reach US$36 billion by 2030. Bispecific antibodies rapidly gained momentum and achieved US$4.9 billion in sales in 2025 and are on track to nearly triple by 2030. At the forefront of personalized oncology, CAR-T cell therapies delivered US$5.8 billion in sales in 2025, with forecasts indicating growth to US$8 billion by 2030[6].

While the industry faces challenges related to cost, pricing, and regulation, its future prospects are promising, with continued advancements in targeted therapies, immunotherapies, gene editing, and bio manufacturing. Companies with differentiated science are expected to experience disciplined growth with strong economics and execution.

Biopharma Trends

The biotechnology sector in 2026 is at a critical inflection point, where cutting-edge scientific breakthroughs are increasingly translating into real-world applications. The intersection of artificial intelligence (AI), precision medicine, and next-generation therapeutic platforms is unlocking significant opportunities for innovation and value creation. While these developments have been evolving over the past few years, their continued convergence is now accelerating the pace of transformation across the industry. Several key trends are poised to shape the sector's trajectory and drive sustained, high-impact growth in the coming years, some of the key ones are highlighted below.

1. **Data, tech and AI moving from 'hype' to 'here and now'**

   Digital infrastructure, AI-enabled clinical tools and connected care models are reshaping how clinicians deliver care and how patients navigate the system. Hospitals, health systems and emerging health tech players are deploying AI to expand capacity, improve access and streamline workflows. The combined effect is to heighten expectations for real-time insight, personalized support and frictionless experiences across the entire care journey.

   AI-powered drug discovery, decentralized clinical trials, digital-first patient engagement, hybrid omnichannel sales strategies, and data-driven operations are now mainstream priorities. AI moved from concept to necessity, with 2025 seeing >30% of new drugs developed using AI tools, reducing discovery timelines by 25–50%[7].

   In January 2025, FDA released draft guidance on sponsor use of AI to produce information or data for regulatory decision-making, providing a framework for risk-based credibility assessment of AI models in relation to drug safety, efficacy and quality.

2. **The GLP-1 and obesity drug revolution**

   Obesity drugs solidified their position as a top-five therapy area globally, surpassing immunology in growth contribution, with significant revenue generated by GLP-1 and related treatments. The past two years have seen unprecedented momentum: GLP-1 therapies moved from niche to mainstream, supply issues arose then abated, and asset pipelines expanded beyond weight loss to whole-body medications. Oral formulations are set to dominate headlines in 2026, offering convenience and eliminating cold-chain requirements - attributes that could make long-term obesity care more practical and unlock the maintenance opportunity.

3. **Targeted therapies & precision medicine as next generation therapies**

   Novel therapeutic modalities, such as cell, gene, and nucleic acid therapies, are offering more effective, personalized treatment options to patients with chronic and/or rare diseases that were considered to be untreatable. ADCs have seen extraordinary progress in oncology research, and innovators are building on this success by leveraging the precise targeting mechanism of antibodies in conjugation with other therapeutic agents, specifically RNA drugs also called oligonucleotides.

   The cell and gene therapy (CGT) landscape is a rapidly evolving and growing space, with a surge of clinical trials and approvals throughout 2025. Unlike traditional biologics, CGTs require highly individualised supply chains with precise logistics and close coordination across many different stakeholders. CGT portal trends are moving toward industry-wide collaboration, standardisation and data interoperability, which is a prerequisite for global scalability.

4. **Evolving regulatory landscape**

   The FDA is creating new opportunities for sponsors to accelerate R&D and reduce development costs.

   In June 2025, a new pilot pathway — the Commissioner's National Priority Voucher (CNPV) — was launched to offer accelerated approval timelines of one to two months for products aligned with national priorities: public health impact, breakthrough innovation, high unmet need, affordability, or U.S development/ manufacturing.

   In December 2025, the FDA Commissioner revealed plans to shift the agency's default expectation from two to one well-controlled, pivotal study for most drug approvals; this change is anticipated to reduce time-to-market for some programs, although in practice it may be that additional effort and evidence generation become necessary across fewer trials, potentially requiring increased trial sizes and/or breadth where single pivotal studies are employed.

   Other 2025 developments included: publication of Complete Response Letters; an ANDA prioritization pilot for US -sourced generics; draft guidance to reduce the need for biosimilar comparative efficacy trials, to streamline non-clinical safety studies for antibodies, and to support innovative CGT trial designs for rare diseases.

Indian Pharmaceutical Industry

The Indian pharmaceutical industry is one of the country's strongest global success stories. Often called the "Pharmacy of the World," India exports affordable and high-quality generic medicines to over 175 countries, including the United States, the European Union, Japan, and many developing nations in Africa and Latin America. This vast global reach is supported by a robust network of manufacturing plants, research facilities, and regulatory expertise.

India's pharma sector, valued at over US$ 50 billion, contributes nearly 40% of its output to exports[8]. It has strong formulation capabilities, a large generic base, and emerging expertise in biologics and vaccines. However, one major vulnerability is its dependence on imported APIs, particularly from China.

Under the 'Atmanirbhar Bharat' initiative, the government introduced Production Linked Incentive (PLI) schemes to support domestic API production while keeping temporary exemptions for essential drugs to prevent shortages.

Firms are improving manufacturing efficiency using automation, green chemistry, and flexible continuous manufacturing processes to offset rising costs.

The collective strength of India's pharma ecosystem is anchored in three interlinked pillars: generics and vaccines leadership, a rising Contract Research Development and Manufacturing Organization/ Contract Development and Manufacturing Organization' before (CRDMO/CDMO) sector driving innovation partnerships, and the expansion of Global Capability Centers (GCCs) harnessing world-class digital, analytical and R&D talent.

Indian pharmaceutical industry[8]

Manufacturing at scale - Pharma and vaccine majors

Ranks third in volume and 14th in value

- **20%** of the global generic drug supply
- **40%** of the generic medicine demand in the US (2025)
- **25%** of medicines in the UK (2025)
- **60%** of global vaccines supply
- **70%** of World Health Organisation's (WHO) essential vaccines supply

Manufacturing infrastructure (as of 2024)

- **2,050** World Health Organisation (WHO) Good Manufacturing Practice (GMP)-certified plants
- **752** Largest number of US Food and Drug Administration (FDA)-approved sites
- **286** European Directorate for the Quality of Medicines and Healthcare (EDQM)-approved plants

CRDMO industry

The CRDMO/CDMO industry grew at **~15%**, double that of the global growth, over 2019-2024

GCC landscape

Over **55+** healthcare and life sciences GCCs now present in India, operating over 95 centers

India's CRDMO/CDMO ecosystem has also undergone a profound transformation, evolving into a global innovation engine. Indian CRDMOs are investing heavily in advanced manufacturing, analytics platforms and biologics capabilities, while adopting AI-enabled tools to accelerate drug discovery and development. This convergence of scientific depth and digital sophistication has enabled India to move beyond its traditional outsourcing role toward a model of integrated, value-based partnership with global biopharma companies.

Parallelly, GCCs established by the leading global pharma companies are emerging as critical enablers of India's innovation landscape. Of the top 50 life sciences organizations globally, around 50% already have their GCCs in India[8]. The GCC landscape continues to advance and expand rapidly, driven by continued investments by the global MNCs across the value chain.

Opportunities

1. Government support

The Indian pharmaceutical industry is no longer limited to making low-cost generic medicines; it is increasingly investing in research and developing complex, high-value products such as biopharmaceuticals and biosimilars. The country has emerged as a global hub for affordable, high-quality medicines, ranking 3rd in pharmaceutical production by volume and 14th by value[8].

Over the past several years, the Government of India has implemented a series of policy initiatives and schemes aimed at strengthening the biopharmaceutical sector across the value chain, from research and early-stage product development to manufacturing, innovation and commercialisation. Some of the recent initiatives include:

- The Promotion of Research and Innovation in Pharma-MedTech (PRIP) scheme, launched in 2023 by the Department of Pharmaceuticals with an approved outlay of INR 5,000 crore, seeks to transform India into an innovation-driven and globally competitive Pharma-MedTech sector. The scheme supports early- and late-stage R&D in new drugs, biosimilars, complex generics, precision medicine and novel medical devices. It also encourages industry–academia collaboration through Centres of Excellence at NIPERs.

- Launch of Biopharma SHAKTI, a dedicated national initiative with an outlay of INR 10,000 crores over five years, aimed at strengthening India's end-to-end ecosystem for biologics and biosimilars. The initiative is designed to support domestic development and manufacturing of high-value biopharmaceutical products and medicines, reduce import dependence, and enhance India's competitiveness in global biologics supply chains.

- Expansion and strengthening of the Biopharma-focused network through the establishment of three new National Institutes of Pharmaceutical Education and Research (NIPERs) and the upgradation of seven existing NIPERs. This measure seeks to address the growing requirement for highly specialised human resources in biopharma research, development, manufacturing and regulation.

- Creation of a large-scale clinical research ecosystem, with a proposal to develop over 1,000 accredited clinical trial sites across the country. This is expected to significantly improve India's capacity to conduct advanced clinical trials for biologics and biosimilars, accelerating innovation, and positioning the country as a preferred global destination for ethical, high-quality, and efficient clinical trials.

- Strengthening of the regulatory framework for biologics, including enhancing the capacity of the Central Drugs Standard Control Organisation (CDSCO) through the induction of specialised scientific and technical personnel. The focus is on improving regulatory efficiency, aligning approval timeframes with global standards, and enabling faster evaluation of complex biopharmaceutical products.

2. Digital transformation

AI and machine learning are revolutionizing drug discovery, manufacturing efficiency, and supply chain management. AI-driven molecule design, predictive diagnostics, virtual clinical trials and real-world data analytics are improving speed, precision and cost efficiency across the value chain. With its inherent tech leadership, the intersection of life sciences, data and digital offers India an unparalleled opportunity to leapfrog traditional models and establish leadership in high-science, high-value innovation.

3. Expansion of CRDMO and biologics

India is enhancing its position in complex biologics, Antibody Drug Conjugates (ADCs), and R&D for cancer and lifestyle diseases. Large and medium-sized biopharma companies have begun to see value in partnering with Indian CRDMOs who are making investments in emerging modalities like protein, peptides, ADCs, bispecific, DNA-RNA therapeutics, and mAbs, to drive the future of science and healthcare.

Challenges

1. Regulatory and Compliance

As the sector expands its global footprint, Indian pharmaceutical companies must comply with diverse and often complex regulatory standards set by markets like the FDA and European Medicines Agency (EMA). This can be costly and time-consuming for companies, especially smaller ones. Regulatory delays, both at the domestic and international levels, can slow down the approval process for new drugs, biosimilars, and generics, affecting timely market entry. Ensuring consistent quality control is a persistent challenge, especially with the rise in the prevalence of counterfeit and substandard drugs. This undermines trust in India's pharmaceutical exports and poses serious public health risks.

2. Supply chain vulnerability

India is highly dependent on imports for key raw materials, especially from China. This exposes the sector to supply chain disruptions, particularly in the event of geopolitical tensions or trade restrictions. The reliance on imported APIs makes the industry vulnerable to global supply chain issues, as seen during the COVID-19 pandemic, which caused significant disruptions in the production of pharmaceutical products.

SPARC's Response to Global trends

Recognising the global trends, SPARC strategically evolved its business priorities by narrowing its therapeutic emphasis on oncology and immunology, two of the fastest-growing areas, driven in part by advances in treatment modalities such as ADCs, CGT, and CAR-T therapies. A significant portion of SPARC's oncology pipeline comprises of biologics. 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. SPARC's approach is now focused on three tightly defined themes:

- Targeted delivery of multi-modal cancer therapeutics—including ADCs, bi-specific targeting, bi-functional payloads, Immune-Stimulating Antibody Conjugates (ISACs), small-molecule drug conjugates (SMDCs), and T-cell engagers
- DNA Damage Response (DDR) pathway inhibitors to drive synthetic lethality—both as monotherapy and to sensitize PARP inhibitors or DNA-damage standard of care (SoC)
- Auto-immune and dermatology—focus on non-JAK pathways, rational combinations, and topical alternatives to SoCs

SPARC has made significant effort to reposition its programs around a pair of advanced assets, a differentiated ADC for select solid tumors and novel immunology pathway in the derma autoimmune segment. With both programs in active early clinical development phase, SPARC expects to receive early efficacy signals that can better direct its portfolio planning in the coming years and yield multiple promising assets. Phase 1 study in India provides an excellent opportunity to conduct early signal-seeking studies at low cost of failure.

SPARC also explored alternative business structures like asset-specific NewCos with the aim of reducing the burden of clinical risk within SPARC. A notable example is the formation of Tiller Therapeutics to advance the SCO-155 program, a Small Molecule Drug Conjugate (SMDC) as a potential treatment for metastatic Castration Resistant Prostate Cancer (mCRPC).

Key Financial Ratios

Ratio Analysis	2025-26	2024-25	Reason
Debtor Turnover Ratio *	3.2	4.5	Due to lower revenue compared to the previous year
Inventory Turnover (No. of days)	N.A.	N.A.	
Current Ratio (in times)	2.5	0.1	Due to increase in current assets on account of recognition of PRV in current year
Debt Equity Ratio (in times)	0.4	(1.2)	Due to positive net worth in the current year as compared to negative net worth in the previous year
Operating Profit / (Loss) Margin (%)	85%	(468%)	Due to profit in current year as compared to loss in the previous year
Return on Net Worth	1.2	(1.6)	Due to positive net worth during the year
Net Profit / (Loss) Margin (%)	83%	(477%)	Due to profit in current year as compared to loss in the previous year

* excluding other operating revenue

Progress on Key Programs

1. Sezaby for the treatment of Neonatal Seizures

Sezaby is a benzyl alcohol and propylene glycol free formulation of phenobarbital sodium injection approved by the FDA for the treatment of neonatal seizures.

SPARC had contested FDA's decision to deny SPARC a Paediatric Rare Disease Voucher (PRV) associated with the approval of Sezaby and had initiated litigation against the agency. The US district court for the District of Columbia granted summary judgement in favour of SPARC. Following the court ruling, the USFDA granted SPARC PRV associated with approval of Sezaby. Subsequently, SPARC entered into a definitive asset purchase agreement to sell its PRV for US$ 195 million.

SPARC is also taking significant efforts to ensure the removal of unapproved DESI phenobarbital formulations that contain excipients that are known to cause side effects in the neonatal population.

2. SPARC-121 for the treatment of Alopecia Areata

SPARC-121 (previously SCD-153) is a novel topical agent being developed for the treatment of Alopecia Areata. SPARC completed Phase 1a Single Ascending Dose (SAD) study in healthy volunteers in India and SPARC-121 was found to be safe and well tolerated at all dose levels tested. SPARC initiated Phase 1b Multiple Ascending Dose (MAD) study of SPARC-121 in patients with Alopecia Areata and is actively recruiting patients and an interim readout is expected in the third quarter of FY2026-27. SPARC is also exploring this compound in Vitiligo, a dermatological condition that shares the immune pathogenesis with alopecia areata. SPARC recently submitted a Phase 1b proof-of-concept study protocol to the DCGI to evaluate SPARC-121 for the treatment of Vitiligo patients.

3. SPARC-122 for treatment of multiple cancer indications

SPARC-122 (previously SBO-154) is an anti-MUC1 ADC being developed for treating multiple tumour types expressing MUC1. SPARC-122 targets a novel epitope on the MUC1 protein present on the cell surface of cancer cells. SPARC filed INDs for Phase 1a dose escalation study in solid tumors in the US, Australia, and India and got approvals from all three regulatory bodies. The study is actively enrolling at 11 sites across the three geographies. Once the Phase 1a part of the study is completed, SPARC expects to initiate Phase 1b dose expansion study in three specific tumor types of ER+ HER2-ve breast cancer, lung cancer and ovarian cancer.

4. PDP-716 for treatment of open-angle glaucoma

PDP-716 is a once-a-day formulation of Brimonidine which was licensed to Visiox Pharma for commercialization. Visiox was recently bought out by Ocuvex Therapeutics, and thereby Ocuvex now holds the rights to this product. Ocuvex had received a Complete Response Letter (CRL) for the New Drug Application (NDA) for PDP-716 due to inspection findings at a third-party API manufacturing facility. Ocuvex recently completed the resubmission following a change in the API vendor's regulatory status. However, the finished product manufacturing site is currently facing compliance issues that require further remediation. SPARC is working with its partners and Ocuvex Therapeutics and are in the process of qualifying alternate third-party sites for the finished product manufacturing.

Outlook

SPARC's strategy is anchored on a differentiated, innovation-led approach designed to drive long-term value creation through focused scientific investments and disciplined capital deployment. The key pillars of this strategy include

- Modular biologics platforms with "plug-and-play" capabilities in oncology, enabling rapid target integration, flexible combination approaches, and scalable development pathways. Importantly, the Company's pipeline is increasingly aligned with global value drivers in biopharma, including targeted biologics, precision oncology, and next-generation combination therapies—areas that continue to attract strong industry and investor interest.

- Targeting synthetic lethality strategy aimed at addressing key drivers of PARP resistance, a well-recognized and commercially relevant challenge in oncology. By targeting resistance pathways, the Company is positioning its assets within a high-demand segment that complements existing standards of care and offers expansion into resistant patient populations.

- The third strategic pillar centres on dermatology and autoimmune disorders driven by CD8+ T-cells, where current treatment options are largely limited to oral or topical JAK inhibitors. Leveraging emerging biological insights, SPARC aims to develop safer topical biologics and explore mechanistically independent combination approaches that can deliver differentiated efficacy and improved safety.

From a financial standpoint, SPARC has strengthened its position through the receipt of non-dilutive capital via the sale of its Priority Review Voucher (PRV), enhancing balance sheet flexibility while minimizing shareholder dilution. The Company remains committed to prudent financial management, with a continued focus on cost discipline, active expense monitoring, and prioritization of high-return investments.

SPARC has taken steps to optimize its cost structure. A key driver of our total fixed cost is the manpower cost. SPARC has rationalized its US footprint and streamlined operations to reduce redundancy to optimise the manpower cost. In parallel, SPARC consolidated its lab network, reducing the number of lab centres from four to two.

Overall, SPARC's strategy reflects a balanced approach, combining platform scalability, targeted innovation in globally relevant therapeutic areas, and financial discipline. With a pipeline aligned to industry priorities and a flexible partnering mindset, the Company is well positioned to enhance strategic optionality and deliver sustainable long-term returns for shareholders.

Human Resource Strategy

The cornerstone of SPARC's capabilities continues to be its highly skilled and committed workforce, underpinned by a culture of innovation, collaboration, and excellence. Over the past year, the Company has remained focused on fostering a progressive and inclusive environment that attracts, develops, and retains top-tier talent, while ensuring strong alignment between its people strategy and evolving business priorities.

The Human Resources function has actively benchmarked industry best practices in talent management, learning and development, and employee engagement to build a resilient and future-ready organization. Strategic partnerships with leading academic institutions, coupled with targeted training and development initiatives, have enabled employees to strengthen critical capabilities required to advance SPARC's scientific and research objectives.

As of March 31, 2026, SPARC had a dedicated workforce of 279 employees, with approximately 85% comprising scientists, reflecting the Company's strong research-driven foundation. Looking ahead, SPARC will continue to invest in nurturing high-potential talent, leveraging advanced digital tools to enhance talent management, and fostering a performance-driven culture that encourages creativity, agility, and sustained excellence across the organization.

Risks and Concerns

Engaging in pharmaceutical R&D involves navigating a landscape characterized by inherent uncertainty and complexity. The pursuit of breakthrough innovation requires exploring novel scientific pathways, often accompanied by significant development and execution risks. As a research-driven organization, SPARC faces challenges including variability in clinical outcomes, evolving and increasingly stringent regulatory requirements, and the scientific intricacies involved in discovering and advancing novel therapeutic candidates.

In addition, the Company operates in a highly dynamic environment where success depends on strong intellectual property protection, the ability to keep pace with rapid technological advancements, and responsiveness to shifting global regulatory and policy frameworks. Financial sustainability remains closely linked to the progress and outcomes of research programs, which can be influenced by external macroeconomic factors such as currency movements, interest rate fluctuations, and geopolitical developments. Operational risks, including potential supply chain disruptions affecting the availability of critical materials and specialized equipment, may also impact development timelines.

To address these challenges, SPARC has implemented a robust and proactive risk management framework focused on resilience, agility, and strategic foresight. The Company emphasizes disciplined portfolio prioritization, strategic collaborations, and continuous capability building to mitigate risks while maintaining momentum across its programs. By embedding risk awareness into decision-making and equipping teams with the tools to anticipate and respond effectively, SPARC remains well positioned to navigate uncertainties while advancing its mission of delivering impactful scientific innovation.

Internal Control Systems and their Adequacy

At SPARC, we remain firmly committed to the highest standards of ethics, integrity, and transparency, reflecting our responsibility to patients, investors, and broader stakeholders. Our internal control framework is designed to support efficient and reliable operations, while ensuring full compliance with applicable laws and regulations, particularly those governing intellectual property, asset protection, and financial integrity.

The Company places strong emphasis on accurate financial reporting and continuously refines its internal policies to align with evolving business requirements and regulatory expectations. These efforts strengthen organizational resilience and enable informed decision-making. Our control environment is further reinforced through rigorous internal audits and independent reviews, ensuring a robust, dynamic, and accountable governance structure that supports sustainable long-term growth.

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.

[1]International Reference Pricing Comes to America: The MFN Policies Explained: HEOR Article: Vol. 12, Iss. 1: Jan/Feb 2026

[2]2025 FDA approvals: Nature Reviews Drug Discovery: Vol 25, 81-87:Feb 2026

[3]https://www.biospace.com/business/j-j-reigns-as-top-pharma-by-revenue-while-lilly-leapfrogs-on-strong-obesity-sales

[4]Biopharma dealmaking in 2025: Nature Reviews Drug Discovery Vol 25, 92-93 (2026)

[5]Global R&D Trends 2026: Advancing Innovation in a Changing Landscape: IQVIA Institute for Human Data Science: Mar 2026

[6]Blogs/IQVIA Early Bird: 2025 Revealed - The Trends Shaping Pharma’s Future: Mar 2026

[7]How 2025 can be a pivotal year of progress for pharma: World Economic Forum: Health and Healthcare Systems, Jan 2025

[8]OPPI: Fueling Innovation, advancing equity: The power of partnerships and digital-first strategies driving Indian pharma’s global dominance: Nov 2025

Board's Report

Dear Members,

Your directors take pleasure to present the Board's Report in line with the Companies Act, 2013 ("Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). This report presents the Audited financial results and other developments in respect of the Company during the financial year ended on March 31, 2026 ("FY26"/ "Financial Year") and up to the date of this Board's Report.

FINANCIAL RESULTS

The financial performance of the Company for the year ended March 31, 2026 is summarized below:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from Operation	1,87,916.83	7,176.60	1,87,916.83	7,176.60
Total Income	1,88,999.95	7,355.71	1,89,012.00	7,355.71
Profit/(Loss) after Exceptional Items before Finance Cost, Depreciation and Tax	1,59,632.84	(32,548.60)	1,59,735.11	(32,134.74)
Profit/ (Loss) before Tax	1,55,213.26	(34,522.21)	1,55,300.99	(34,278.12)
Profit/ (Loss) after Tax	1,55,213.26	(34,522.21)	1,55,320.43	(34,250.94)
Opening Balance in Retained Earnings	(2,32,520.88)	(1,97,973.12)	(2,32,160.48)	(1,97,883.99)
Closing Balance in Retained Earnings	(77,100.32)	(2,32,520.88)	(76,632.75)	(2,32,160.48)

PERFORMANCE HIGHLIGHTS (Consolidated)

Revenue
₹1,89,012.00 Lakhs

EBITDA
₹1,59,735.11 Lakhs

PAT
₹1,55,320.43 Lakhs

EPS
₹47.86 per share

The Company recognised income of INR 184,002 lakhs in respect of a Priority Review Voucher (PRV) granted by the United States Food and Drug Administration (USFDA) on February 03, 2026 for Sezaby®. The PRV, being a transferable instrument, was subsequently sold by the Company on April 30, 2026 for USD 195 million.

The PRV has been accounted as a non-monetary government grant under Ind AS 20 and the fair value of the PRV has been recognised in the Statement of Profit.

The Company's performance has been discussed in detail in the Management Discussion and Analysis Report.

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 subsidiaries for FY 2025-26 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.

PREFERENTIAL ISSUE

The Board of Directors, at its meeting held on January 14, 2026 and the members of the Company at their Extra-Ordinary General Meeting held on February 09, 2026 ('EGM') approved a preferential issue of up to 3,85,10,000 (Three Crores Eighty Five Lakhs Ten Thousand) warrants, each convertible into, or exchangeable for, 1 (one) fully paid-up equity share of face value of INR 1/- (Indian Rupees One Only) ("Warrants") at a price of INR 155.80/- (Indian Rupees One Hundred Fifty Five and Eighty Paisa Only) each payable in, aggregating upto INR 5,99,98,58,000/- (Indian Rupees Five Hundred Ninety Nine Crores Ninety Eight Lakhs Fifty Eight Thousand Only) to Shanghvi Finance Private Limited, being a part of the Promoter Group of the Company (hereinafter referred to as "Proposed Allottee")

The issuance is in accordance with the provisions of Section 42 and Section 62(1)(c) of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), Listing Regulations and such other acts / rules / regulations as may be applicable and is subject to necessary approvals from other regulatory authorities, as may be applicable.

The details are as under:

Issue Size	Preferential Issue of up to 3,85,10,000 warrants at an Issue price of ₹ 155.80 each aggregating to ₹ 5,99,98,58,000/-
Conversion	Each warrant convertible into one fully paid up equity share of Re.1 each
Payment	25% (₹ 38.95 per warrant) to be called upfront; and balance 75% (₹ 116.85 per warrant) on exercising the conversion option within 18 months from the date of allotment.

Allotment of Warrants

The Company allotted 3,85,10,000 warrants on May 19, 2026 to Shanghvi Finance Private Limited at an issue price of INR 155.80/- per warrant on preferential basis, out of which the Company has received an amount of INR 1,49,99,64,500/- (India Rupees One Hundred Forty Nine Crores Ninety Nine Lakhs Sixty Four Thousand Five Hundred only) which is equivalent to 25% of the Warrant Issue Price, in accordance with SEBI ICDR Regulations.

SPARC EMPLOYEES STOCK OPTION SCHEME 2026 ('ESOP SCHEME 2026')

The Board of Directors, at its meeting held on January 14, 2026, and the Members of the Company, at the Extraordinary General Meeting (EGM) held on February 9, 2026, approved the SPARC Employees Stock Option Scheme 2026 ("ESOP Scheme 2026") and the grant of stock options to the employees of the Company under the ESOP Scheme 2026.

However, as of the date of this report, the Company has not granted any stock options to its employees under the ESOP Scheme 2026.

CHANGE IN NATURE OF BUSINESS

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

DIVIDEND

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.

PUBLIC DEPOSITS

During the year under review, the Company has not accepted any public deposits falling within the ambit of Section 73 of the Companies Act, 2013 and the Rules framed thereunder. The requisite return for FY 2024-25 with respect to amount(s) not considered as deposits has been filed.

BOARD POLICIES

The various policies that the Board has approved and adopted in accordance with the requirements set forth by the Act and the Listing Regulations can be accessed at our website at https://sparc.life/statutory-disclosures/policies-and-codes/

Scan the QR code to view the
Policies Approved by the Board

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/

Scan the QR code to view the
Dividend Distribution Policy

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, 2026, the Company has two wholly owned subsidiaries, namely Genokine Biotech Limited, incorporated under the Companies Act, 2013 on July 04, 2025, and SPARCLIFE Inc., incorporated in Delaware, USA on September 25, 2023.

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 subsidiaries in prescribed Form AOC – 1 is attached as **Annexure 1** and forms part of this report.

The policy for determining material subsidiaries of the Company is available on the Company's website and can be accessed through web link https://sparc.life/statutory-disclosures/policies-and-codes/

Scan the QR code to view the **Policy for determining "Material Subsidiaries"**

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, 2026 is ₹ 32,45,21,588/- (Thirty-Two Crores Forty-Five Lakhs Twenty-One Thousand Five Hundred and Eighty-Eight Only)

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The following changes occurred in the composition of the Board of Directors of the Company during the FY 2025-26:

Appointments:

- Ms. Rekha Warriar (DIN:08152356) and Mr. Venkateswarlu Jasti (DIN:00278028) were appointed as Additional Independent Directors with effect from May 19, 2025 and their appointment as Independent Directors of the Company was approved by members at the 20th Annual General Meeting of the Company held on August 12, 2025.

Cessation/ Retirement:

- Ms. Bhavna Doshi (DIN:00400508) and Dr Ferzaan Engineer (DIN: 00025758) retired from the Board as Independent Directors with effect from August 12, 2025.

Retirement by rotation:

Dr. Rajamannar Thennati (DIN: 01415412), a Non-Executive, Non-Independent Director of the Company, will retire by rotation at the ensuing 21st Annual General Meeting, to be held on August 10, 2026 and he has not offered himself for reappointment.

After the year end and up to the date of this Board's Report, the following developments have taken place in the Senior Management and Board of Directors of the Company:

1. Dr. Shravanti Bhowmik has resigned from the post of Vice President- Operations Management of the Company with effect from the close of business hours on March 31, 2026.
2. Mr. Narendra Lakkad has been appointed as Head of Corporate Development and Operations Management with effect from April 01, 2026.
3. Dr. Nitin Dharmadhikari retired from the post of Chief Operating Officer of the Company, with effect from the close of business hours on June 30, 2026.
4. Ms. Shanta Gupta retired from the post of Functional Head – Human Resources & Administration of the Company, with effect from the close of business hours on June 30, 2026.
5. Mr. Prasanna Deshmukh has been appointed as the Functional Head – Human Resources & Administration and designated as a Senior Management Personnel, with effect from July 1, 2026.
6. Mr. Anil Kumar Raghavan, Chief Executive Officer will be appointed as Managing Director and Chief Executive Officer (DIN: 03548731) of the Company effective from August 11, 2026 subject to the approval of the shareholders at the ensuing 21st Annual General Meeting, to be held on August 10, 2026 and he shall be liable to retire by rotation.

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:

a) In the preparation of the Annual Accounts for the financial year ended March 31, 2026, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) 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, 2026 and of the profit of the Company for the year ended on that date;

c) 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;

d) The Directors have prepared the Annual Accounts on a going concern basis;

e) 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

f) 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 Companies (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 this Report.

The Remuneration 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/

Scan the QR code to view the **Remuneration Policy**

BOARD DIVERSITY

Your Company recognises and embraces the importance of a diverse Board in its success. The Board has adopted the Board Diversity Policy, which sets out the approach to the diversity of the Board. The said Policy is available on the Company's website at https://sparc.life/statutory-disclosures/policies-and-codes/

Scan the QR code to view the **Board Diversity Policy**

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/

Scan the QR code to view the **Familiarization Programme for the Independent 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 members 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.

Particulars of Employees and Remuneration

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 has a workforce of 279 dedicated individuals – 89% of which are highly qualified and experienced scientists in various fields.

Last year, there was a resource optimization activity in which 20% manpower was reduced in the departments such as Drug Discovery Preclinical Development, Drug Delivery Systems, Quality Assurance and Operations Management. Two departments - Bioinformatics and Partnerships & Portfolio Strategy were closed. The entire optimization exercise was concluded by 31st March 2026.

The manpower optimization helped to reduce redundant roles and optimize work, project efforts and operational costs. This activity also helped to consolidate more financial power and streamline the business. The Company is committed to focus on its people strategies to deliver on its key priorities and implement more engagement activities and reward mechanisms to retain talent.

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, 2026, 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, 2026, 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, 2026 is annexed as **Annexure 3**. The Secretarial Audit Report for the year does not contain any qualification or reservation except a remark, as follows,

The Company had inadvertent lapse in complying with the provisions of Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with respect to the appointment of Mr. Venkateswarlu Jasti with effect from May 19, 2025. The shareholders' approval for his appointment was obtained at the Annual General Meeting held on August 12, 2025. However, both National Stock Exchange of India Limited ("NSE") and Bombay Stock Exchange Limited ("BSE") has levied fines for the same.

In the opinion of the Board, the compliance with Regulation 17(1A) was duly restored upon subsequently obtaining shareholder approval through a Special Resolution passed at the Annual General Meeting held on August 12, 2025, and the Company has thereafter remained compliant with the requirements pertaining to the composition of the Board and its Committees as prescribed under the SEBI LODR.

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

KJB & Co. LLP, Practicing Company Secretaries were re-appointed as the Secretarial Auditors of the Company, to hold office for the second term of five consecutive years from the conclusion of the 20th Annual General Meeting of the Company held on August 12, 2025 till the conclusion of the 25th Annual General Meeting of the Company to be held in the calendar year 2030, as required under 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 Annual Secretarial Compliance Report for the financial year 2025-26 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 Company has disclosed the particulars of the loans given, investments made or guarantees given or security provided during the year, as required under Section 186 of the Companies Act, 2013, Regulation 34(3) and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in Notes forming part of the financial statements.

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 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/

Scan the QR code to view the **Policy on Materiality of and Dealing with Related Party Transactions**

BOARD MEETINGS

5 (Five) 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, 2026, 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/

Scan the QR code to view the **Corporate Social Responsibility Policy**

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, 2026. 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**.

CREDIT RATING

The credit rating of the securities/ instruments/ loans, credit facilities and other borrowings of the Company as on March 31, 2026 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 2025-26 and the same is given in a separate part of this Annual Report.

CORPORATE GOVERNANCE REPORT

The Company is committed to 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 members. 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, 2026, 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/

Scan the QR code to view the **Business Responsibility and Sustainability Report**

DISCLOSURE UNDER THE MATERNITY BENEFIT ACT, 1961

Your Board affirms that it has complied with the applicable provisions of the Maternity Benefit Act, 1961, and the rules made thereunder. The Company has in place appropriate systems and policies to provide maternity benefits and related entitlements to eligible women employees, in accordance with the statutory requirements. The Company continues to endeavour to provide a supportive and inclusive work environment for women employees.

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

The Company is committed to maintaining the highest standards of ethical conduct, integrity, and transparency across all its operations. The Code of Conduct provides the foundation for ethical behaviour and serves as a guide for employees, directors, and other stakeholders in conducting business responsibly.

In line with this commitment, the Company has established a robust Whistle blower Policy / Vigil Mechanism, approved by the Board and administered with appropriate independence. The mechanism enables employees and other stakeholders to report concerns relating to unethical behaviour, fraud, violations of law or policy, and other misconduct, without fear of retaliation.

The Whistle-Blower Policy has been periodically enhanced to reflect evolving regulatory expectations, data privacy considerations, and best practices, and is accessible on the Company's website at https://sparc.life/statutory-disclosures/policies-and-codes/

The Audit Committee provides oversight of the vigil mechanism and reviews cases, trends, and remediation actions. Management leverages insights from whistle blower cases to strengthen controls, promote ethical culture, and reinforce accountability across the organisation

Scan the QR code to view the **Whistle Blower Policy**

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

There are no proceedings initiated/ pending against your Company under the Insolvency and Bankruptcy Code, 2016, and there is no instance of one-time settlement with any Bank or Financial Institution.

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 onetime 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

Dilip Shanghvi
Chairman
(DIN: 00005588)

Place: Mumbai
Date: July 13, 2026

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

(₹ in Lakhs)

Particular	Amount	Amount
Name of the subsidiary	SPARCLIFE Inc.	Genokine Biotech Ltd.
The date since when subsidiary was incorporated	September 25, 2023	July 4, 2025
Reporting period for the subsidiary concerned, if different from the holding Company's reporting period		
Reporting currency	USD	INR
Closing Rate as on March 31, 2026	94.36	1.00
Share Capital (50 equity share at a face value of USD 0.001 per share)	*0.00	1.00
Total Equity	565.98	0.90
Total Assets	1,905.71	1.00
Total Liabilities	1,339.73	0.10
Investment (except in case of investment in subsidiaries)	-	-
Turnover	1,832.27	-
Profit / (Loss) Before Tax	87.82	(0.10)
Provision for Tax	(19.45)	-
Profit / (Loss) After Tax	107.27	(0.10)
Proposed Dividend	-	-
% of Shareholding	100%	100%

*represents less than ₹ 1 lakh

Notes-

1. Names of subsidiaries which are yet to commence operations – Not Applicable
2. 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

ANIL KUMAR RAGHAVAN
Chief Executive Officer
Place: Mumbai

ANUP M. RATHI
Chief Financial Officer
Place: Mumbai

KAJAL K. DAMANIA
Company Secretary

Place: Mumbai
Date: July 13, 2026

DILIP SHANGHVI
Chairman
DIN: 00005588
Place: Mumbai

DR. T. RAJAMANNAR
Director
DIN:01415412
Place: Mumbai

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 2025-26:

Name	Designation	% increase/ (decrease) in remuneration[1] in the FY 2025-26	Ratio of remuneration[1] of each Director to median remuneration of employee
Mr. Dilip Shanghvi	Chairman & Non-Executive Director	(7.69)	0.23
Ms. Vidhi Shanghvi	Non-Executive Director	31.25	0.40
Dr. T. Rajamannar	Non-Executive Director	(10.00)	0.17
Dr. Robert Spiegel	Independent Director	10.00	0.42
Ms. Bhavna Doshi[3]	Independent Director	(56.52)	0.19
Dr. Ferzaan Engineer[3]	Independent Director	(55.00)	0.17
Ms. Rekha Warriar[4]	Independent Director	--	0.31
Mr. Venkateswarlu Jasti[4]	Independent Director	--	0.19
Mr. Anil Kumar Raghavan[2]	Chief Executive Officer	3.82	Not Applicable
Mr. Anup Rathi[2]	Chief Financial Officer	4.47	Not Applicable
Ms. Kajal Damania[2]	Company Secretary and Compliance Officer	23.73	Not Applicable

[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]Ms. Bhavna Doshi and Dr. Ferzaan Engineer retired as Independent Directors with effect from August 12, 2025

[4]Ms. Rekha Warriar and Mr. Venkateswarlu Jasti have been appointed as Independent Directors with effect from May 19, 2025

(ii) Percentage increase in the median remuneration of employees in the financial year (Median 2025-26/Median 2024-25): (5.40%)

(iii) Number of permanent employees on the roll of the Company as on March 31, 2026: 279

(iv) Average percentile increases 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: 6.31%

Average percentage increase in salary of managerial personnel: 14.78%

(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

Dilip Shanghvi
Chairman
(DIN: 00005588)

Place: Mumbai
Date: July 13, 2026

Annexure 3

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2026.

[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 31st March 2026 ("year"), 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 31st March 2026, 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;

   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;

   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 except:

The Company had inadvertent lapse in complying with the provisions of Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with respect to the appointment of Mr. Venkateswarlu Jasti with effect from May 19, 2025. The shareholders' approval for his appointment was obtained at the Annual General Meeting held on August 12, 2025. However, both National Stock Exchange of India Limited ("NSE") and Bombay Stock Exchange Limited ("BSE") has levied fines for the same.

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.

We further report that during the audit period the company has:

- Obtained shareholder approval for issuance of up to 3,85,10,000 convertible warrants to Shanghvi Finance Private Limited, a promoter group entity, on a preferential basis at an issue price of ₹155.80 per warrant, aggregating up to ₹599.99 crores.

- Obtained shareholder approval for adoption and implementation of the SPARC Employees Stock Option Scheme 2026 ("ESOP Scheme 2026"), under which a maximum pool of 50,00,000 stock options may be granted to eligible employees of the Company and extend the benefits to eligible employees of the Company's subsidiary, holding, and associate companies, present or future.

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 28, 1948 | May 18, 2026
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 Secretary
Firm Unique Identification No. – L2020MH006601
Peer Review Certificate No. – 2797/2022

Alpeshkumar Panchal
Partner
FCS No.: 12908
C P No.: 20120
UDIN: F012908H000395070

Date: Vaishakh 28, 1948 | May 18, 2026
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)

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

2. **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, 2026, 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 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 2025-26 were in ordinary course of business and on an arm's length basis. The aggregate amount of transactions for the financial year 2025-26 was ₹4,272.80 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 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	On-going	The related party transactions entered during the financial year 2025-26 were in ordinary course of business and on an arm's length basis. The aggregate amount of transactions for the financial year 2025- 26 was ₹ 1,891.80 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 2025- 26 was ₹ 1,866.15 lakhs.	Not Applicable	Nil
Shanghvi Finance Private Limited (significant influence of / are controlled by Dilip Shanghvi, Promoter of the Company)	Interest paid, Commission on Corporate guarantee	On-going	The aggregate amount of transactions for the financial year 2025- 26 was ₹1,110.68 lakhs	The Board of Directors has approved the transactions with Shanghvi Finance Private Limited vide its resolution dated February 10, 2025	Nil

For and on behalf of the Board of Directors

Dilip Shanghvi
Chairman
(DIN: 00005588)

Place: Mumbai
Date: July 13, 2026

Annexure 5

Annual Report on Corporate Social Responsibility (CSR) Activities for the financial year ended March 31, 2026

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

Sl. No.	Name of Director	Category of Directorship	Nature of Directorship	No. of Meetings Entitled to attend	No. of Meetings Attended
1.	Mr. Dilip S. Shanghvi	Non-Executive Director	Chairman	1	1
2.	Ms. Bhavna Doshi*	Independent Director	Member up to August 12, 2025	1	1
3.	Ms. Rekha Warriar**	Independent Director	Member from August 04, 2025	0	0
4.	Ms. Vidhi Shanghvi	Non-Executive Director	Member	1	1

*Ms. Bhavna Doshi retired from the Board of Directors of the Company as a Director on August 12, 2025 and ceased to be a member of the Committee.

**Ms. Rekha Warriar, Independent Director has been appointed as a member of the Committee with effect from August 4, 2025.

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)	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Not Applicable
(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 company 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 Shanghvi
Chairman - CSR Committee and Chairman of the Board
(DIN: 00005588)

Vidhi Shanghvi
Member - CSR Committee and Director
(DIN: 0649735)

Place: Mumbai
Date: July 13, 2026

Annexure 6

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

I) CONSERVATION OF ENERGY

Power and Fuel Consumption

At SPARC, the pursuit of breakthrough therapies is supported by energy-intensive scientific research, making it equally important to advance innovation responsibly while minimising the environmental footprint of its operations. During FY 2026, the Company remained focused on energy conservation and optimisation across its operations, undertaking a range of measures to improve operational efficiency and reduce overall energy consumption. The energy efficiency initiatives undertaken focused on strengthening electrical infrastructure and enhancing the reliability of critical systems. These measures included testing of under-voltage and over-voltage relays in the Low Tension (LT) panel, reflecting the Company's proactive approach towards ensuring electrical safety and protecting equipment from voltage fluctuations. In addition, SPARC carried out servicing of earth pits, thermography testing of electrical panels, servicing and testing of Air Circuit Breakers (ACBs), servicing and testing of transformers, servicing of the main High Tension (HT) panel, servicing and testing of Vacuum Circuit Breaker (VCB) panels, as well as descaling of chiller condensers and evaporators. Collectively, these initiatives contributed to reduced energy consumption, improved operational efficiency, enhanced equipment reliability and strengthened safety protocols. Through these efforts, SPARC continued to emphasise sustainable operations and environmental responsibility while also achieving cost optimisation through lower energy-related expenses.

II) TECHNOLOGY ABSORPTION

Research and Development

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

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 SPARC-122 (previously known as SBO-154), an anti-MUC1 ADC being developed for multiple tumor types expressing MUC1. Based on IND approvals received from regulatory agencies in the US, Australia and India, SPARC initiated Phase 1a Dose escalation study in patients with solid tumors. The study is currently actively enrolling patients across 11 sites spanning these three geographies.

Additionally, SPARC's New Chemical Entity (NCE) SPARC-121 (previously known as SCD 153), being developed for treatment of Alopecia Areata has successfully completed Phase 1a study in healthy volunteers. SPARC has now initiated Phase 1b Multiple Ascending Dose (MAD) study of SPARC-121 in patients with Alopecia Areata in India, with an interim readout expected in the third quarter of FY 2026-27.

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, 2026	Year ended March 31, 2025
Capital	1,961.88	1,443.32
Revenue	29,367.11	39,904.31
Total	31,328.99	41,347.63
Total R&D expenditure as % of Total Turnover	16.67	576.14

III) FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in Lakh)

	Year ended March 31, 2026	Year ended March 31, 2025
Earnings	182.13	168.37
Outgo	15,631.88	23,495.34

For and on behalf of the Board of Directors

Dilip Shanghvi
Chairman
(DIN: 00005588)

Place: Mumbai
Date: July 13, 2026

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, 2026 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 members, 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 Companies. 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/

Scan the QR code to view the **Global Code of Conduct**

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 ("the Act") and the SEBI Listing Regulations, the Board of Directors of your Company comprises of Six Directors, half of whom are Independent Directors. Your Board comprises qualified members who collectively brings 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:

As on March 31, 2026, the Board of the Company comprised six members. This included three Non Executive Directors, of whom two are associated with the Promoter, including one Woman Director; and three Non-Executive Independent Directors, one of whom is a Woman Independent Director. 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. Rekha Warriar* (DIN:08152356)	Independent Director	--

Sr. No.	Name of Directors	Category	Inter-se Relationship between Directors
5	Mr. Venkateswarlu Jasti* (DIN:00278028)	Independent Director	--
6	Dr. Robert Spiegel (DIN: 08739625)	Independent Director	--

*Ms. Rekha Warriar and Mr. Venkateswarlu Jasti were appointed as Additional Independent Directors with effect from May 19, 2025 and their appointment as Independent Directors of the Company were subsequently approved by members at the 20th Annual General Meeting of the Company held on August 12, 2025.

Note- Ms. Bhavna Doshi and Dr. Ferzaan Engineer retired from the Board of Directors of the Company as Independent Directors with effect from August 12, 2025.

3.2 Other Directorships of Board Members:

Sr. No	Name of Directors	No. of other directorships and committee memberships / chairmanships as of March 31, 2026[1]			Directorship in other listed companies as of March 31, 2026	Category of Directorship
		Other Director ships	Committee Member ships[2]	Committee Chairman ships[2]		
1	Mr. Dilip Shanghvi	1	-	-	Sun Pharmaceutical Industries Limited	Executive Director
2	Ms. Vidhi Shanghvi	1	-	-	Sun Pharmaceutical Industries Limited	Executive Director
3	Dr. T. Rajamannar	-	-	-	-	-
4	Ms. Rekha Warriar*	3	4	3	IIFL Capital Services Limited	Independent Director
					CreditAccess Grameen Limited	Independent Director
					360 One Prime Limited	Independent Director
5	Mr. Venkateswarlu Jasti*	2	1	-	Suven Life Sciences Limited	Managing Director
					Bharat Biotech International Limited	Independent Director
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. Rekha Warriar and Mr. Venkateswarlu Jasti were appointed as Independent Directors with effect from May 19, 2025.

Note- Ms. Bhavna Doshi and Dr. Ferzaan Engineer retired from Board of Directors of the Company as Independent Directors with effect from August 12, 2025.

3.3 Meetings and Attendance

Five Board meetings were held during the financial year ended March 31, 2026 i.e. May 19, 2025, August 04, 2025, November 10, 2025, January 14, 2026 and February 09, 2026. The 20th Annual General Meeting ("AGM") was held on August 12, 2025.
The Details of the attendance of the Board Members are given below:

Sr. No	Name of Directors	Attendance					No. of Meetings entitled to attend	No. of Meetings attended	Whether attended 20th AGM?
		May 19, 2025	August 04, 2025	November 10, 2025	January 14, 2026	February 09, 2026			
1	Mr. Dilip Shanghvi	Yes	Yes	Yes	Yes	Yes	5	5	Yes
2	Ms. Vidhi Shanghvi	Yes	Yes	Yes	Yes	Yes	5	5	Yes
3	Dr. T. Rajamannar	Yes	Yes	Yes	Yes	Yes	5	5	Yes
4	Ms. Rekha Warriar*	-	Yes	Yes	Yes	Yes	4	4	Yes
5	Mr. Venkateswarlu Jasti*	-	Yes	Yes	Yes	No	4	3	Yes
6	Ms. Bhavna Doshi**	Yes	Yes	-	-	-	2	2	Yes

Sr. No	Name of Directors	Attendance					No. of Meetings entitled to attend	No. of Meetings attended	Whether attended 20th AGM?
		May 19, 2025	August 04, 2025	November 10, 2025	January 14, 2026	February 09, 2026			
7	Dr. Ferzaan Engineer**	Yes	Yes	-	-	-	2	2	Yes
8	Dr. Robert Spiegel	Yes	Yes	Yes	Yes	Yes	5	5	Yes

* Ms. Rekha Warriar and Mr. Venkateswarlu Jasti have been appointed as Independent Directors with effect from May 19, 2025.

**Ms. Bhavna Doshi and Dr. Ferzaan Engineer retired from Board of Directors of the Company as Independent Directors on August 12, 2025.

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

Details of equity shares held by Non-Executive Directors as on March 31, 2026

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. Rekha Warriar	Nil
Mr. Venkateswarlu Jasti	Nil
Dr. Robert Spiegel	Nil

3.5 Familiarization Programme for Independent Directors:

The Company has designed a Familiarization Programme for its Independent Directors to provide insight into the Company to enable the Independent Directors to understand its business in depth, functionaries 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, 2026 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/

Scan the QR code to view the **Familiarization Programme for the Independent 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 05, 2026, 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
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. Rekha Warriar	Mr. Venkateswarlu Jasti	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 fulfill 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, three of whom are Independent Directors, including the Chairperson viz. Ms. Rekha Warriar, Mr. Venkateswarlu Jasti, Dr. Robert Spiegel and one member is Non-executive Director viz. Ms. Vidhi Shanghvi.

There have been a few changes in the composition of the Committee during the year. Ms. Bhavna Doshi and Dr. Ferzaan Engineer retired from the Board of Directors of the Company as Independent Directors on August 12, 2025, and subsequently from the Chairmanship and membership of the Committee, respectively, with effect from August 12, 2025. Ms. Rekha Warriar was appointed as Chairperson and Mr. Venkateswarlu Jasti was appointed as member of the Committee with effect from August 4, 2025.

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 or preferential issue or qualified institutions placement, 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 exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on date;
- Reviewing and monitoring 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, members (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;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- 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.

5 (five) Audit Committee Meetings were held during the financial year ended March 31, 2026 on the following dates:

(i)May 19, 2025 (ii) August 04, 2025 (iii) November 10, 2025 (iv) January 14, 2026 and (v) February 09, 2026.

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	2	2
2	Ms. Rekha Warriar**	Independent Director	Chairperson	3	3
3	Ms. Vidhi Shanghvi	Non-Executive Director	Member	5	5
4	Dr. Robert Spiegel	Independent Director	Member	5	5
5	Dr. Ferzaan Engineer*	Independent Director	Member	2	2
6	Mr. Venkateswarlu Jasti **	Independent Director	Member	3	2

*Ms. Bhavna Doshi and Dr. Ferzaan Engineer retired from the Board of Directors of the Company as Independent Directors with effect from August 12, 2025 and ceased to be the Chairperson and member of the Committee respectively.

** Ms. Rekha Warriar and Mr. Venkateswarlu Jasti, Independent Directors, were appointed as Chairperson and member of the Committee, respectively, with effect from August 4, 2025.

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. Rekha Warrriar, Mr. Venkateswarlu Jasti, and Dr. Robert Spiegel.

There have been few changes in the composition of the Committee during the year. Ms. Bhavna Doshi and Dr. Ferzaan Engineer retired from the Board of Directors of the Company as Independent Directors on August 12, 2025 and subsequently from the membership and chairmanship of the Committee, respectively, with effect from August 12, 2025. Ms. Rekha Warriar and Mr. Venkateswarlu Jasti were appointed as the Committee Members with effect from August 4, 2025. Dr. Robert Spiegel was appointed as Chairman of the Committee with effect from August 04, 2025.

The Chief Executive Officer and 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'.

7 (seven) meetings of the Committee were held during the financial year ended March 31, 2026 on the following dates:

(i) April 28, 2025 (ii) May 19, 2025 (iii) August 04, 2025 (iv) November 10, 2025, (v) November 13, 2025 (vi) January 14, 2026 and (vii) February 09, 2026.

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. Robert Spiegel#	Independent Director	Chairman	7	7
2	Dr. Ferzaan Engineer#	Independent Director	Chairman	3	3
3	Mr. Venkateswarlu Jasti **	Independent Director	Member	4	3

Sr. No	Name of Director	Category of Directorship	Nature of Membership	No. of Meetings	
				Entitled to attend	Attended
4	Ms. Bhavna Doshi*	Independent Director	Member	3	3
5	Ms. Rekha Warriar**	Independent Director	Member	4	4

#Dr. Ferzaan Engineer retired from the Board of Directors of the Company as Independent Director with effect from August 12, 2025 and ceased to be a Chairman of the Committee and Dr. Robert Spiegel has been appointed as the Chairman of the Committee.

*Ms. Bhavna Doshi retired from the Board of Directors of the Company as an Independent Director with effect from August 12, 2025 and ceased to be a member of the Committee.

**Ms. Rekha Warriar and Mr. Venkateswarlu Jasti, Independent Directors, were appointed as the members of the Committee with effect from August 4, 2025.

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 members 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.

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, two of whom are Non Executive Directors viz. Dr. T. Rajamannar, Ms. Vidhi Shanghvi and one is an Independent Director viz. Mr. Venkateswarlu Jasti.

There has been one change in the composition of the Committee during the year. Dr. Ferzaan Engineer retired from the Board of Directors of the Company as an Independent Director on August 12, 2025 and subsequently from the membership of the Committee with effect from August 12, 2025 and Mr. Venkateswarlu Jasti was appointed as the Committee Member with effect from August 4, 2025.

The Chief Executive Officer and Chief Financial Officer are the invitees to the meetings. 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 including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.
- Approving transfer, transmission and issue of share certificates.
- 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 members.
- 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 members 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, 2026 on following dates:

(i) May 19, 2025 (ii) August 04, 2025 (iii) November 10, 2025 and (iv) February 09, 2026.

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

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

*Dr. Ferzaan Engineer retired from the Board of Directors of the Company as Independent Director on August 12, 2025 and ceased to be a member of the Committee with effect from August 12, 2025.

**Mr. Venkateswarlu Jasti, Independent Director was appointed as a member of the Committee with effect from August 4, 2025.

Members Complaints

Details of the number of members complaints received, complaints resolved to the satisfaction of members 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, two of whom are Non Executive Directors viz Mr. Dilip Shanghvi and Ms. Vidhi Shanghvi, and one member is an Independent Director viz Ms. Rekha Warriar.

There has been one change in the composition of the Committee during the year. Ms. Bhavna Doshi retired from the Board of Directors of the Company as an Independent Director on August 12, 2025 and subsequently from the membership of the Committee with effect from August 12, 2025 and Ms. Rekha Warriar was appointed as the Committee Member with effect from August 4, 2025.

The Chief Executive Officer and Chief Financial Officer are the invitees to the meetings. 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, 2026 on May 19, 2025.

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

Name of Director	Category of Directorship	Nature of Membership	No. of Meetings	
			Entitled to attend	Attended
Mr. Dilip Shanghvi	Non-Executive Director	Chairman	1	1
Ms. Vidhi Shanghvi	Non-Executive Director	Member	1	1
Ms. Bhavna Doshi*	Independent Director	Member	1	1
Ms. Rekha Warriar**	Independent Director	Member	0	0

* Ms. Bhavna Doshi retired from the Board of Directors of the Company as an Independent Director on August 12, 2025 and ceased to be a member of the Committee with effect from August 12, 2025

**Ms. Rekha Warriar, Independent Director was appointed as a member of the Committee with effect from August 4, 2025.

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, 2026, the Committee comprises four Directors, two of whom are Non Executive Directors viz. Mr. Dilip Shanghvi and Ms. Vidhi Shanghvi and two members are Independent Directors viz. Ms. Rekha Warriar and Dr. Robert Spiegel.

There has been one change in the composition of the Committee during the year. Ms. Bhavna Doshi retired from the Board of Directors of the Company as an Independent Director on August 12, 2025 and subsequently from the membership of the Committee with effect from August 12, 2025 and Ms. Rekha Warriar was appointed as the Committee Member with effect from August 4, 2025.

The Chief Executive Officer and Chief Financial Officer are the invitees to the meetings. 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, 2026 on following dates:

(i) May 19, 2025 (ii) August 04, 2025 (iii) November 10, 2025 and (iv) February 09, 2026

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

Name of Director	Category of Directorship	Nature of Membership	No. of Meetings	
			Entitled to attend	Attended
Mr. Dilip Shanghvi	Non-Executive Director	Chairman	4	4
Ms. Vidhi Shanghvi	Non-Executive Director	Member	4	4
Dr. Robert Spiegel	Independent Director	Member	4	4
Ms. Bhavna Doshi*	Independent Director	Member	2	2
Ms. Rekha Warriar**	Independent Director	Member	2	2

* Ms. Bhavna Doshi retired from the Board of Directors of the Company as an Independent Director on August 12, 2025 and ceased to be a member of the Committee with effect from August 12, 2025.

**Ms. Rekha Warriar, Independent Director has been appointed as a member of the Committee with effect from August 4, 2025.

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, 2026, the Committee comprises of four Directors, three of whom are Non Executive Directors viz. Mr. Dilip Shanghvi, Ms. Vidhi Shanghvi and Dr. T Rajamannar and one member is an Independent Director viz. Ms. Rekha Warriar.

There has been one change in the composition of the Committee during the year. Ms. Bhavna Doshi retired from the Board of Directors of the Company as an Independent Director on August 12, 2025 and subsequently from the membership of the Committee with effect from August 12, 2025 and Ms. Rekha Warriar was appointed as the Committee Member with effect from August 4, 2025.

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

The Company has not allotted any securities during financial year ended March 31, 2026 and hence no committee meeting was held during the financial year 2025-26.

4.7 Risk Management Committee

The Risk Management Committee (**"RMC"**) comprises of four members, three of whom are Non Executive Directors viz. Mr. Dilip Shanghvi and Ms. Vidhi Shanghvi and one member is an Independent Director, Ms. Rekha Warriar and Mr. Anil Kumar Raghavan, Chief Executive Officer of the Company.

There has been one change in the composition of the Committee during the year. Ms. Bhavna Doshi retired from the Board of Directors of the Company as an Independent Director on August 12, 2025 and subsequently ceased from the membership of the Committee with effect from August 12, 2025 and Ms. Rekha Warriar was appointed as the Committee Member with effect from August 4, 2025.

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.

The Chief Financial Officer is the invitee to the meetings. 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, 2026 on following dates:

(i) September 23, 2025 and (ii) March 26, 2026

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

Name of Director	Category of Directorship	Nature of Membership	No. of Meetings	
			Entitled to attend	Attended
Mr. Dilip Shanghvi	Non-Executive Director	Chairman	2	2
Ms. Vidhi Shanghvi	Non-Executive Director	Member	2	2
Ms. Bhavna Doshi*	Independent Director	Member	0	0
Ms. Rekha Warriar**	Independent Director	Member	2	2
Mr. Anil Kumar Raghavan	Chief Executive Officer	Member	2	2

* Ms. Bhavna Doshi retired from the Board of Directors of the Company as an Independent Director on August 12, 2025 and ceased to be a member of the Committee with effect from August 12, 2025

**Ms. Rekha Warriar, Independent Director has been appointed as a member of the Committee with effect from August 4, 2025.

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, 2026

Sr. No	Name of the Senior Management Personnel	Designation	Category#
1	Mr. Anil Kumar 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")

*Dr. Shravanti Bhowmik resigned from her position as Vice President of the Operations Management of the Company with effect from close of business hours on March 31, 2026

(ii) Changes in Core Management Team during FY 2025-26

Dr. Mudgal Kothekar has been transferred to SPARCLIFE Inc., Wholly Owned Subsidiary of the Company and he continues to be part of the Core Management Team of SPARC.

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 members interests in mind.

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 shall 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.

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 members. The members 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 2025-26

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 2025-26 are given below:

(₹ In Lakhs)

Name of Directors	Salary	Bonus	Perquisites/Benefits	Sitting Fees	Total
Mr. Dilip Shanghvi	-	-	-	3.60	3.60
Ms. Vidhi Shanghvi	-	-	-	6.30	6.30
Dr. T. Rajamannar	-	-	-	2.70	2.70
Ms. Rekha Warriar**	-	-	-	4.80	4.80
Mr. Venkateswarlu Jasti**	-	-	-	3.00	3.00
Dr. Robert Spiegel	-	-	-	6.60	6.60
Ms. Bhavna Doshi*	-	-	-	3.00	3.00
Dr. Ferzaan Engineer *	-	-	-	2.70	2.70

*Ms. Bhavna Doshi and Dr. Ferzaan Engineer retired from the Board of Directors of the Company as Independent Directors with effect from August 12, 2025.

**Ms. Rekha Warriar and Mr. Venkateswarlu Jasti were appointed as Independent Directors with effect from May 19, 2025.

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
2022-23	18th 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. Anil Kumar 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	19th 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)
2024-25	20th 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, 2025	04:00 PM	1. To approve the Re-appointment and remuneration of Mr. Anil Kumar 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. 2. To approve the appointment of Ms. Rekha Warriar (DIN: 08152356) as an Independent Director of the Company for a term of five years. 3. To approve the appointment of Mr. Venkateswarlu Jasti (DIN:00278028) as an Independent Director of the Company for a term of five years. 4. 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.

b) Extra-Ordinary General Meetings (EGM):

One Extra-Ordinary General Meeting of the Company was held during the year i.e. 2025-26, details of which are as follows:

Year	Meeting	Location	Date	Time	Special Resolution(s) passed at the General Meeting
2025-26	Extra – Ordinary General Meeting	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,	February 09, 2026	04:00 PM	1. Issue of convertible warrants on a preferential basis to member of the promoter group of the Company. 2. To approve SPARC Employees Stock Option Scheme 2026 ('ESOP Scheme 2026') and granting of stock options to the employees of the Company under ESOP Scheme 2026. 3. To extend the benefits of and to approve granting of stock options to the employees of subsidiary company (ies) and/ or holding company and/ or associate company (present or future) of the Company under SPARC Employees Stock Option Scheme 2026.

(ii) Postal Ballot

The Company did not pass any resolution by Postal Ballot during the financial year 2025-26. 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, 2026 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 Director has been 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/

Scan the QR code to view the **Policy for determining "Material Subsidiaries"**

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/

Scan the QR code to view the **Policy on Related Party Transactions**

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. 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/

Scan the QR code to view the **Code for Fair Disclosure of Unpublished Price Sensitive Information**

10. Means of Communication

a. **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.

b. **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.

c. **Website:** The Company's website i.e. https://sparc.life/ contains a dedicated investors section where relevant members 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.

d. **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/.

e. **Annual Report:** Annual Report containing Audited Annual Accounts alongwith 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).

f. **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/

Scan the QR code to view the **Presentations**

11. General Shareholder Information

11.1 Annual General Meeting:

Day, Date and Time	Monday, August 10, 2026, at 04:30 P.M. (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, 2026 – First or Second week of August 2026 - September 30, 2026 – First or Second week of November 2026 - December 31, 2026 – First or Second week of February 2027 - March 31, 2027 – Second or Third week of May 2027

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, 5th 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 Re. 1/- each	
(a) Scrip Code in BSE:	**532872**
(b) Scrip Symbol in NSE:	**SPARC**
(c) ISIN for Equity Shares held in Demat:	**INE232I01014**

11.2 Registrars & Transfer Agent

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

11.3 Share Transfer System

As mandated by SEBI, securities of the Company can be transferred / traded only in dematerialised form. Members who have the shares in physical form are advised to get their shares dematerialised.

11.4 Distribution of Shareholding as on March 31, 2026

Equity Shares held	No. of Folios	% to total	No. of Shares	% to total
Up to 500	127810	88.8316	11684294	3.6005
501 - 1000	7514	5.2224	5845907	1.8014
1001 - 2000	4720	3.2805	6840651	2.1079
2001 - 3000	1398	0.9716	3547347	1.0931
3001 - 4000	543	0.3774	1948346	0.6004
4001 - 5000	453	0.3148	2113437	0.6512
5001 - 10000	739	0.5136	5398321	1.6635
10001 and above	702	0.4879	287143285	88.4820
Total	**143879**	**100.00**	**324521588**	**100.00**

11.5 Shareholding Pattern of the Company as on March 31, 2026

Particulars	No. of Shares	Percentage
Promoter & Promoter Group	213115095	65.67
Mutual Funds	2766886	0.85
Alternate Investment Funds	51000	0.02
Financial Institutions/ Banks	650	0.00
Foreign Portfolio Investors	6614143	2.04
Foreign Institutional Investors	1200	0.00
NBFC	33444	0.01
State Government / Governor	668	0.00
Directors and their relatives (excluding Independent Directors and nominee Directors)	108433	0.03

Particulars	No. of Shares	Percentage
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	29094133	8.97
Individuals (holding nominal share capital up to ₹ 2 lakh)	47652181	14.69
Individual (holding nominal share capital in excess of ₹ 2 lakh)	6892445	2.12
Foreign Nationals	0	0.00
Non-Resident Indians	2381510	0.73
Other	4457411	1.37
Total	**324521588**	**100**

11.6 Dematerialization of Shares

Out of the total 32,45,21,588 equity shares, 32,40,03,602 equity shares of the Company representing about 99.84% shares of the Company were held in dematerialized mode as on March 31, 2026.

11.7 Equity Shares Lying in Unclaimed Shares 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 members and the outstanding shares in the suspense account lying at the beginning of the year	1548
2	Number of members who approached listed entity for transfer of shares from suspense account during the year	NIL
3	Number of members to whom shares were transferred from suspense account during the year	NIL
4	Aggregate number of members and the outstanding shares in the suspense account lying at the end of the year	1548

11.8 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.

11.9 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.

11.10 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: investor.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

11.11 Credit Ratings

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

12. 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.

Scan the QR code to view the **Whistle Blower Policy**

- 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. Anil Kumar 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/

Scan the QR code to view the **Policy on Materiality of and Dealing with Related Party Transactions**

- 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 2025-26 are as follows:

Number of complaints received during the financial year 2025-26	Number of complaints disposed off during the financial year 2025-26	Number of complaints pending as on March 31, 2026
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 36,04,994/- (Rupees Thirty Six Lakhs Four Thousand Nine Hundred and Ninety Four 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

Dilip Shanghvi
Chairman
(DIN: 00005588)

Place: Mumbai
Date: May 18, 2026

ANNEXURE– I TO CORPORATE GOVERNANCE

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT FOR THE YEAR ENDED MARCH 31, 2026

I, Anil Kumar 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 Code of Conduct laid down by the Board of Directors of the Company.

For **Sun Pharma Advanced Research Company Limited**

Place: Mumbai
Date: May 18, 2026

Anil Kumar 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 31st March, 2026 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	Mr. Dilip Shantilal Shanghvi	00005588	01.03.2006
2	Dr. Rajamannar Thennati	01415412	04.06.2007
3	Dr. Robert Jay Spiegel	08739625	01.06.2020
4	Ms. Vidhi Dilip Shanghvi	06497350	15.07.2024
5	Mr. Venkateswarlu Jasti	00278028	19.05.2025
6	Ms. Rekha Gopal Warriar	08152356	19.05.2025

During the period under review Dr. Ferzaan Nariman Engineer and Ms. Bhavna Gautam Doshi were retired from the Board as an Independent Director with effect from August 12, 2025.

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 No - A025565H000209419

Place: Mumbai
Date: April 27, 2026

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, 2026 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, 2026 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, 2025 to March 31, 2026:

      (a) Board of Directors;

      (b) Audit Committee;

      (c) Annual General Meeting (AGM) / Extra Ordinary General Meeting (EGM);

      (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.

vii. 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, 2026, 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: 26408869AJKFZX9949

Place of Signature: Mumbai
Date: May 18, 2026

sparc

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	2025-26
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 Rs)	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	3*	0	3
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?

2.81%

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)
	Employees					
1	Permanent (D)	279	193	69	86	31
2	Other than Permanent (E)	187	176	94	11	6
3	**Total employees (D + E)**	**466**	**369**	**79**	**97**	**21**
	Workers					
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)

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees	21%	28%	23%	15%	20%	17%	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, 2026

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.	Subsidiary	100	Yes
2	Genokine Biotech Limited *	Subsidiary	100	Yes

* Genokine Biotech Limited was incorporated as a wholly owned subsidiary on July 4, 2025

VI. Corporate Social Responsibility (CSR) Details

24.	**(i) Whether CSR is applicable as per section 135 of Companies Act, 2013**	NA
	(ii) Turnover (in Rs Lakhs)	1,87,917
	(iii) Net worth (in Rs Lakhs)	1,33,359

*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, 2026. Turnover and Net worth are as per standalone financial statements for the year ended March 31, 2026 as per Ind AS.

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 2025-26			FY 2024-25		
		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	-	1	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:** Risks 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 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 retention rate and affect the Company's business continuity. **Opportunity:** A highly skilled and agile workforce fosters innovation in an evolving pharmaceutical R&D environment.	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								
Governance, Leadership, and Oversight										
7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements	"Sun Pharma Advanced Research Company (SPARC) is a clinical-stage biopharmaceutical organization dedicated to advancing global standards of patient care through continuous innovation in therapeutics and drug delivery systems. Our commitment to patients, along with the trust placed in us by our investors, drives our mission to support sustainable human progress. We position ourselves as a responsible innovator, inspired by life's extraordinary capacity to adapt, learn, and endure.								

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
		SPARC remains focused on building a sustainable enterprise by integrating environmental, social and governance (ESG) principles into its growth strategy. The key ESG challenges we address, along with our targets and achievements, are outlined throughout this report" **Vidhi Shanghvi** *Non-Executive Director*								
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	**Anil Kumar Raghavan** *Chief Executive Officer*								
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes. The Company has designated leadership oversight for sustainability-related matters. Vidhi Shanghvi, Non-Executive Director, is responsible at the Board level. Additionally, Anil Kumar Raghavan, Chief Executive Officer, provides executive oversight of the Company's Business Responsibility and Sustainability initiatives.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Annual								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Annual								

		P1	P2	P3	P4	P5	P6	P7	P8	P9
11.	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency	No. The Company internally reviews the working of the above-mentioned policies.								

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

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 2025-26:

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 2025-26:

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 2025-26	FY 2024-25
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

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

	FY 2025-26		FY 2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the directors	-		-	
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-		-	

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial 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 2025-26	FY 2024-25
Number of days of accounts payables	833	448

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 2025-26	FY 2024-25
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 2025-26	FY 2024-25
Share of RPTs In	a. Purchases (Purchases with related parties / Total Purchases)	4%	5%
	b. Sales (Sales to related parties / Total Sales)	2%	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%

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 2025-26	FY 2024-25	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

2. 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	Total (A)	% Of employees covered by									
		Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent											
Male	193	193	100	193	100	NA	NA	193	100	193	100
Female	86	86	100	86	100	86	100	NA	NA	86	100
Total	**279**	**279**	**100**	**279**	**100**	**86**	**100**	**193**	**100**	**279**	**100**
Other Than Permanent											
Male	176	176	100	176	100	NA	NA	12	7	NA	NA
Female	11	11	100	11	100	11	100	NA	NA	NA	NA
Total	**187**	**187**	**100**	**187**	**100**	**11**	**100**	**NA**	**NA**	**NA**	**NA**

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

Category	Total (A)	% Of workers covered by									
		Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent											
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 2025-26	FY 2024-25
Cost incurred on wellbeing measures as a % of total revenue of the company	0.2%	11%

2. **Details of retirement benefits**

Benefits	FY 2025-26			FY 2024-25		
	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 / NA)	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 / NA)
PF	100	-	Y	100	-	Y
Gratuity	100	-	Y	100	-	Y
ESI	0.37	-	Y	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	No
Permanent workers	Not Applicable
Other than Permanent workers	

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

Category	FY 2025-26			FY 2024-25		
	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	279	0	0	316	-	0
Male	193	0	0	215	-	0
Female	86	0	0	101	-	0
Total Permanent Workers	-	-	-	-	-	-
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Category	FY 2025-26					FY 2024-25				
	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	193	193	100	193	100	215	215	100	215	100
Female	86	86	100	86	100	101	101	100	101	100
Total	**279**	**279**	**100**	**279**	**100**	**316**	**316**	**100**	**316**	**100**
Workers										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-

9. Details of performance and career development reviews of employees and worker:

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	%(B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	193	193	100	215	215	100
Female	86	86	100	101	101	100
Total	**279**	**279**	**100**	**316**	**316**	**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 entity identifies work-related hazards through regular safety inspections, audits, and observations reporting for routine activities. For non-routine and high-risk tasks, a Permit to Work (PTW) system with task-specific risk assessments is followed. Risks are evaluated using a risk matrix (likelihood vs. severity) and controlled using the Hierarchy of Controls (elimination, engineering controls, administrative controls, PPE). Incidents and near misses are investigated, and corrective actions are implemented for continuous improvement.
c) Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes / No)	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 2025-26	FY 2024-25
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
		0	0

* including in the contract workforce

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

The Company ensures a safe and healthy workplace through a robust Environment, Health, and Safety (EHS) framework.

EHS Framework: Comprehensive policies aligned with GLP, GMP, and statutory requirements, supported by regular audits.

Training: Mandatory EHS induction, regular safety training, and emergency drills.

PPE Usage: Provision and strict compliance monitoring of appropriate personal protective equipment.

Occupational Health: Regular medical check-ups, on-site first-aid, and health surveillance.

Waste & Hygiene: Safe handling and disposal of hazardous waste; maintenance of hygienic work conditions.

Emergency Preparedness: Fire safety systems, spill response protocols, and evacuation drills.

Incident Management: Reporting, root cause analysis, and CAPA implementation.

Employee Engagement: Active safety committees and initiatives promoting a strong safety culture.

These measures help ensure employee well-being, regulatory compliance, and continuous improvement.

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

	FY 2025-26			FY 2024-25		
	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.

The Company follows a structured approach to address safety incidents and risks arising from health and safety assessments.

All incidents and near-misses, if any, are investigated through root cause analysis, with corrective and preventive actions (CAPA) implemented and tracked.

Risks identified through assessments are mitigated through engineering controls, process improvements, and enhanced monitoring.

Regular audits ensure effectiveness and closure of safety actions.

No significant safety incidents requiring major corrective actions were reported during the reporting period, where applicable.

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 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
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
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

Human Rights

Principle 5:
Businesses should respect and promote human rights

Essential Indicators

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	279	279	100	316	316	100
Other than permanent	187	187	100	196	196	100
Total Employees	**466**	**466**	**100**	**512**	**512**	**100**
Workers						
Permanent	-	-	-	-	-	-
Other than permanent	-	-	-	-	-	-
Total Workers	-	-	-	-	-	-

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

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wages		More than Minimum wages		Total (D)	Equal to Minimum Wages		More than Minimum wages	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	279	0	0	279	100	316	0	0	316	100
Male	193	0	0	193	100	215	0	0	215	100
Female	86	0	0	86	100	101	0	0	101	100
Other than permanent	187	174	93	13	7	196	177	90	19	10
Male	176	164	93	12	7	188	172	91	16	9
Female	11	10	91	1	9	8	5	63	3	37
Workers										
Permanent	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wages		More than Minimum wages		Total (D)	Equal to Minimum Wages		More than Minimum wages	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Female	-	-	-	-	-	-	-	-	-	-
Other than permanent	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-

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)[1]	4	Not applicable	2	Not applicable
ii. Key Managerial Personnel (KMP)	2	3,28,26,594	1	47,44,847
iii. Employees other than BoD and KMP[2]	187	22,11,403	83	13,21,654
iv. Workers	-	-	-	-

1. *Directors are only paid sitting fees of Rs. 30,000 per meeting attended*
2. *Data only for India based employees*

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	24%	22%

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's '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 2025–26			FY 2024-25		
	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 2025-26	FY 2024-25
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 2025-26	FY 2024-25
From renewable sources (in GJ)		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumption from renewable sources (A+B+C)	**0**	**0**
From non-renewable sources (in GJ)		
Total electricity consumption (D)	18,214	19,061
Total fuel consumption (E)	239	1,114
Energy consumption through other sources (F)	319	425
Total energy consumption from non-renewable sources (D+E+F)	**18,772**	**20,600**
Total energy consumed (A+B+C+D+E+F)	**18,772**	**20,600**
Energy intensity per rupee of turnover (Total energy consumption/ Revenue from operations)	0.000000999	0.000028704
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.00002032	0.000593033
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 2025-26	FY 2024-25
Water Withdrawn by the source (in KL)		
i) Surface Water	0	0
ii) Ground Water	0	0
iii) 3rd Party Water	28,891	30,011
iv) Seawater/desalinated water	0	0
v) Others	0	0
Total Vol of Water Withdrawn (i + ii + iii + iv + V)	**28,891**	**30,011**

Parameter	FY 2025-26	FY 2024-25
Total Vol of Water Consumed (KL)	**28,891**	**30,011**
Water intensity per rupee of turnover. (Water consumed in KL/Revenue from operations)	0.000001537	0.000041818
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.000031271	0.000863956
Water intensity in terms of physical output	NA	NA

4. Provide the following details related to water discharged:

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in KL)		
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)	920	920
Total water discharged (in KL)	**920**	**920**

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 effluent treatment plant has three treatment stages. The treated water is fully reused for gardening, ensuring no wastewater discharge outside the premises.

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

Parameter	Please specify unit	FY 2025-26	FY 2024-25
NOx	Kgs	13	14
Sox	Kgs	16	17
Particulate Matter (PM)	Kgs	10	10
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 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO_2 equivalent	27	29
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO_2 equivalent	3108	3263
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO_2 equivalent/ Rs.	0.000000167	0.000004587
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)	Metric tonnes of CO_2 equivalent/ Rs.	0.000003393	0.000094769
Total Scope 1 and Scope 2 emission 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

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 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0	0
E-waste (B)	0	0
Bio-medical waste (C)	9	5
Construction and Demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste (G)	18	19
Other Non-hazardous waste generated (H) Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	16	26
Total (A+B+C+D+E+F+G+H)	**43**	**50**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.000000002	0.000000069
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) **(Total waste generated / Revenue from operations adjusted for PPP)**	0.000000047	0.000001432
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	34	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	**34**	**0**

Parameter	FY 2025-26	FY 2024-25
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
(i) Incineration	9	14
(ii) Landfilling	0	0
(iii) Other disposal operations	0	36
Total	**9**	**50**

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

1. 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

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Not applicable

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:

Not applicable

3. Describe the mechanisms to receive and redress grievances of the community.

Not applicable

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/ small producers	23%	25%
Directly from within India	73%	79%

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

	FY 2025-26	FY 2024-25
Rural	0%	0%
Semi-urban	0%	0%
Urban	47%	43%
Metropolitan	53%	57%

* 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

1. **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.

2. **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 2025-26			FY 2024-25		
	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.**

   Yes

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

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, 2026, 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, 2026, its profit 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 standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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, 2026. 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 27 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
Recognition of Priority Review Voucher (‘PRV”) income (as described in note 27 of the standalone financial statements)	
During the year, the Company was granted a Priority Review Voucher (“PRV”) by the U.S. Food and Drug Administration (USFDA) in connection with the approval of one of its drugs. The PRV is transferable and can be sold or utilised to obtain priority regulatory review of a future application of a new drug. The accounting treatment of the PRV involved significant management judgement in determining whether the PRV qualifies as a government grant under Ind AS 20, the timing of recognition of income arising from the grant, and the measurement of the PRV at fair value on initial recognition. In view of the material impact of the PRV on the Company’s financial performance and the significant accounting judgements involved, this matter was considered a Key Audit Matter.	Our audit procedures in respect of the recognition and measurement of the PRV included, among others: • Obtained an understanding of the regulatory framework governing the grant of PRV and review of relevant documents to assess whether reasonable assurance existed that the PRV had been granted as at the balance sheet date. • Tested the controls around recognition and measurement of the PRV income under Ind AS 20. • Evaluated management’s assessment whether the PRV meets the definition of a government grant under Ind AS 20 and judgement regarding the timing of recognition of the PRV income, including assessment of whether any conditions attached to the grant remained to be fulfilled. • Assessed the appropriateness of the fair value assigned to the PRV on initial recognition. Tested the accounting entries recorded on initial recognition of the PRV and evaluated whether the related disclosures in the financial statements were adequate and in accordance with the requirements of the Ind AS 20.
Evaluation of direct tax and indirect tax litigations (as described in note 43 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 and Those Charged with Governance for the Standalone Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the 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 charged with governance and 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, 2026 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, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 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 43 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 49 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 49 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 were 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 50 to the standalone 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 of prior years has been preserved by the Company as per the statutory requirements for record retention, as stated in note 50 to the standalone financial statements.

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

per **Amit Singh**
Partner
Membership Number: 408869
UDIN: 26408869WVMWJF4493
Place of Signature: Mumbai
Date: May 18, 2026

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) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(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	19	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 21 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(ii)(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	5.66
Balance outstanding as at balance sheet date	4.56

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 (₹ in lakhs)	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Income Tax and Interest	428.46	AY 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) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(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 not incurred any cash losses in the current year. However, the Company incurred cash losses amounting to ₹ 33,354 Lakhs in the immediately preceding financial year.

(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 48 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, 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, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) 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: 26408869WVMWJF4493
Place of Signature: Mumbai
Date: May 18, 2026

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 standalone financial statements of Sun Pharma Advanced Research Company Limited ("the Company") as of March 31, 2026 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, 2026, 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: 26408869WVMWJF4493
Place of Signature: Mumbai
Date: May 18, 2026

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Standalone Balance Sheet

as at March 31, 2026

₹ In Lakhs

	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
(A) Non-current assets			
(a) Property, plant and equipment	3a	8,518.31	9,526.90
(b) Capital work-in-progress	3b	49.72	56.07
(c) Intangible assets	3c	13.46	6.04
(d) Intangible assets under development	3d	7,121.47	5,359.22
(e) Financial assets			
(i) Investment in subsidiaries	4	42.69	41.69
(ii) Other financial assets	5	2,874.05	2,611.08
(f) Deferred tax assets (net)	6	-	-
(g) Income tax assets (net)	7	2,931.80	5,616.45
(h) Other non-current assets	8	9,109.35	7,184.45
Total non-current assets (A)		**30,660.85**	**30,401.90**
(B) Current assets			
(a) Financial assets			
(i) Trade receivables	9	827.05	1,605.65
(ii) Cash and cash equivalents	10	31.96	118.97
(iii) Loans	11	17.06	16.31
(iv) Other financial assets	12	140.84	235.87
(b) Income tax assets (net)	7	545.96	-
(c) Other current assets	13	1,84,575.46	548.90
Total current assets (B)		**1,86,138.33**	**2,525.70**
TOTAL ASSETS (A + B)		**2,16,799.18**	**32,927.60**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	3,245.30	3,245.30
(b) Other equity	15	1,30,113.23	(25,307.33)
Total equity		**1,33,358.53**	**(22,062.03)**
Liabilities			
(A) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	-	10,000.00
(ii) Lease liabilities	17	166.01	499.67
(iii) Other financial liabilities	18	98.27	90.39
(b) Provisions	19	1,233.52	767.58
(c) Other non-current liabilities	20	6,259.81	6,259.81
Total non-current liabilities (A)		**7,757.61**	**17,617.45**
(B) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	55,614.00	15,818.53
(ii) Lease liabilities	22	151.48	221.52
(iii) Trade payables	23		
Total outstanding dues of micro enterprises and small enterprises		129.84	93.65
Total outstanding dues of creditors other than micro enterprises and small enterprises		10,501.37	12,345.90
(iv) Other financial liabilities	24	7,401.95	3,063.57
(b) Other current liabilities	25	821.41	5,254.56
(c) Provisions	26	1,062.99	574.45
Total current liabilities (B)		**75,683.04**	**37,372.18**
Total liabilities (A + B)		**83,440.65**	**54,989.63**
TOTAL EQUITY AND LIABILITIES		**2,16,799.18**	**32,927.60**

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

per AMIT SINGH
Partner
Membership No. 408869

Place : Mumbai
Date : May 18, 2026

For and on behalf of the Board of Directors of
SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED

ANIL KUMAR RAGHAVAN
Chief Executive Officer
Place : Mumbai

DILIP S. SHANGHVI
Chairman
DIN: 00005588
Place : Mumbai

ANUP M. RATHI
Chief Financial Officer
Place : Mumbai

RAJAMANNAR THENNATI
Director
DIN: 01415412
Place : Vadodara

KAJAL K. DAMANIA
Company Secretary
Place : Mumbai

Date : May 18, 2026

Standalone Statement of Profit and Loss

for the year ended March 31, 2026

₹ In Lakhs

		Notes	Year ended March 31, 2026	Year ended March 31, 2025
(I)	**Revenue from operations**			
	Revenue from contracts with customers	27 & 45	3,914.83	7,176.60
	Other operating revenue	27	1,84,002.00	-
	Total revenue from operations (I)		**1,87,916.83**	**7,176.60**
(II)	Other income	28	1,083.12	179.11
(III)	**Total income (I + II)**		**1,88,999.95**	**7,355.71**
(IV)	**Expenses**			
	Cost of materials consumed	29	2,360.14	2,311.84
	Employee benefits expense	30	10,185.28	10,895.98
	Clinical trial expenses / products development expense		2,266.35	8,133.36
	Professional charges		8,752.09	14,125.79
	Finance costs	31	3,412.41	890.57
	Depreciation and amortisation expense	3a & 3c	1,007.17	1,083.04
	Other expenses	32	4,566.76	4,437.34
	Total expenses (IV)		**32,550.20**	**41,877.92**
(V)	**Profit / (loss) before exceptional item and tax (III - IV)**		**1,56,449.75**	**(34,522.21)**
(VI)	Exceptional Item	33	1,236.49	-
(VII)	**Profit / (Loss) before tax (V - VI)**		**1,55,213.26**	**(34,522.21)**
(VIII)	Tax expense		-	-
(IX)	**Profit / (Loss) for the year (VII - VIII)**		**1,55,213.26**	**(34,522.21)**
(X)	**Other comprehensive income (OCI)**			
	Items that will not be reclassified to profit or loss			
	i. Gain / (Loss) on remeasurement of the defined benefit plans		207.30	(25.55)
	Total other comprehensive income / (loss) (X)		**207.30**	**(25.55)**
(XI)	**Total comprehensive profit / (loss) for the year (IX + X)**		**1,55,420.56**	**(34,547.76)**
(XII)	**Profit / (loss) per equity share**	38		
	(Face value ₹ 1/- per equity share) (Previous year ₹ 1/-)			
	Basic and Diluted (in ₹)		47.83	(10.64)

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

per AMIT SINGH
Partner
Membership No. 408869

Place : Mumbai
Date : May 18, 2026

For and on behalf of the Board of Directors of
SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED

ANIL KUMAR RAGHAVAN
Chief Executive Officer
Place : Mumbai

DILIP S. SHANGHVI
Chairman
DIN: 00005588
Place : Mumbai

ANUP M. RATHI
Chief Financial Officer
Place : Mumbai

RAJAMANNAR THENNATI
Director
DIN: 01415412
Place : Vadodara

KAJAL K. DAMANIA
Company Secretary
Place : Mumbai

Date : May 18, 2026

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Standalone Statement of Changes in Equity

for the year ended March 31, 2026

A Equity share capital

₹ In Lakhs

	Year ended March 31, 2026		Year ended March 31, 2025	
	Number of shares	Amount ₹ In Lakhs	Number of shares	Amount ₹ In Lakhs
At the beginning of the year	32,45,21,588	3,245.30	32,45,21,588	3,245.30
At the end of the year	**32,45,21,588**	**3,245.30**	**32,45,21,588**	**3,245.30**

B Other equity

₹ In Lakhs

Particulars	Other equity			
	Reserves and surplus			
	General reserves	Securities premium	Retained earnings	Total
Balance as at April 1, 2024	**3,397.66**	**2,03,815.89**	**(1,97,973.12)**	**9,240.43**
Profit / (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)**
Profit / (loss) for the year	-	-	1,55,213.26	1,55,213.26
Other comprehensive income for the year	-	-	207.30	207.30
Balance as at March 31, 2026	**3,397.66**	**2,03,815.89**	**(77,100.32)**	**1,30,113.23**

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

Material accounting policies (Refer Note 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

per AMIT SINGH
Partner
Membership No. 408869

Place : Mumbai
Date : May 18, 2026

For and on behalf of the Board of Directors of
SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED

ANIL KUMAR RAGHAVAN
Chief Executive Officer
Place : Mumbai

DILIP S. SHANGHVI
Chairman
DIN: 00005588
Place : Mumbai

ANUP M. RATHI
Chief Financial Officer
Place : Mumbai

RAJAMANNAR THENNATI
Director
DIN: 01415412
Place : Vadodara

KAJAL K. DAMANIA
Company Secretary
Place : Mumbai

Date : May 18, 2026

Standalone Statement of Cash Flows

for the year ended March 31, 2026

₹ In Lakhs

	Year ended March 31, 2026	Year ended March 31, 2025
A. Cash flow from operating activities		
Profit / (loss) before tax	1,55,213.26	(34,522.21)
Adjustments to reconcile profit / (loss) before tax to net cash flows:		
Depreciation and amortisation expenses	1,007.17	1,083.04
(Gain) / loss on disposal of property, plant and equipment (net)	24.22	(3.25)
(Gain) / loss on derecognition of Right to use Assets and lease liabilities	(36.27)	-
Finance costs	3,412.41	890.57
Interest income	(1,028.54)	(67.72)
Net gain on sale of financial assets measured at fair value through profit or loss	-	(105.51)
Net unrealised foreign exchange (gain) / loss	734.76	85.41
Operating profit / (loss) before working capital changes	**1,59,327.01**	**(32,639.67)**
Working capital adjustments :		
(Increase) / decrease in trade receivables	825.81	(42.79)
(Increase) / decrease in other assets	(1,85,853.75)	(1,951.36)
Increase / (decrease) in trade payables	(2,046.78)	(2,655.48)
Increase / (decrease) in other liabilities	(466.95)	(387.38)
Increase / (decrease) in provisions	1,161.78	356.66
Cash generated / (used in) operations	**(27,052.88)**	**(37,320.02)**
Direct tax (paid) / refund received (including interest on refunds) (net)	3,163.93	1,079.12
Net cash flow generated from / (used in) operating activities (A)	**(23,888.95)**	**(36,240.90)**
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)	(2,383.07)	(1,033.96)
Proceeds from disposal of property, plant and equipment (net)	29.94	59.48
Redemption of investments (net)	-	285.64
Investment in subsidiary	(1.00)	-
Fixed deposits with bank matured	-	15,000.00
Interest received	3.30	1,454.84
Net cash flow generated from / (used in) investing activities (B)	**(2,350.83)**	**15,766.00**

Standalone Statement of Cash Flows

for the year ended March 31, 2026

₹ In Lakhs

	Year ended March 31, 2026	Year ended March 31, 2025
C. Cash flow from financing activities		
Proceeds from borrowings	2,11,580.54	58,021.04
Repayment of borrowings	(1,81,785.07)	(36,902.51)
Repayment of principal portion of lease liabilities	(221.52)	(202.12)
Finance costs (including interest on lease liabilities)	(3,421.18)	(828.85)
Net cash flow generated from / (used in) financing activities (C)	**26,152.77**	**20,087.56**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**(87.01)**	**(387.34)**
Cash and cash equivalents at the beginning of the year (Refer Note 10)	118.97	506.31
Cash and cash equivalents at the end of the year (Refer Note 10)	**31.96**	**118.97**
Cash and cash equivalents comprises of		
Balances with banks		
In current accounts	31.54	118.69
Cash on hand	0.42	0.28
Cash and cash equivalents (Refer Note 10)	**31.96**	**118.97**

Material accounting policies (Refer Note 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

per AMIT SINGH
Partner
Membership No. 408869

Place : Mumbai
Date : May 18, 2026

For and on behalf of the Board of Directors of
SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED

ANIL KUMAR RAGHAVAN
Chief Executive Officer
Place : Mumbai

DILIP S. SHANGHVI
Chairman
DIN: 00005588
Place : Mumbai

ANUP M. RATHI
Chief Financial Officer
Place : Mumbai

RAJAMANNAR THENNATI
Director
DIN: 01415412
Place : Vadodara

KAJAL K. DAMANIA
Company Secretary
Place : Mumbai

Date : May 18, 2026

Notes to Standalone Financial Statements

for the year ended March 31, 2026

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 18, 2026.

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.

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 upto 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, 2025.

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 translated using the exchange rate at the dates of the initial transactions.

c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM of the Company is responsible for allocating resources and assessing performance of the operating segment.

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.

d) Property, plant and equipment

Items of property, plant and equipment 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.

e) 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.

f) 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:

- 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.

g) Investments in subsidiaries

The Company has elected to recognise its investments in equity instruments in subsidiaries 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.h.

h) Impairment of non-financial assets

The carrying amounts of the Company’s non-financial assets are reviewed at each reporting date to determine

Notes to Standalone Financial Statements

for the year ended March 31, 2026

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.

i) 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, except trade receivables 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 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.

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.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

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 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.

j) 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. 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.

k) 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 overflow 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 Company, 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 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.

l) 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 defers the non-refundable up-front license

Notes to Standalone Financial Statements

for the year ended March 31, 2026

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 on achievement of such milestones.

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.

m) Government grant Ind AS 20

Government grants are defined as assistance by the government in the form of transfer of resources to the Company in the return for the past or future compliance with certain conditions relating to operating activity of the Company.

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the Company receives grants of non-monetary assets, the assets and the grant are recorded at fair value.

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 on the earlier of; the date of the plan amendment or curtailment, or the date that the Company recognises related restructuring costs. 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 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 tax rates and tax 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

Several amendments and interpretations apply for the first time for annual periods beginning on or after April 1, 2025 but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

NOTE 3a

PROPERTY, PLANT AND EQUIPMENT

₹ In Lakhs

	Lease hold land	Right of use assets#	Buildings*	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
At cost or deemed cost								
As at April 1, 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**
Additions	-	-	-	146.13	2.17	45.91	0.37	194.58
Disposals	-	(543.15)	-	(418.99)	(9.57)	(101.10)	(4.88)	(1,077.69)
As at March 31, 2026	**803.50**	**696.86**	**3,103.95**	**9,080.56**	**384.15**	**138.95**	**60.70**	**14,268.67**
Accumulated depreciation								
As at April 1, 2024	**58.94**	**382.21**	**226.01**	**3,866.59**	**159.61**	**90.85**	**37.53**	**4,821.74**
Depreciation charge	10.19	216.57	52.60	686.99	38.30	57.50	8.37	1,070.52
Disposals	-	-	-	(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**
Depreciation charge	10.19	216.57	52.70	626.97	37.99	50.22	8.45	1,003.09
Disposals	-	(397.23)	-	(391.20)	(9.48)	(74.82)	(4.88)	(877.61)
As at March 31, 2026	**79.32**	**418.12**	**331.31**	**4,603.72**	**226.42**	**42.00**	**49.47**	**5,750.36**
Net carrying amounts								
As at March 31, 2025	**734.37**	**641.23**	**2,825.34**	**4,985.47**	**193.64**	**127.54**	**19.31**	**9,526.90**
As at March 31, 2026	**724.18**	**278.74**	**2,772.64**	**4,476.84**	**157.73**	**96.95**	**11.23**	**8,518.31**

* Pending registration of one location (Gross carrying amount : ₹285.99 Lakhs; Net carrying amount ₹180.99 Lakhs)

Refer Note 40.

The Company follows a Cost Model for subsequent measurement of Property, plant and equipment and hence no revaluation is done.

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.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

NOTE 3b

CAPITAL WORK-IN-PROGRESS

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Capital work-in-progress (CWIP)	49.72	56.07
	49.72	**56.07**

Movement of capital work-in-progress

₹ In Lakhs

Particulars	Opening balance	Addition during the year	Capitalised during the year	Closing balance
As at March 31, 2026	**56.07**	**48.05**	**54.40**	**49.72**
As at March 31, 2025	126.86	113.53	184.32	56.07

Capital work-in-progress ageing schedule

₹ In Lakhs

CWIP	As at March 31, 2026				
	CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	6.11	-	-	-	6.11
Projects overdue	-	23.50	20.11	-	43.61
Projects temporarily suspended	-	-	-	-	-
Total	**6.11**	**23.50**	**20.11**	**-**	**49.72**

₹ In Lakhs

CWIP	As at March 31, 2025				
	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	-	-	-	-	-
Total	**27.14**	**28.93**	**-**	**-**	**56.07**

There are no projects which have exceeded its cost compared to its original plan as at balance sheet date.

NOTE 3c

INTANGIBLE ASSETS

₹ In Lakhs

	Computer software
At cost or deemed cost	
As at April 1, 2024	**118.63**
Additions	-
Disposals	-
As at March 31, 2025	**118.63**
Additions	11.50
Disposals	-
As at March 31, 2026	**130.13**

Notes to Standalone Financial Statements

for the year ended March 31, 2026

₹ In Lakhs

	Computer software
Accumulated amortisation	
As at April 1, 2024	**100.07**
Amortisation charge	12.52
Disposals	-
As at March 31, 2025	**112.59**
Amortisation charge	4.08
Disposals	-
As at March 31, 2026	**116.67**
Net carrying amounts	
As at March 31, 2025	**6.04**
As at March 31, 2026	**13.46**

NOTE 3d

INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
In-Process Research and Development assets	7,121.47	5,359.22
	7,121.47	**5,359.22**

Movement of Intangible assets under development

₹ In Lakhs

Particulars	Opening balance	Addition during the year	Capitalised during the year	Closing balance
As at March 31, 2026	**5,359.22**	**1,762.25**	**-**	**7,121.47**
As at March 31, 2025	4,252.63	1,106.59	-	5,359.22

Intangible assets under development ageing schedule

₹ In Lakhs

Intangible assets under development	As at March 31, 2026				
	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	1,762.25	1,106.59	1,739.98	2,512.65	7,121.47
Projects temporarily suspended	-	-	-	-	-

₹ In Lakhs

Intangible assets under development	As at March 31, 2025				
	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	-	-	-	-	-

There is no intangible asset under development where completion is overdue or has exceeded its cost compared to its original plan as at balance sheet date.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

NOTE 4

INVESTMENT IN SUBSIDIARIES

	As at March 31, 2026		As at March 31, 2025	
	Quantity (In No.)	Amount ₹ In Lakhs	Quantity (In No.)	Amount ₹ In Lakhs
Equity Instrument - Unquoted (at cost)				
Wholly owned subsidiaries				
SPARCLIFE Inc. - Delaware U.S.A. (Face value of USD 0.001 per share)	50	41.69	50	41.69
Genokine Biotech Limited (Face value of ₹10 per share incorporated on July 4, 2025)	10,000	1.00	-	-
		42.69		**41.69**

NOTE 5

OTHER FINANCIAL ASSETS (NON-CURRENT)

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Security deposits - unsecured, considered good	43.55	46.98
Other receivables	2,830.50	2,564.10
	2,874.05	**2,611.08**

NOTE 6

DEFERRED TAX ASSETS (NET)

₹ In Lakhs

	As at April 1, 2025	Recognised in profit or loss	As at March 31, 2026
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	(1,931.23)	346.65	(1,584.58)
Impairment allowance (allowance for bad and doubtful debts)	59.68	(8.10)	51.58
Expenses claimed for tax purpose on payment basis	390.80	187.18	577.98
Deferred revenue	2,364.40	(320.88)	2,043.52
Deferred tax asset restricted to the value of deferred tax liability	(883.65)	(204.85)	(1,088.50)
	-	-	-

₹ In Lakhs

	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	-
Impairment allowance (allowance for bad and doubtful debts)	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
Deferred tax asset restricted to the value of deferred tax liability	(656.00)	(227.65)	(883.65)
	-	-	-

Notes to Standalone Financial Statements

for the year ended March 31, 2026

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 Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
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	22,132.70	1,92,753.44
Unabsorbed depreciation	23,126.42	23,123.94

NOTE 7

INCOME TAX ASSETS (NET)

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Advance income tax* (Net of provisions)		
Non-current	2,931.80	5,616.45
Current	545.96	-
	3,477.76	**5,616.45**

* Includes amount paid under protest.

NOTE 8

OTHER ASSETS (NON-CURRENT)

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	21.55	28.99
Balances with government authorities*	9,087.80	7,155.46
	9,109.35	**7,184.45**

*Includes balances of Goods and Services Tax and amount paid under protest

NOTE 9

TRADE RECEIVABLES

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good (Refer Note 45)	827.05	1,605.65
Credit impaired	204.95	204.95
	1,032.00	**1,810.60**
Less : Impairment allowance (allowance for bad and doubtful debts)	(204.95)	(204.95)
	827.05	**1,605.65**

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 42. For terms and conditions relating to related party receivables, refer Annexure A of Note 42.

Trade receivables are non-interest bearing and are generally on terms of 15 - 45 days.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Trade receivables ageing schedule

₹ In Lakhs

Particulars	As at March 31, 2026						
	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	168.15	184.93	2.22	-	-	471.75	**827.05**
(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)**
Total	**168.15**	**184.93**	**2.22**	**-**	**-**	**471.75**	**827.05**

₹ In Lakhs

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)**
Total	**783.85**	**394.45**	**-**	**-**	**427.35**	**-**	**1,605.65**

NOTE 10

CASH AND CASH EQUIVALENTS

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Balances with banks		
In current accounts	31.54	118.69
Cash on hand	0.42	0.28
	31.96	**118.97**

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Changes in liabilities arising from financing activities

₹ In Lakhs

Particulars	Balance as at April 01, 2025	Cash flows	Other	Balance as at March 31, 2026	Balance as at April 01, 2024	Cash flows	Other	Balance as at March 31, 2025
Borrowings	25,818.53	29,795.47	-	55,614.00	4,700.00	21,118.53	-	25,818.53
Lease Liabilities	721.19	(221.52)	(182.18)	317.49	923.31	(202.12)	-	721.19

NOTE 11

LOANS (CURRENT)

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Loans and advances to employees		
Unsecured, considered good	17.06	16.31
	17.06	**16.31**

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 12

OTHER FINANCIAL ASSETS (CURRENT)

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Security deposits - unsecured, considered good	7.53	-
IGST refund receivable *	133.31	175.86
Other receivable	-	60.01
	140.84	**235.87**

*Includes balances of Goods and Services Tax and amount paid under protest

NOTE 13

OTHER ASSETS (CURRENT)

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	322.09	353.54
Priority review voucher (PRV) asset (Refer Note 27)	1,84,002.00	-
Advances for supply of goods and services (considered good)	251.37	195.36
	1,84,575.46	**548.90**

Notes to Standalone Financial Statements

for the year ended March 31, 2026

NOTE 14

EQUITY SHARE CAPITAL

	As at March 31, 2026		As at March 31, 2025	
	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 has increased by ₹0.08 Lakhs.

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 members 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 members.

ii Equity shares held by each shareholder holding more than 5% equity shares in the Company are as follows :

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	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, 2026		As at March 31, 2025	
	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 / or 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, 2026

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	-

Notes to Standalone Financial Statements

for the year ended March 31, 2026

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
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	-
	Total	**21,31,15,095**	**-**	**21,31,15,095**	**65.67**	**-**

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	-
	Total	**21,31,15,095**	**-**	**21,31,15,095**	**65.67**	**-**

Notes to Standalone Financial Statements

for the year ended March 31, 2026

NOTE 15

OTHER EQUITY

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
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	(2,32,520.88)	(1,97,973.12)
Add : Profit / (loss) for the year	1,55,213.26	(34,522.21)
Add : Actuarial gain on remeasurement of defined benefit plan	207.30	(25.55)
	(77,100.32)	**(2,32,520.88)**
Total (A+B+C)	**1,30,113.23**	**(25,307.33)**

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.

NOTE 16

BORROWINGS (NON-CURRENT)

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Unsecured term loan		
Shanghvi Finance Private Limited* (Refer Note 42)	-	10,000.00
	-	**10,000.00**

*Unsecured term loan from Promoter group entity carrying interest @3 months SBI MCLR + 20 bps p.a. payable on December 30, 2026.

The term loan is utilised for the intended purpose of meeting working capital requirements.

NOTE 17

LEASE LIABILITIES (NON-CURRENT)

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Lease liabilities (Refer Note 40)	166.01	499.67
	166.01	**499.67**

Notes to Standalone Financial Statements

for the year ended March 31, 2026

NOTE 18

OTHER FINANCIAL LIABILITIES (NON-CURRENT)

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Other non-current financial liabilities	98.27	90.39
	98.27	**90.39**

NOTE 19

PROVISIONS (NON-CURRENT)

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits		
Compensated absences	516.69	543.37
Gratuity (Refer Note 44)	716.83	224.21
	1,233.52	**767.58**

NOTE 20

OTHER LIABILITIES (NON-CURRENT)

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Deferred revenue (Refer Note 45)	6,259.81	6,259.81
	6,259.81	**6,259.81**

Movement of deferred revenue

₹ In Lakhs

Particulars	Opening balance	Addition during the year	Deletion during the year	Transfer to Other liabilities (Current)	Closing balance
As at March 31, 2026	**6,259.81**	**-**	**-**	**-**	**6,259.81**
As at March 31, 2025	10,349.43	-	-	(4,089.62)	6,259.81

NOTE 21

BORROWINGS (CURRENT)

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
From Banks		
Temporary Book Overdraft (Secured)*	886.52	198.49
Unsecured term loan		
Shanghvi Finance Private Limited**	10,000.00	-

Notes to Standalone Financial Statements

for the year ended March 31, 2026

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Secured working capital loan		
Kotak Mahindra Bank Limited		
- Working capital loan from bank (secured)*#^	39,000.00	15,600.00
ICICI Bank Limited		
- Working capital loan from bank (secured)*#^	5,727.48	20.04
	55,614.00	**15,818.53**

* 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.

**Unsecured term loan from Promoter group entity carrying interest @3 months SBI MCLR + 20 bps p.a. payable on December 30, 2026.

The term loan is utilised for the intended purpose of meeting working capital requirements.

Working capital demand loan carries an interest rate of @6.75% p.a. to @9.75% p.a.

^Working capital demand loan from Kotak Mahindra Bank Limited and ICICI Bank Limited is secured by Corporate Guarantee given by Shanghvi Finance Private Limited.

NOTE 22

LEASE LIABILITIES (CURRENT)

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Lease liabilities (Refer Note 40)	151.48	221.52
	151.48	**221.52**

NOTE 23

TRADE PAYABLES

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises (Refer Note 39)	129.84	93.65
Total outstanding dues of creditors other than micro enterprises and small enterprises	10,501.37	12,345.90
	10,631.21	**12,439.55**

Note : Trade payables comprises of payables due to directors and related parties as mentioned in Annexure A of Note 42.

Trade payables are non interest bearing and are generally on terms of 30 - 90 days.

Trade payable ageing schedule

₹ In Lakhs

Particulars	As at March 31, 2026						
	Outstanding periods from due date of payment						
	Unbilled dues	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro enterprises and small enterprises	20.76	109.08	-	-	-	-	**129.84**
(ii) Others	3,508.91	1,022.27	4,455.25	1,335.06	155.51	24.37	**10,501.37**
(iii) Disputed dues - Micro and small enterprises	-	-	-	-	-	-	**-**
(iv) Disputed dues - others	-	-	-	-	-	-	**-**
Total	**3,529.67**	**1,131.35**	**4,455.25**	**1,335.06**	**155.51**	**24.37**	**10,631.21**

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Trade payable ageing schedule

₹ In Lakhs

Particulars	As at March 31, 2025						
	Outstanding periods from due date of payment						
	Unbilled dues	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(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	-	-	-	-	-	-	**-**
Total	**4,686.79**	**1,690.51**	**3,006.77**	**3,034.27**	**3.28**	**17.93**	**12,439.55**

NOTE 24

OTHER FINANCIAL LIABILITIES (CURRENT)

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Interest accrued but not due on borrowings	51.88	60.65
Payable on purchase of property, plant and equipment and intangible asset under development	66.80	501.82
Payable to employees	663.78	755.67
Amount refundable to customers	6,605.20	1,709.60
Other financial liability	14.29	35.83
	7,401.95	**3,063.57**

NOTE 25

OTHER LIABILITIES (CURRENT)

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Statutory remittances	821.41	1,164.74
Advances from customers (Refer Note 45)	-	0.20
Deferred revenue (Refer Note 45)	-	4,089.62
	821.41	**5,254.56**

NOTE 26

PROVISIONS (CURRENT)

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits		
Compensated absences	412.17	318.23
Gratuity (Refer Note 44)	650.82	256.22
	1,062.99	**574.45**

Notes to Standalone Financial Statements

for the year ended March 31, 2026

NOTE 27

REVENUE FROM OPERATIONS

₹ In Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from contracts with customers (Refer Note 45)		
Licence fees	1.28	1,424.16
Royalty on technology	2,793.17	4,557.90
R&D services	1,120.38	1,194.54
	3,914.83	**7,176.60**
Other operating revenue*	1,84,002.00	-
	1,84,002.00	**-**

* During the year, the Company recognised income of ₹184,002 lakhs in respect of a Priority Review Voucher (PRV) granted by the United States Food and Drug Administration (USFDA) on February 03, 2026 for Sezaby®. The PRV, being a transferable instrument, was subsequently sold by the Company on April 30, 2026 for USD 195 million.

The PRV has been accounted as a non-monetary government grant under Ind AS 20 and the fair value of the PRV has been recognised in the Statement of Profit and Loss. There are no unfulfilled conditions and other contingencies attached to PRV that has been recognised.

NOTE 28

OTHER INCOME

₹ In Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest income on:		
Deposits with banks	-	46.49
Loans to employees	0.26	0.49
Others (includes refund from government authorities)	1,028.28	21.23
	1,028.54	**68.21**
Net gain on sale of financial assets measured at fair value through profit or loss	-	105.51
Net gain on disposal of property, plant and equipment	-	3.25
Net gain on derecognition of Right to use assets and lease liabilities	36.27	-
Miscellaneous income	18.31	2.14
	1,083.12	**179.11**

NOTE 29

COST OF MATERIALS CONSUMED

₹ In Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Materials consumed	2,360.14	2,311.84
	2,360.14	**2,311.84**

Notes to Standalone Financial Statements

for the year ended March 31, 2026

NOTE 30

EMPLOYEE BENEFITS EXPENSE

₹ In Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	9,199.59	9,892.85
Contribution to provident and other funds*	710.84	654.29
Staff welfare expenses	274.85	348.84
	10,185.28	**10,895.98**

* includes gratuity expense of **₹196.10 Lakhs** (Previous year: ₹145.54 Lakhs)

NOTE 31

FINANCE COSTS

₹ In Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest expense on:		
Borrowings	3,091.63	755.83
Lease liabilities (Refer Note 40)	57.16	76.56
Corporate guarantee commission (Refer Note 42)	254.53	50.00
Unwinding of discount on provision	9.09	8.18
	3,412.41	**890.57**

NOTE 32

OTHER EXPENSES

₹ In Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Consumption of stores and spare parts	512.30	550.76
Power and fuel	626.39	633.06
Rates and taxes	44.21	13.04
Insurance	171.25	147.60
Repairs and maintenance	631.08	708.13
Printing and stationery	15.63	14.87
Travelling and conveyance	236.41	200.05
License and fees	71.49	337.82
Communication expenses	25.17	35.31
Loss on sale/write-off of property, plant & equipment (net)	24.22	-
Net loss on foreign currency transactions	981.65	177.59
Payment to auditor		
For statutory audit	23.02	23.03
For limited review	9.20	9.20
For certification services	1.00	-
For reimbursement	3.30	4.59
Contract labour expenses	461.63	456.27
Membership fees and subscription	22.87	39.87
Software expenses	531.83	774.33

₹ In Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Staff recruitment expenses	7.66	14.84
Miscellaneous expenses	166.45	296.98
	4,566.76	**4,437.34**

NOTE 33

EXCEPTIONAL ITEMS

₹ In Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Provision for gratuity	1,030.25	-
Provision for compensated absences	206.24	-
	1,236.49	**-**

The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four labour codes as follows: Code on Wages, 2019, Code on Social Security, 2020, Industrial Relations Code, 2020 and Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the "New Labour Codes"). The New Labour Codes are effective from November 21, 2025 and introduce changes that include, among other things, setting a uniform definition of wages. The New Labour Codes have implications on employee benefits including gratuity, leave encashment, and other related obligations.

The Company has assessed the implications of the New Labour Codes and has recognized an incremental cost of ₹1,236.49 Lakhs during the current year and has disclosed it as an exceptional item. The Company continues to monitor the developments pertaining to the New Labour Codes and further impact, if any, will be accounted in accordance with applicable accounting standards.

NOTE 34

CATEGORIES OF FINANCIAL INSTRUMENTS

₹ In Lakhs

Particulars	As at March 31, 2026			As at March 31, 2025		
	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						
Loans and advances to employees	-	-	17.06	-	-	16.31
Security deposits	-	-	51.08	-	-	46.98
Trade receivables	-	-	827.05	-	-	1,605.65
Cash and cash equivalents	-	-	31.96	-	-	118.97
Other receivables	-	-	2,963.81	-	-	2,799.97
Total	**-**	**-**	**3,890.96**	**-**	**-**	**4,587.88**
Financial liabilities						
Borrowings	-	-	55,614.00	-	-	25,818.53
Interest accrued but not due on borrowings	-	-	51.88	-	-	60.65
Trade payables	-	-	10,631.21	-	-	12,439.55

Notes to Standalone Financial Statements

for the year ended March 31, 2026

₹ In Lakhs

Particulars	As at March 31, 2026			As at March 31, 2025		
	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
Payables on purchase of property, plant and equipment and intangible assets under development	-	-	66.80	-	-	501.82
Lease liabilities	-	-	317.49	-	-	721.19
Payable to employees	-	-	663.78	-	-	755.67
Other payables	-	-	6,717.76	-	-	1,835.82
Total	**-**	**-**	**74,062.92**	**-**	**-**	**42,133.23**

*Excluding Investment in subsidiaries **₹42.69 Lakhs** (Previous year : ₹41.69 Lakhs) measured at cost. (Refer Note 4)

NOTE 35

FAIR VALUE HIERARCHY

There are no financial assets and financial liabilities of the Company that have been measured at fair value. Accordingly, the fair value hierarchy disclosures required under Ind AS 107 are not applicable.

The management assessed that cash and cash equivalents, trade receivables, loans, trade payables, other financial assets and other financial liabilities approximate their carrying values largely due to the short-term maturities of these instruments. The fair values of non-current financial assets and non-current financial liabilities also approximate their carrying values.

The fair value of the financial assets and financial 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.

NOTE 36

CAPITAL MANAGEMENT

The Company’s capital management objectives are:

- to ensure the Company's ability to continue as a going concern; and
- to provide an adequate return to shareholders through optimisation of the debt - equity mix.

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.

(i) Net debt equity ratio

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Debt (includes borrowings and lease liabilities)	55,931.49	26,539.72
Less : cash and cash equivalents	31.96	118.97
Net debt	**55,899.53**	**26,420.75**
Total equity (including reserves)	**1,33,358.53**	**(22,062.03)**
Net debt to total equity ratio	**0.42**	**(1.20)**

Notes to Standalone Financial Statements

for the year ended March 31, 2026

NOTE 37

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.

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 **₹23,886 Lakhs** as on March 31, 2026 (Previous year: ₹21,681 Lakhs).

The table below provides details regarding the contractual maturities of significant financial liabilities based on the contractual undiscounted payments :

₹ In Lakhs

Particulars	As at March 31, 2026				As at March 31, 2025			
	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	55,614.00	-	-	55,614.00	15,818.53	10,000.00	-	25,818.53
Lease liabilities	174.40	174.40	-	348.80	278.68	525.49	24.60	828.77
Trade payables	10,631.21	-	-	10,631.21	12,439.55	-	-	12,439.55
Other financial liabilities	7,394.56	13.99	91.67	7,500.22	3,063.57	2.56	87.83	3,153.96
Total	**73,814.17**	**188.39**	**91.67**	**74,094.23**	**31,600.33**	**10,528.05**	**112.43**	**42,240.81**

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). 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.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

a) Significant foreign currency risk exposure relating to trade receivables other receivable and trade payables

₹ In Lakhs

Particulars	As at March 31, 2026					As at March 31, 2025				
	Equivalent INR					Equivalent INR				
	US Dollars	Pound	Euro	Others	Total	US Dollars	Pound	Euro	Others	Total
Financial assets										
Trade receivables	526.44	-	-	-	526.44	549.14	-	-	-	549.14
Other receivables	2,830.50	-	-	-	2,830.50	2,564.10	-	-	-	2,564.10
Cash and cash equivalents	30.52	-	-	-	30.52	32.02	-	-	-	32.02
Financial liabilities										
Trade payables	8,750.67	62.61	10.41	14.41	8,838.10	10,841.96	168.48	57.59	9.17	11,077.19
Other financial liability	6,715.78	-	-	-	6,715.78	2,277.55	-	-	-	2,277.55

b) Sensitivity

For the years ended March 31, 2026 and March 31, 2025, every 5% strengthening in the exchange rate between the Indian Rupee and the respective currencies for the above mentioned financial assets / liabilities would increase the Company’s profit and increase the Company's equity by approximately ₹608.32 Lakhs and ₹510.47 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 borrowings.

A 50 basis points increase in interest rates would result in an additional interest expense of ₹50 lakhs leading to equal decrease in profit and equity. A 50 basis point decrease in 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 38

PROFIT / (LOSS) PER SHARE

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(a) Profit / (loss) for the year (₹ in Lakhs)	1,55,213.26	(34,522.21)
(b) Weighted average number of shares used in computing basic and diluted profit / (loss) per share	32,45,21,588	32,45,21,588
(c) Nominal / face value per share (in ₹)	1.00	1.00
(d) Basic and diluted profit / (loss) per share (in ₹) [(a) / (b)]	47.83	(10.64)

NOTE 39

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.

a) The principal amount remaining unpaid as at March 31, 2026 in respect of enterprises covered under the "Micro, Small and Medium Enterprises Development Act, 2006" (MSMED) is **₹129.84 Lakhs** (Previous year : ₹93.65 Lakhs).

b) 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.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

c) 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 40

LEASES

Right-of-use (ROU assets)

₹ In Lakhs

Particulars	Amount
At cost or deemed cost	
As at April 1, 2024	**1,240.01**
Additions	-
Disposals	-
As at March 31, 2025	**1,240.01**
Additions	-
Disposals	(543.15)
As at March 31, 2026	**696.86**
Accumulated depreciation	
As at April 1, 2024	**382.21**
Depreciation charge	216.57
Disposals	-
As at March 31, 2025	**598.78**
Depreciation charge	216.57
Disposals	(397.23)
As at March 31, 2026	**418.12**
Net carrying amounts (Refer Note 3a)	
As at March 31, 2025	**641.23**
As at March 31, 2026	**278.74**

Lease liabilities

Below are the carrying amounts of lease liabilities recognised and the movements during the period:

₹ In Lakhs

Particulars	Amount
As at April 1, 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**
Accretion of interest	57.16
Addition during the year	-
Deletion during the year	(182.18)
Payments towards lease liability	(278.68)
As at March 31, 2026	**317.49**
Lease liabilities (non-current) (Refer Note 17)	
Lease liabilities	166.01
Lease liabilities (Current) (Refer Note 22)	
Lease liabilities	151.48
Total lease liabilities	**317.49**

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Lease liabilities - maturity analysis - contractual undiscounted cash flows

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Not later than one year	174.40	278.68
Later than one year and not later than five years	174.40	550.09
Later than five years	-	-
Amounts recognised in statement of profit and loss		
Interest on lease liabilities	57.16	76.56
Depreciation on right-to-use assets	216.57	216.57

Annual lease costs on short term leases and low value asset leases amounted to **₹Nil** in the year ended March 31, 2026 and March 31, 2025.

The effective interest rate for lease liabilities is considered to be 9.20%

NOTE 41

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

₹ In Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue by geography		
Within India	3,804.87	7,008.23
Outside India	109.96	168.37
Total revenue from contract with customers	**3,914.83**	**7,176.60**

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 42)

NOTE 42

RELATED PARTY DISCLOSURE

Disclosure of transactions with related parties as required by Ind AS-24 (Refer Annexure - A)

NOTE 43

CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
i. Contingent liabilities		
a) Guarantees given by the bankers against pollution control board	0.50	0.50
b) Disputed demands by Income tax authorities* (gross)	3,283.77	3,289.14
c) Disputed demands by Service tax authorities** (gross)	5,190.17	5,190.17

* Amount paid under protest is classified under income tax assets ₹ **2,857.54 Lakhs** (Previous Year ₹2,843.37 Lakhs) (Refer Note 7)

Amount paid under protest is classified under other non-current and current assets **₹172.65 Lakhs (Previous Year ₹172.65 Lakhs) (Refer Note 8 & 12)

Notes to Standalone Financial Statements

for the year ended March 31, 2026

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
ii. Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)*	33,746.11	32,302.27

iii. For commitments relating to lease arrangement. (Refer Note 40)

* 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.

NOTE 44

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 **₹392.37 Lakhs** (Previous year : ₹414.73 Lakhs).

₹ In Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Contribution to Provident Fund and Family Pension Fund	389.91	402.35
Contribution to ESIC and Employees Deposit Linked Insurance (EDLI)	2.42	12.32
Contribution to Labour Welfare Fund	0.04	0.06

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 Code on Social Security, 2020. Under The Code on Social Security, 2020, employees are entitled to specific benefit at the time of retirement or termination of employment 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 **₹251.12 Lakhs** (Previous year : ₹132.58 Lakhs) out of which ₹44.88 Lakhs has been charged to employee benefit expense and ₹206.24 Lakhs has been classified under exceptional item. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

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 Lakhs

	Particulars	Year ended March 31, 2026 Gratuity (Funded)	Year ended March 31, 2025 Gratuity (Funded)
I.	**Reconciliation of liability/(asset) recognised in the balance sheet**		
	Present value of obligation at the end of the year	2,787.85	1,993.45
	Fair value of plan assets at the end of the year	(1,420.19)	(1,513.02)
	Net liability recognised in the financial statement	1,367.66	480.43
II.	**Movement in net liability / (asset) recognised in the balance sheet**		
	Net liability / (assets) as at beginning of the year	480.43	21.07
	Net expense recognised in the statement of profit and loss	1,226.35	145.55
	Net expense / (gain) recognised in other comprehensive income	(207.30)	25.55
	Net (liability) / asset transfer out	(11.82)	(28.47)
	Contribution during the year	(120.00)	-
	Refund from fund for the benefit paid in previous year	-	316.73
	Benefit paid by the employer	-	-
	Net liability / (asset) as at the end of the year (Refer Note 19 and 26)	1,367.66	480.43
III.	**Net interest cost for the current year**		
	Interest cost	147.62	143.32
	Interest income	(96.58)	(141.80)
	Net interest cost for the current year	51.04	1.52
IV.	**Expense recognised in the statement of profit and loss**		
	Current service cost	145.06	144.03
	Net interest cost for the current year	51.04	1.52
	Past service cost	1,030.25	-
	Expense charged to the statement of profit and loss	1,226.35	145.55
V.	**Expense recognised in the other comprehensive income (OCI)**		
	Actuarial (gains) / losses on obligation for the year	(184.73)	2.56
	Return on plan assets excluding interest income	(22.57)	22.99
	Net expenses/ (income) recognised in the OCI	(207.30)	25.55
VI.	**Return on plan assets**		
	Expected return on plan assets	96.58	141.80
	Actuarial gain	22.57	(22.99)
	Actual return on plan assets	119.15	118.81
VII.	**Reconciliation of defined-benefit obligations**		
	Obligation as at the beginning of the year	1,993.45	1,993.30
	Current service cost	145.06	144.03
	Liability transfer out	(11.82)	(28.47)
	Interest cost	147.62	143.32
	Benefits paid	(331.98)	(261.29)
	Past service cost	1,030.25	-
	Benefit paid by the employer	-	-
	Actuarial (gain) / loss arising from changes in financial assumptions	(31.68)	54.91
	Actuarial (gain) / loss arising from demographic assumptions	-	-
	Actuarial (gain) / loss arising from changes in experience adjustments	(153.05)	(52.35)
	Obligation as at the end of the year	2,787.85	1,993.45
VIII.	**Reconciliation of plan assets**		
	Plan assets as at the beginning of the year	1,513.02	1,972.23
	Expected return on plan assets	96.58	141.80
	Actuarial gain on plan assets	22.57	(22.99)

Notes to Standalone Financial Statements

for the year ended March 31, 2026

₹ In Lakhs

	Particulars	Year ended March 31, 2026 Gratuity (Funded)	Year ended March 31, 2025 Gratuity (Funded)
	Employer's contribution during the year	120.00	-
	Refund from fund for the benefit paid in previous year	-	(316.73)
	Benefits paid	(331.98)	(261.29)
	Plan assets as at the year end	1,420.19	1,513.02
IX.	**Actuarial assumptions**		
	Discount rate	6.89%	6.61%
	Expected return on plan assets	6.89%	6.61%
	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)	60-70 years	60-69 years
X.	**Investment details**		
	Insurance fund	1,420.19	1,513.02
XI.	**Sensitivity analysis for significant assumptions :**		
	Benefit obligation as at the end of the year	2,787.85	1,993.45
	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	(87.18)	(92.65)
	Delta effect of -1% change in rate of discounting	96.85	103.01
	Delta effect of +1% change in rate of salary increase	93.07	98.72
	Delta effect of -1% change in rate of salary increase	(85.58)	(90.72)
	Delta effect of +1% change in rate of employee turnover	(16.85)	(18.94)
	Delta effect of -1% change in rate of employee turnover	18.34	20.67
XII.	**Maturity analysis of projected benefit obligation**		
	Projected benefits payable in future years from the date of reporting		
	1st following year	923.19	418.85
	2nd following year	207.22	179.13
	3rd following year	295.33	187.15
	4th following year	237.61	250.45
	5th following year	157.73	203.06
	Sum of years 6 to 10	605.90	751.75
	Sum of Years 11 and above	1,009.01	969.57

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 the next financial year **₹337.08 Lakhs** (Previous year : ₹256.22 Lakhs).

Notes to Standalone Financial Statements

for the year ended March 31, 2026

NOTE 45

REVENUE FROM CONTRACT WITH CUSTOMERS

₹ In Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from contract with customers (Refer Note 27)	3,914.83	7,176.60

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables (Refer Note 9)	827.05	1,605.65
Contract liabilities (Refer Note 20 and 25)	6,259.81	10,349.63

NOTE 46

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 19 and 26]

2 Contingent liabilities [Refer Note 43]

3 Financial risk management [Refer Note 37]

4 Revenue [Refer Note 27 and 45]

5 Other operating revenue - Recognition of PRV income [Refer Note 27]

NOTE 47

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 48

RATIO ANALYSIS AND ITS ESTIMATES

Ratio	Numerator	Denominator	March 31, 2026	March 31, 2025	% change
Current ratio (Refer Note 48.1)	Current assets	Current liabilities	2.46	0.07	3539.18%
Debt- Equity Ratio (Refer Note 48.2)	Total debt + lease liability (Non-current and current borrowings)	Total equity	0.42	(1.20)	134.86%

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Ratio	Numerator	Denominator	March 31, 2026	March 31, 2025	% change
Debt Service Coverage Ratio (Refer Note 48.3)	Earnings for debt service = Profit / (loss) for the year + Non-cash operating expenses	Debt service = Interest and lease payments + Principal repayments	2.71	(1.92)	241.30%
Return on Equity ratio (Refer Note 48.3)	Profit / (loss) for the year	Average shareholder's equity	278.92%	(720.99%)	61.31%
Inventory Turnover ratio (Refer Note 48.4)	Not applicable	Not applicable	-	-	-
Trade Receivable Turnover Ratio (Refer Note 48.5)	Revenue from operations*	Average trade receivable	3.22	4.54	(29.17%)
Trade Payable Turnover Ratio (Refer Note 48.6)	Cost of materials consumed and Clinical trial expenses	Average trade payable	0.40	0.76	(47.35%)
Net Capital Turnover Ratio (Refer Note 48.3)	Revenue from operations	Working capital = Current assets – Current liabilities	1.70	(0.21)	926.07%
Net profit / (loss) ratio (Refer 48.7)	Profit / (loss) for the year	Revenue from operations	0.83	(4.81)	117.17%
Return on Capital Employed (Refer Note 48.3)	Profit / (loss) before interest and taxes	Capital employed = Tangible net worth + Total debt + Lease liability	87.08%	(3789.18%)	97.70%
Return on Investment (Refer Note 48.8)	Income from investment	Average investment	0.00%	2.28%	(100.00%)

* Excluding other operating revenue

Note 48.1 Increase in current ratio is due to increase in current assets on account of recognition of PRV in current year.

Note 48.2 Increase in debt equity ratio due to positive net worth on account of net profit in the current year as compared to negative net worth and net loss in previous year.

Note 48.3 Increase in Debt service coverage ratio / Return on equity ratio / Return on capital employed / Net capital turnover ratio is due to net profit and positive net worth in the current year as compared to net loss and negative net worth in the previous year.

Note 48.4 The Company does not have inventory and hence, this ratio is not applicable.

Note 48.5 Decrease in trade receivable turnover ratio due to decrease in revenue from contracts with customers in the current year.

Note 48.6 Decrease in trade payable ratio due to decrease in clinical trial expenses in the current year.

Note 48.7 Increase in net profit / (loss) ratio due to profit on account of recognition of PRV in the current year as compared to loss in the previous year.

Note 48.8 Decrease in Return on investment ratio is because the Company has not made any fresh investments in the current year.

NOTE 49

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.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

(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 50

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 years has been preserved as per the statutory requirements for record retention.

Notes to Standalone Financial Statements
for the year ended March 31, 2026

NOTE 51a

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 51b

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.

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 18, 2026

For and on behalf of the Board of Directors of
SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED

ANIL KUMAR RAGHAVAN
Chief Executive Officer
Place : Mumbai

DILIP S. SHANGHVI
Chairman
DIN: 00005588
Place : Mumbai

ANUP M. RATHI
Chief Financial Officer
Place : Mumbai

RAJAMANNAR THENNATI
Director
DIN: 01415412
Place : Vadodara

KAJAL K. DAMANIA
Company Secretary
Place : Mumbai

Date : May 18, 2026

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Annexure - A

Disclosure of transactions with related parties as required by Ind AS-24

Names of related parties and description of relationship

1. Key Management Personnel

Dilip S. Shanghvi	Chairman & Non-Executive Director
Vidhi D. Shanghvi	Non Executive Director
Rajamannar Thennati	Non-Executive Director
Bhavna Doshi	Independent Director (ceased to be director w.e.f. August 12, 2025)
Ferzaan Engineer	Independent Director (ceased to be director w.e.f. August 12, 2025)
Robert Jay Spiegel	Independent Director
Anil Kumar Raghavan	Chief Executive Officer
Rekha Warriar	Independent Director (appointed w.e.f. May 19, 2025)
Venkateswarlu Jasti	Independent Director (appointed w.e.f. May 19, 2025)

2. Subsidiaries of the Company

SPARCLIFE Inc.

Genokine Biotech Limited (Incorporated on July 04, 2025)

3. Enterprises under significant influence/are controlled by Key Management Personnel (with whom transactions are entered)

Spiegel Consulting LLC

Shanghvi Finance Private Limited

Sun Pharma Japan Limited

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

1. Transactions with Key Management Personnel (KMP)

₹ In Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Director sitting fees		
Dilip S. Shanghvi	3.60	3.90
Sudhir V. Valia	-	3.30
Vidhi D. Shanghvi	6.30	4.80
Bhavna Doshi	3.00	6.90
Rajamannar Thennati	2.70	3.00
Ferzaan Engineer	2.70	6.00
Robert Jay Spiegel	6.60	6.00
Rekha Warriar	4.80	-
Venkateswarlu Jasti	3.00	-
Remuneration		
Anil Kumar Raghavan	588.50	566.85

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.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

2. Subsidiary Companies

₹ In Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
SPARCLIFE Inc.		
Receiving of research and development services	1,863.70	5,095.29
Reimbursement of expenses paid	0.96	61.16
Reimbursement of expenses received	1.49	44.52
Genokine Biotech Limited (Incorporated on July 04, 2025)		
Investment in equity shares	1.00	-

3. Transactions with Enterprises under significant influence of / are controlled by Key Management Personnel

₹ In Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Spiegel Consulting LLC		
Professional fees	47.18	42.90
Shanghvi Finance Private Limited		
Commission on corporate guarantee	254.53	50.00
Loan received	-	10,000.00
Interest paid	856.15	220.55
Sun Pharma Laboratories Limited		
Sale of services - License fees / Royalty on technology / R&D services	370.08	776.49
Purchase of goods	0.01	0.99
Sun Pharmaceutical Industries Europe BV		
Receiving of research and development services	-	238.19
Reimbursement of expenses paid	-	1.75
Sun Pharmaceutical Industries Inc.		
Sale of services - License fees / Royalty on technology / R&D services	103.10	160.21
Reimbursement of expenses paid	1,531.95	204.62
Receiving of research and development services	256.75	1,379.18
Purchase of goods	-	4.74
Sun Pharmaceutical Industries Limited		
Sale of services - License fees / Royalty on technology / R&D services	3,434.78	6,231.75
Purchase of goods	95.60	105.13
Purchase of property, plant and equipment	-	6.10
Payment of lease liabilities	278.68	278.68
Receiving of research and development services	28.47	59.45
Product development cost	-	1,037.09
Sale of property, plant and equipment	-	40.58
Reimbursement of expenses paid	425.65	425.18
Reimbursement of expenses received	9.61	34.45
Sun Pharma Japan Ltd.		
Purchase of good	0.03	-
Sun Pharmaceutical Medicare Limited		
Purchase of goods	3.50	0.31
Taro Pharmaceuticals Industries Limited		
Sale of services - R&D services	6.87	8.15

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Balances outstanding - receivable / (payable)

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Dilip S. Shanghvi	(0.27)	(0.54)
Bhavna Doshi	(0.27)	(0.81)
Ferzaan Engineer	(0.27)	(0.27)
Robert Jay Spiegel	(0.41)	(0.21)
Vidhi D. Shanghvi	(0.27)	(0.54)
Rekha Warriar	(0.54)	-
Venkateswarlu Jasti	(0.27)	-
Shanghvi Finance Pvt Ltd.*	(10,349.26)	(10,054.00)
SPARCLIFE Inc.	(1,575.58)	(1,613.16)
Spiegel Consulting LLC	(94.36)	(42.74)
Sun Pharma Laboratories Limited	300.60	426.85
Sun Pharmaceutical Industries Europe BV	-	(56.52)
Sun Pharmaceutical Industries Inc.**	(8,712.75)	(4,381.26)
Sun Pharmaceutical Industries Limited	(160.97)	629.64
Sun Pharmaceutical Medicare Limited	-	(0.10)
Taro Pharmaceuticals Industries Limited	4.71	-
Taro Pharmaceuticals U.S.A., Inc.	(89.04)	(80.66)
Sun Pharma Japan Limited	(0.04)	-

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 **₹54,500 Lakhs** as at March 31, 2026 (Previous year : ₹20,000 Lakhs). Refer Note 21.

** March 31, 2026 balance includes milestone amount received USD 5 million (₹4,717.62 lakhs), previously recognised under Other Liabilities – Deferred Revenue at ₹ 4,089.62 lakhs, was reclassified to Other Financial Liabilities during the current year (including foreign exchange fluctuation of ₹ 628 lakhs) as per terms of initial agreement.

Consolidated Financial Statements

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 subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance Sheet as at March 31, 2026, 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 and based on the consideration of report of other auditor on separate financial statements and on the other financial information of the subsidiary, 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, 2026, their consolidated profit 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, 2026. 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 and by other auditor of component not audited by us, as reported by such auditor in the audit report furnished to us by the management, 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 27 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.	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.

Key audit matters	How our audit addressed the key audit matter
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.	• 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.
Recognition of Priority Review Voucher ('PRV") income (as described in note 27 of the consolidated financial statements)	
During the year, the Group was granted a Priority Review Voucher ("PRV") by the U.S. Food and Drug Administration (USFDA) in connection with the approval of one of its drugs. The PRV is transferable and can be sold or utilised to obtain priority regulatory review of a future application of a new drug. The accounting treatment of the PRV involved significant management judgement in determining whether the PRV qualifies as a government grant under Ind AS 20, the timing of recognition of income arising from the grant, and the measurement of the PRV at fair value on initial recognition. In view of the material impact of the PRV on the Group's financial performance and the significant accounting judgements involved, this matter was considered a Key Audit Matter.	Our audit procedures in respect of the recognition and measurement of the PRV included, among others: • Obtained an understanding of the regulatory framework governing the grant of PRV and review of relevant documents to assess whether reasonable assurance existed that the PRV had been granted as at the balance sheet date. • Tested the controls around recognition and measurement of the PRV income under Ind AS 20. • Evaluated management's assessment whether the PRV meets the definition of a government grant under Ind AS 20 and judgement regarding the timing of recognition of the PRV income, including assessment of whether any conditions attached to the grant remained to be fulfilled. • Assessed the appropriateness of the fair value assigned to the PRV on initial recognition. • Tested the accounting entries recorded on initial recognition of the PRV and evaluated whether the related disclosures in the financial statements were adequate and in accordance with the requirements of the Ind AS 20.
Evaluation of direct tax and indirect tax litigations (as described in note 44 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 and Those Charge with Governance 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/those charge with governance 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. For the other entity included in the consolidated financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by such auditor. We remain solely responsible for our audit opinion.

- We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements and other financial information, in respect of one subsidiary, whose financial statements include total assets of ₹ 1 Lakh as at March 31, 2026, and total revenues of ₹ Nil and net cash inflows of ₹ 1 lakh for the year ended on that date. Those financial statement and other financial information have been audited by other auditor, which financial statement, other financial information and auditor's report has been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of such other auditor.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

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, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of the subsidiary company, incorporated in India and to the extent applicable, as noted in the 'Other Matter' paragraph, 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, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of subsidiary company, incorporated in India, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) We/the other auditor whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and report of the other auditor;

   (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, 2026 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor who is appointed under Section 139 of the Act, of its subsidiary company, none of the directors of the Group's companies , incorporated in India, is disqualified as on March 31, 2026 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 its subsidiary company, incorporated in India, and the operating effectiveness of such controls, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of such subsidiary company, incorporated in India and to the extent applicable, as noted in the 'Other Matter' paragraph, refer to our separate Report in "**Annexure 2**" to this report;

(g) Based on the information and explanations provided to us, report of other statutory auditor of the subsidiary and our examination of books of accounts, the Holding Company and its subsidiary have 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 and based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of the subsidiary, as noted in the 'Other matter' paragraph:

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 44 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, 2026;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary, incorporated in India during the year ended March 31, 2026.

iv. a) The respective managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary respectively that, to the best of its knowledge and belief, as disclosed in note 50 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary 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 respective Holding Company or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary respectively that, to the best of its knowledge and belief, as disclosed in note 50 to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiariy 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 and that performed by the auditor of the subsidiary which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. No dividend has been declared or paid during the year by the Holding Company and its subsidiary company, incorporated in India.

vi. Based on our examination which included test checks and available report of other auditor, the Holding Company and its subsidiary company, incorporated in India have 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 52 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 Holding Company and its subsidiary company, incorporated in India, 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: 26408869FQVOLM6424
Place of Signature: Mumbai
Date: May 18, 2026

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")

(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: 26408869FQVOLM6424
Place of Signature: Mumbai
Date: May 18, 2026

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, 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 and the audit evidence obtained by the other auditor in terms of the report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

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 Group, which are companies incorporated in India, have, 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, 2026 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.

Other Matter

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to one subsidiary, which are companies incorporated in India, is based on the corresponding report of the auditor of such subsidiary, incorporated in India.

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

per **Amit Singh**
Partner
Membership Number: 408869
UDIN: 26408869FQVOLM6424
Place of Signature: Mumbai
Date: May 18, 2026

Consolidated Balance Sheet

as at March 31, 2026

₹ In Lakhs

	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
(A) Non-current assets			
(a) Property, plant and equipment	3a	8,518.31	9,869.47
(b) Capital work-in-progress	3b	49.72	56.07
(c) Intangible assets	3c	13.46	6.04
(d) Intangible assets under development	3d	7,121.47	5,359.22
(e) Financial assets			
(i) Other financial assets	4	2,874.05	2,611.08
(f) Deferred tax assets (net)	5	226.76	230.88
(g) Income tax assets (net)	6	2,931.80	5,616.45
(h) Other non-current assets	7	9,109.35	7,184.45
Total non-current assets (A)		**30,844.92**	**30,933.66**
(B) Current assets			
(a) Financial assets			
(i) Trade receivables	8	827.05	1,605.65
(ii) Cash and cash equivalents	9	115.53	196.39
(iii) Loans	10	17.06	16.31
(iv) Other financial assets	11	146.50	235.87
(b) Income tax assets (net)	6	545.96	-
(c) Other current assets	12	1,84,590.60	565.47
Total current assets (B)		**1,86,242.70**	**2,619.69**
TOTAL ASSETS (A + B)		**2,17,087.62**	**33,553.35**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13	3,245.30	3,245.30
(b) Other equity	14	1,30,637.42	(24,940.10)
Total equity		**1,33,882.72**	**(21,694.80)**
Liabilities			
(A) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	-	10,000.00
(ii) Lease liabilities	16	166.01	694.94
(iii) Other financial liabilities	17	134.95	101.79
(b) Provisions	18	1,233.52	767.58
(c) Other non-current liabilities	19	6,259.81	6,259.81
Total non-current liabilities (A)		**7,794.29**	**17,824.12**
(B) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	55,614.00	15,818.53
(ii) Lease liabilities	21	151.48	379.94
(iii) Trade payables	22		
Total outstanding dues of micro enterprises and small enterprises		129.84	93.65
Total outstanding dues of creditors other than micro enterprises and small enterprises		9,585.40	11,298.68
(iv) Other financial liabilities	23	7,823.46	3,789.84
(b) Other current liabilities	24	821.41	5,254.56
(c) Provisions	25	1,285.02	744.54
(d) Current tax liabilities (Net)	26	-	44.29
Total current liabilities (B)		**75,410.61**	**37,424.03**
Total liabilities (A + B)		**83,204.90**	**55,248.15**
TOTAL EQUITY AND LIABILITIES		**2,17,087.62**	**33,553.35**

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

per AMIT SINGH
Partner
Membership No. 408869

Place : Mumbai
Date : May 18, 2026

For and on behalf of the Board of Directors of
SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED

ANIL KUMAR RAGHAVAN
Chief Executive Officer
Place : Mumbai

DILIP S. SHANGHVI
Chairman
DIN: 00005588
Place : Mumbai

ANUP M. RATHI
Chief Financial Officer
Place : Mumbai

RAJAMANNAR THENNATI
Director
DIN: 01415412
Place : Vadodara

KAJAL K. DAMANIA
Company Secretary
Place : Mumbai

Date : May 18, 2026

Consolidated Statement of Profit and Loss

for the year ended March 31, 2026

₹ In Lakhs

		Notes	Year ended March 31, 2026	Year ended March 31, 2025
(I)	**Revenue from operations**			
	Revenue from contracts with customers	27 & 46	3,914.83	7,176.60
	Other operating revenue	27	1,84,002.00	-
	Total revenue from operations (I)		**1,87,916.83**	**7,176.60**
(II)	Other income	28	1,095.17	179.11
(III)	**Total income (I + II)**		**1,89,012.00**	**7,355.71**
(IV)	**Expenses**			
	Cost of materials consumed	29	2,360.14	2,311.84
	Employee benefits expense	30	11,802.23	15,358.27
	Clinical trial expenses / products development expense		2,266.35	8,133.36
	Professional charges		6,947.45	9,171.54
	Finance costs	31	3,413.33	903.90
	Depreciation and amortisation expense	3a & 3c	1,020.79	1,239.48
	Other expenses	32	4,664.23	4,515.44
	Total expenses (IV)		**32,474.52**	**41,633.83**
(V)	**Profit / (loss) before exceptional item and tax (III - IV)**		**1,56,537.48**	**(34,278.12)**
(VI)	Exceptional Item	33	1,236.49	-
(VII)	**Profit / (loss) before tax (V - VI)**		**1,55,300.99**	**(34,278.12)**
(VIII)	**Tax expense**			
	Current Tax		(45.79)	73.34
	Deferred Tax		26.35	(100.52)
	Total Tax expenses (VIII)	34	**(19.44)**	**(27.18)**
(IX)	**Profit / (loss) for the year (VII - VIII)**		**1,55,320.43**	**(34,250.94)**
(X)	**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		207.30	(25.55)
	B) Items that may be reclassified to profit or loss			
	i. Gain on translating the financial statements of foreign operations		49.79	6.15
	Total other comprehensive income / (loss) (X)		**257.09**	**(19.40)**
(XI)	**Total comprehensive Profit / (loss) for the year (IX + X)**		**1,55,577.52**	**(34,270.34)**
(XII)	**Profit / (loss) per equity share**	39		
	(Face value ₹ 1/- per equity share) (Previous year ₹ 1/-)			
	Basic and Diluted (in ₹)		47.86	(10.55)

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

per AMIT SINGH
Partner
Membership No. 408869

Place : Mumbai
Date : May 18, 2026

For and on behalf of the Board of Directors of
SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED

ANIL KUMAR RAGHAVAN
Chief Executive Officer
Place : Mumbai

DILIP S. SHANGHVI
Chairman
DIN: 00005588
Place : Mumbai

ANUP M. RATHI
Chief Financial Officer
Place : Mumbai

RAJAMANNAR THENNATI
Director
DIN: 01415412
Place : Vadodara

KAJAL K. DAMANIA
Company Secretary
Place : Mumbai

Date : May 18, 2026

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Consolidated Statement of Changes in Equity

for the year ended March 31, 2026

A Equity share capital

₹ In Lakhs

	Year ended March 31, 2026		Year ended March 31, 2025	
	Number of shares	Amount ₹ In Lakhs	Number of shares	Amount ₹ In Lakhs
At the beginning of the year	32,45,21,588	3,245.30	32,45,21,588	3,245.30
At the end of the year	**32,45,21,588**	**3,245.30**	**32,45,21,588**	**3,245.30**

B Other equity

₹ In Lakhs

Particulars	Other Equity				Total
	Reserves and surplus			Other Comprehensive Income	
	General reserves	Securities premium	Retained earnings	Foreign currency translation reserve	
Balance as at April 1, 2024	**3,397.66**	**2,03,815.89**	**(1,97,883.99)**	**0.68**	**9,330.24**
Profit / (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)**
Profit / (loss) for the year	-	-	1,55,320.43	-	1,55,320.43
Other comprehensive income for the year	-	-	207.30	49.79	257.09
Balance as at March 31, 2026	**3,397.66**	**2,03,815.89**	**(76,632.75)**	**56.62**	**1,30,637.42**

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

Material accounting policies (Refer Note 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

per AMIT SINGH
Partner
Membership No. 408869

Place : Mumbai
Date : May 18, 2026

For and on behalf of the Board of Directors of
SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED

ANIL KUMAR RAGHAVAN
Chief Executive Officer
Place : Mumbai

DILIP S. SHANGHVI
Chairman
DIN: 00005588
Place : Mumbai

ANUP M. RATHI
Chief Financial Officer
Place : Mumbai

RAJAMANNAR THENNATI
Director
DIN: 01415412
Place : Vadodara

KAJAL K. DAMANIA
Company Secretary
Place : Mumbai

Date : May 18, 2026

Consolidated Statement of Cash Flows

for the year ended March 31, 2026

₹ In Lakhs

	Year ended March 31, 2026	Year ended March 31, 2025
A. Cash flow from operating activities		
Profit / (loss) before tax	1,55,300.99	(34,278.12)
Adjustments to reconcile Profit / (loss) before tax to net cash flows:		
Depreciation and amortisation expenses	1,020.79	1,239.48
(Gain) / loss on disposal of property, plant and equipment (net)	24.22	(3.25)
(Gain) / loss on derecognition of Right to use assets and lease liabilities	(48.13)	-
Finance costs	3,413.33	903.90
Interest income	(1,028.73)	(67.72)
Net gain on sale of financial assets measured at fair value through profit or loss	-	(105.51)
Net unrealised foreign exchange (gain) / loss	734.76	85.41
Operating profit / (loss) before working capital changes	**1,59,417.23**	**(32,225.81)**
Working capital adjustments :		
(Increase) / decrease in trade receivables	825.81	(42.79)
(Increase) / decrease in other assets	(1,85,856.11)	335.01
Increase / (decrease) in trade payables	(1,821.82)	(2,928.78)
Increase / (decrease) in other liabilities	(800.58)	(1,693.15)
Increase / (decrease) in provisions	1,193.86	(356.44)
Cash generated / (used in) operations	**(27,041.61)**	**(36,911.96)**
Direct tax (paid) / refund received (including interest on refunds) (net)	3,163.93	882.65
Net cash flow generated from / (used in) operating activities (A)	**(23,877.68)**	**(36,029.31)**
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)	(2,383.07)	(1,033.96)
Proceeds from disposal of property, plant and equipment (net)	29.94	59.48
Redemption of investments (net)	-	285.64
Fixed deposits with bank matured	-	15,000.00
Interest received	3.49	1,454.84
Net cash flow generated from / (used in) investing activities (B)	**(2,349.64)**	**15,766.00**

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Consolidated Statement of Cash Flows

for the year ended March 31, 2026

₹ In Lakhs

	Year ended March 31, 2026	Year ended March 31, 2025
C. Cash flow from financing activities		
Proceeds from borrowings	2,11,580.54	58,021.04
Repayment of borrowings	(1,81,785.07)	(36,902.51)
Repayment of principal portion of lease liabilities	(234.78)	(350.79)
Finance costs (including interest on lease liabilities)	(3,422.10)	(842.18)
Net cash flow generated from / (used in) financing activities (C)	**26,138.59**	**19,925.56**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**(88.73)**	**(337.75)**
Cash and cash equivalents at the beginning of the year (Refer Note 9)	196.39	532.95
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	7.87	1.19
Cash and cash equivalents at the end of the year (Refer Note 9)	115.53	196.39
Cash and cash equivalents comprises of		
Balances with banks		
In current accounts	115.11	196.11
Cash on hand	0.42	0.28
Cash and cash equivalents (Refer Note 9)	**115.53**	**196.39**

Material accounting policies (Refer Note 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

per AMIT SINGH
Partner
Membership No. 408869

Place : Mumbai
Date : May 18, 2026

For and on behalf of the Board of Directors of
SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED

ANIL KUMAR RAGHAVAN
Chief Executive Officer
Place : Mumbai

DILIP S. SHANGHVI
Chairman
DIN: 00005588
Place : Mumbai

ANUP M. RATHI
Chief Financial Officer
Place : Mumbai

RAJAMANNAR THENNATI
Director
DIN: 01415412
Place : Vadodara

KAJAL K. DAMANIA
Company Secretary
Place : Mumbai

Date : May 18, 2026

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

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 subsidiaries (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 18, 2026.

2. Material accounting policies

2.1 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.

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, 2025.

a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the parent Company and its subsidiaries as disclosed in Note 51. 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 translated using the exchange rate at the dates of the initial transactions.

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) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM of the Company is responsible for allocating resources and assessing performance of the operating segment.

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.

e) Property, plant and equipment

Items of property, plant and equipment 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.

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.

f) 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.

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 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.

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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.

h) 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 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.

i) 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, except trade receivables 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 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

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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 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.

j) 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. 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. 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.

k) 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 overflow of resources embodying economic benefits will be required to settle

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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.

l) 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 defers 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 on achievement of such milestones.

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.

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.

m) Government grant Ind AS 20

Government grants are defined as assistance by the government in the form of transfer of resources to the Group in the return for the past or future compliance with certain conditions relating to operating activity of the Group.

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the Group receives grants of non-monetary assets, the assets and the grant are recorded at fair value.

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 statement of profit and loss on the earlier of; the date of the plan amendment or curtailment, or the date that the Group recognises related restructuring costs. 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 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 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.

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 tax rates and tax laws

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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

Several amendments and interpretations apply for the first time for annual periods beginning on or after April 1, 2025 but do not have an impact on the financial statements of the Group. The Group has not early adopted any standards or amendments that have been issued but are not yet effective.

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for the year ended March 31, 2026

NOTE 3a

PROPERTY, PLANT AND EQUIPMENT

₹ In Lakhs

	Lease hold land	Right of use assets#	Buildings*	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
At cost or deemed cost								
As at April 1, 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
Disposals	-	-	-	(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**
Foreign currency translation difference	-	(13.02)	-	-	-	-	-	(13.02)
Additions	-	-	-	146.38	2.17	45.91	0.37	194.83
Disposals	-	(1,070.34)	-	(419.24)	(9.57)	(101.10)	(4.88)	(1,605.13)
As at March 31, 2026	**803.50**	**696.86**	**3,103.95**	**9,080.56**	**384.15**	**138.95**	**60.70**	**14,268.67**
Accumulated depreciation								
As at April 1, 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 charge	10.19	373.01	52.60	686.99	38.30	57.50	8.37	1,226.96
Disposals	-	-	-	(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**
Foreign currency translation difference	-	6.73	-	-	-	-	-	6.73
Depreciation charge	10.19	230.19	52.70	626.97	37.99	50.22	8.45	1,016.71
Disposals	-	(615.22)	-	(391.20)	(9.48)	(74.82)	(4.88)	(1,095.60)
As at March 31, 2026	**79.32**	**418.12**	**331.31**	**4,603.72**	**226.42**	**42.00**	**49.47**	**5,750.36**
Net carrying amounts								
As at March 31, 2025	**734.37**	**983.80**	**2,825.34**	**4,985.47**	**193.64**	**127.54**	**19.31**	**9,869.47**
As at March 31, 2026	**724.18**	**278.74**	**2,772.64**	**4,476.84**	**157.73**	**96.95**	**11.23**	**8,518.31**

* Pending registration of one location (Gross carrying amount : ₹285.99 Lakhs; Net carrying amount ₹180.99 Lakhs)

Refer Note 41

The Group follows a Cost Model for subsequent measurement of Property, plant and equipment and hence no revaluation is done.

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.

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for the year ended March 31, 2026

NOTE 3b

CAPITAL WORK-IN-PROGRESS

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Capital work-in-progress (CWIP)	49.72	56.07
	49.72	**56.07**

Movement of capital work-in-progress

₹ In Lakhs

Particulars	Opening balance	Addition during the year	Capitalised during the year	Closing balance
As at March 31, 2026	**56.07**	**48.05**	**54.40**	**49.72**
As at March 31, 2025	126.86	113.53	184.32	56.07

Capital work-in-progress ageing schedule

₹ In Lakhs

CWIP	As at March 31, 2026				
	CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	6.11	-	-	-	6.11
Projects overdue	-	23.50	20.11	-	43.61
Projects temporarily suspended	-	-	-	-	-
Total	**6.11**	**23.50**	**20.11**	**-**	**49.72**

₹ In Lakhs

CWIP	As at March 31, 2025				
	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	-	-	-	-	-
Total	**27.14**	**28.93**	**-**	**-**	**56.07**

There are no projects which have exceeded its cost compared to its original plan as at balance sheet date.

NOTE 3c

INTANGIBLE ASSETS

₹ In Lakhs

	Computer software
At cost or deemed cost	
As at April 1, 2024	**118.63**
Additions	-
Disposals	-
As at March 31, 2025	**118.63**
Additions	11.50
Disposals	-
As at March 31, 2026	**130.13**

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

₹ In Lakhs

	Computer software
Accumulated amortisation	
As at April 1, 2024	**100.07**
Amortisation charge	12.52
Disposals	-
As at March 31, 2025	**112.59**
Amortisation charge	4.08
Disposals	-
As at March 31, 2026	**116.67**
Net carrying amounts	
As at March 31, 2025	**6.04**
As at March 31, 2026	**13.46**

NOTE 3d

INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
In-Process Research and Development assets	7,121.47	5,359.22
	7,121.47	**5,359.22**

Movement of Intangible assets under development

₹ In Lakhs

Particulars	Opening balance	Addition during the year	Capitalised during the year	Closing balance
As at March 31, 2026	**5,359.22**	**1,762.25**	**-**	**7,121.47**
As at March 31, 2025	4,252.63	1,106.59	-	5,359.22

Intangible assets under development ageing schedule

₹ In Lakhs

Intangible assets under development	As at March 31, 2026				
	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	1,762.25	1,106.59	1,739.98	2,512.65	7,121.47
Projects temporarily suspended	-	-	-	-	-

₹ In Lakhs

Intangible assets under development	As at March 31, 2025				
	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	-	-	-	-	-

There is no intangible asset under development where completion is overdue or has exceeded its cost compared to its original plan as at balance sheet date.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

NOTE 4

OTHER FINANCIAL ASSETS (NON-CURRENT)

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Security deposits - unsecured, considered good	43.55	46.98
Other receivables	2,830.50	2,564.10
	2,874.05	**2,611.08**

NOTE 5

DEFERRED TAX ASSETS (NET)

₹ In Lakhs

	As at April 1, 2025	Recognised in profit or loss	Foreign Currency Translation Reserve	As at March 31, 2026
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	(1,928.88)	344.30	-	(1,584.58)
Impairment allowance (allowance for bad and doubtful debts)	59.68	(8.10)	-	51.58
Expenses claimed for tax purpose on payment basis	619.33	160.83	24.58	804.74
Deferred revenue	2,364.40	(320.88)	-	2,043.52
Deferred tax asset (of Parent Company) restricted to the value of deferred tax liability	(883.65)	(204.85)	-	(1,088.50)
	230.88	**(28.70)**	**24.58**	**226.76**

₹ In Lakhs

	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	-	-
Impairment allowance (allowance for bad and doubtful debts)	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
Deferred tax asset (of Parent Company) restricted to the value of deferred tax liability	(802.59)	(81.06)	-	(883.65)
	126.17	**100.52**	**4.19**	**230.88**

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.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
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	22,132.70	1,92,753.44
Unabsorbed depreciation	23,126.42	23,123.94

NOTE 6

INCOME TAX ASSETS (NET)

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Advance income tax* (Net of provisions)		
Non-current	2,931.80	5,616.45
Current	545.96	-
	3,477.76	**5,616.45**

* Includes amount paid under protest.

NOTE 7

OTHER ASSETS (NON-CURRENT)

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	21.55	28.99
Balances with government authorities*	9,087.80	7,155.46
	9,109.35	**7,184.45**

*Includes balances of Goods and Services Tax and amount paid under protest

NOTE 8

TRADE RECEIVABLES

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good (Refer Note 46)	827.05	1,605.65
Credit impaired	204.95	204.95
	1,032.00	**1,810.60**
Less : Impairment allowance (allowance for bad and doubtful debts)	(204.95)	(204.95)
	827.05	**1,605.65**

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 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.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Trade receivables ageing schedule

₹ In Lakhs

Particulars	As at March 31, 2026						
	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	168.15	184.93	2.22	-	-	471.75	**827.05**
(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)**
Total	**168.15**	**184.93**	**2.22**	**-**	**-**	**471.75**	**827.05**

₹ In Lakhs

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)**
Total	**783.85**	**394.45**	**-**	**-**	**427.35**	**-**	**1,605.65**

NOTE 9

CASH AND CASH EQUIVALENTS

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Balances with banks		
In current accounts	115.11	196.11
Cash on hand	0.42	0.28
	115.53	**196.39**

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Changes in liabilities arising from financing activities

₹ In Lakhs

Particulars	Balance as at April 01, 2025	Cash flows	Foreign currency translation reserve	Other	Balance as at March 31, 2026	Balance as at April 01, 2024	Cash flows	Foreign currency translation reserve	Other	Balance as at March 31, 2025
Borrowings	25,818.53	29,795.47	-	-	55,614.00	4,700.00	21,118.53	-	-	25,818.53
Lease Liabilities	1,074.88	(234.78)	11.76	(534.37)	317.49	1,415.10	(350.79)	10.57	-	1,074.88

NOTE 10

LOANS (CURRENT)

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Loans and advances to employees		
Unsecured, considered good	17.06	16.31
	17.06	**16.31**

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 11

OTHER FINANCIAL ASSETS (CURRENT)

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Security Deposit	13.19	-
IGST refund receivable*	133.31	175.86
Other receivable	-	60.01
	146.50	**235.87**

*Includes balances of Goods and Services Tax and amount paid under protest

NOTE 12

OTHER ASSETS (CURRENT)

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	326.10	359.73
Priority review voucher (PRV) asset (Refer Note 27)	1,84,002.00	-
Advances for supply of goods and services (considered good)	251.37	195.36
Balances with government authorities	11.13	10.38
	1,84,590.60	**565.47**

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

NOTE 13

EQUITY SHARE CAPITAL

	As at March 31, 2026		As at March 31, 2025	
	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 Parent Company has increased by ₹ 0.08 Lakhs.

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 :

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	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, 2026		As at March 31, 2025	
	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 / or 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, 2026

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	-

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

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
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	-
	Total	**21,31,15,095**	**-**	**21,31,15,095**	**65.67**	**-**

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	-
	Total	**21,31,15,095**	**-**	**21,31,15,095**	**65.67**	**-**

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

NOTE 14

OTHER EQUITY

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
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	(2,32,160.48)	(1,97,883.99)
Add : Profit / (loss) for the year	1,55,320.43	(34,250.94)
Add : Actuarial gain on remeasurement of defined benefit plan	207.30	(25.55)
	(76,632.75)	**(2,32,160.48)**
D Items of other comprehensive income (OCI)		
Foreign currency translation reserve		
Opening balance	6.83	0.68
Addition during the year	49.79	6.15
	56.62	**6.83**
Total (A+B+C+D)	**1,30,637.42**	**(24,940.10)**

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.

NOTE 15

BORROWINGS (NON-CURRENT)

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Unsecured term loan		
Shanghvi Finance Private Limited* (Refer Note 43)	-	10,000.00
	-	**10,000.00**

*Unsecured term loan from Promoter group entity carrying interest @3 months SBI MCLR + 20 bps p.a. payable on December 30, 2026.

The term loan is utilised for the intended purpose of meeting working capital requirements.

NOTE 16

LEASE LIABILITIES (NON-CURRENT)

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Lease liabilities (Refer Note 41)	166.01	694.94
	166.01	**694.94**

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

NOTE 17

OTHER FINANCIAL LIABILITIES (NON-CURRENT)

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Payable to employees	36.68	11.40
Other non-current financial liabilities	98.27	90.39
	134.95	**101.79**

NOTE 18

PROVISIONS (NON-CURRENT)

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits		
Compensated absences	516.69	543.37
Gratuity (Refer Note 45)	716.83	224.21
	1,233.52	**767.58**

NOTE 19

OTHER LIABILITIES (NON-CURRENT)

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Deferred revenue (Refer Note 46)	6,259.81	6,259.81
	6,259.81	**6,259.81**

Movement of deferred revenue

₹ In Lakhs

Particulars	Opening balance	Addition during the year	Deletion during the year	Transfer to Other liabilities (Current)	Closing balance
As at March 31, 2026	**6,259.81**	**-**	**-**	**-**	**6,259.81**
As at March 31, 2025	10,349.43	-	-	(4,089.62)	6,259.81

NOTE 20

BORROWINGS (CURRENT)

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
From Banks		
Temporary Book Overdraft (Secured)*	886.52	198.49
Unsecured term loan	-	-
Shanghvi Finance Private Limited**	10,000.00	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Secured working capital loan		
Kotak Mahindra Bank Limited	39,000.00	15,600.00
- Working capital loan from bank (secured)*#^		
ICICI Bank Limited	5,727.48	20.04
- Working capital loan from bank (secured)*#^		
	55,614.00	**15,818.53**

*The Group has availed working capital facilities from Kotak Mahindra Bank Limited and ICICI Bank Limited on the basis of security of current assets. However, the Group has obtained waiver to file quarterly statement with the banks.

**Unsecured term loan from Promoter group entity carrying interest @3 months SBI MCLR + 20 bps p.a. payable on December 30, 2026.

#Working capital demand loan carries an interest rate of @6.75% p.a. to @9.75% p.a.

The term loan is utilised for the intended purpose of meeting working capital requirements.

^Working capital demand loan from Kotak Mahindra Bank Limited and ICICI Bank Limited is secured by Corporate Guarantee given by Shanghvi Finance Private Limited.

NOTE 21

LEASE LIABILITIES (CURRENT)

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Lease liabilities (Refer Note 41)	151.48	379.94
	151.48	**379.94**

NOTE 22

TRADE PAYABLES

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro and small enterprises (Refer Note 40)	129.84	93.65
Total outstanding dues of creditors other than micro and small enterprises	9,585.40	11,298.68
	9,715.24	**11,392.33**

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.

Trade payable ageing schedule

₹ In Lakhs

Particulars	As at March 31, 2026						
	Outstanding periods from due date of payment						
	Unbilled dues	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro and small enterprises	20.76	109.08	-	-	-	-	**129.84**
(ii) Others	3,509.01	470.21	3,790.23	1,636.15	155.51	24.29	**9,585.40**
(iii) Disputed dues - Micro and small enterprises	-	-	-	-	-	-	**-**

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

₹ In Lakhs

Particulars	As at March 31, 2026						
	Outstanding periods from due date of payment						
	Unbilled dues	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(iv) Disputed dues - others	-	-	-	-	-	-	**-**
Total	**3,529.77**	**579.29**	**3,790.23**	**1,636.15**	**155.51**	**24.29**	**9,715.24**

Trade payable ageing schedule

₹ In Lakhs

Particulars	As at March 31, 2025						
	Outstanding periods from due date of payment						
	Unbilled dues	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(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	-	-	-	-	-	-	**-**
Total	**4,350.29**	**1,567.38**	**2,217.82**	**3,235.63**	**3.28**	**17.93**	**11,392.33**

NOTE 23

OTHER FINANCIAL LIABILITIES (CURRENT)

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Interest accrued but not due on borrowings	51.88	60.65
Payable on purchase of property, plant and equipment and intangible asset under development	66.80	501.82
Payable to employees	1,085.29	1,481.94
Amount refundable to customers	6,605.20	1,709.60
Other financial liability	14.29	35.83
	7,823.46	**3,789.84**

NOTE 24

OTHER LIABILITIES (CURRENT)

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Statutory remittances	821.41	1,164.74
Advances from customers (Refer Note 46)	-	0.20
Deferred revenue (Refer Note 46)	-	4,089.62
	821.41	**5,254.56**

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

NOTE 25

PROVISIONS (CURRENT)

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits		
Compensated absences	634.20	488.32
Gratuity (Refer Note 45)	650.82	256.22
	1,285.02	**744.54**

NOTE 26

CURRENT TAX LIABILITIES (NET)

₹ In Lakhs

	As at March 31, 2026	As at March 31, 2025
Provision for income tax (Net of advance income tax)	-	44.29
	-	**44.29**

NOTE 27

REVENUE FROM OPERATIONS

₹ In Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from contracts with customers (Refer Note 46)		
Licence fees	1.28	1,424.16
Royalty on technology	2,793.17	4,557.90
R&D services	1,120.38	1,194.54
	3,914.83	**7,176.60**
Other operating revenue	1,84,002.00	-
	1,84,002.00	**-**

During the year, the Group recognised income of ₹184,002 lakhs in respect of a Priority Review Voucher (PRV) granted by the United States Food and Drug Administration (USFDA) on February 03, 2026 for Sezaby®. The PRV, being a transferable instrument, was subsequently sold by the Group on April 30, 2026 for USD 195 million.

The PRV has been accounted as a non-monetary government grant under Ind AS 20 and the fair value of the PRV has been recognised in the Statement of Profit and Loss. There are no unfulfilled conditions and other contingencies attached to PRV that has been recognised.

NOTE 28

OTHER INCOME

₹ In Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest income on:		
Deposits with banks	0.19	46.49

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

₹ In Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Loans to employees	0.26	0.49
Others (includes refund from government authorities)	1,028.28	21.23
	1,028.73	**68.21**
Net gain on sale of financial assets measured at fair value through profit or loss	-	105.51
Net gain on disposal of property, plant and equipment	-	3.25
Net gain on derecognition of Right to use assets and lease liabilities	48.13	-
Miscellaneous income	18.31	2.14
	1,095.17	**179.11**

NOTE 29

COST OF MATERIALS CONSUMED

₹ In Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Materials consumed	2,360.14	2,311.84
	2,360.14	**2,311.84**

NOTE 30

EMPLOYEE BENEFITS EXPENSE

₹ In Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	10,695.34	13,873.75
Contribution to provident and other funds*	753.01	778.45
Staff welfare expenses	353.88	706.07
	11,802.23	**15,358.27**

* includes gratuity expense of **₹196.10 Lakhs** (Previous year: ₹145.54 Lakhs)

NOTE 31

FINANCE COSTS

₹ In Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest expense on:		
Borrowings	3,091.63	755.83
Lease liabilities (Refer Note 41)	58.08	89.89
Corporate guarantee commission (Refer Note 43)	254.53	50.00
Unwinding of discount on provision	9.09	8.18
	3,413.33	**903.90**

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

NOTE 32

OTHER EXPENSES

₹ In Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Consumption of stores and spare parts	512.30	550.76
Power and fuel	626.39	633.06
Rent	32.83	-
Rates and taxes	46.90	13.04
Insurance	171.25	150.31
Repairs and maintenance	634.46	708.13
Printing and stationery	15.63	15.08
Travelling and conveyance	253.96	284.99
License and fees	71.49	337.82
Communication expenses	25.17	35.63
Loss on sale/write-off of property, plant & equipment (net)	24.22	-
Net loss on foreign currency transactions	1,013.08	146.93
Payment to auditor		
For statutory audit	25.85	27.90
For limited review	9.20	9.20
For certification services	1.00	-
For reimbursement	3.30	4.59
Contract labour expenses	461.63	456.27
Membership fees and subscription	22.87	44.75
Software expenses	531.83	774.33
Staff recruitment expenses	7.66	14.84
Miscellaneous expenses	173.21	307.81
	4,664.23	**4,515.44**

NOTE 33

EXCEPTIONAL ITEMS

₹ In Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Provision for gratuity	1,030.25	-
Provision for compensated absences	206.24	-
	1,236.49	**-**

The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four labour codes as follows: Code on Wages, 2019, Code on Social Security, 2020, Industrial Relations Code, 2020 and Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the "New Labour Codes"). The New Labour Codes are effective from November 21, 2025 and introduce changes that include, among other things, setting a uniform definition of wages. The New Labour Codes have implications on employee benefits including gratuity, leave encashment, and other related obligations.

The Group has assessed the implications of the New Labour Codes and has recognized an incremental cost of ₹1,236.49 Lakhs during the current year and has disclosed it as an exceptional item. The Group continues to monitor the developments pertaining to the New Labour Codes and further impact, if any, will be accounted in accordance with applicable accounting standards.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

NOTE 34

TAX RECONCILIATION

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Reconciliation of tax expense		
Profit / (loss) before tax	1,55,300.99	(34,278.12)
Income tax rate in India (%)	25.17%	29.12%
Income tax expense calculated at corporate tax rate	39,089.26	(9,981.79)
Effect of unused tax losses and tax offsets not recognised as deferred tax assets (net)	(39,067.18)	10,052.87
Effect of tax credit in foreign subsidiary	(45.76)	(100.40)
Effect of difference between Indian and foreign tax rates and non taxable subsidiaries	4.24	2.15
Income tax expense recognised in consolidated statement of profit and loss	**(19.44)**	**(27.18)**

NOTE 35

CATEGORIES OF FINANCIAL INSTRUMENTS

₹ In Lakhs

Particulars	As at March 31, 2026			As at March 31, 2025		
	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						
Loans and advances to employees	-	-	17.06	-	-	16.31
Security deposits	-	-	56.74	-	-	46.98
Trade receivables	-	-	827.05	-	-	1,605.65
Cash and cash equivalents	-	-	115.53	-	-	196.39
Other receivables	-	-	2,963.81	-	-	2,799.97
Total	**-**	**-**	**3,980.19**	**-**	**-**	**4,665.30**
Financial liabilities						
Borrowings	-	-	55,614.00	-	-	25,818.53
Interest accrued but not due on borrowings	-	-	51.88	-	-	60.65
Trade payables	-	-	9,715.24	-	-	11,392.33
Payables on purchase of property, plant and equipment and intangible assets under development	-	-	66.80	-	-	501.82
Lease liabilities	-	-	317.49	-	-	1,074.88
Payable to employees	-	-	1,121.97	-	-	1,493.34
Other payables	-	-	6,717.76	-	-	1,835.82
Total	**-**	**-**	**73,605.14**	**-**	**-**	**42,177.37**

NOTE 36

FAIR VALUE HIERARCHY

There are no financial assets and financial liabilities of the Group that have been measured at fair value. Accordingly, the fair value hierarchy disclosures required under Ind AS 107 are not applicable.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

The management assessed that cash and cash equivalents, trade receivables, loans, trade payables, other financial assets and other financial liabilities approximate their carrying values largely due to the short-term maturities of these instruments. The fair values of non-current financial assets and non-current financial liabilities also approximate their carrying values.

The fair value of the financial assets and financial 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.

NOTE 37

CAPITAL MANAGEMENT

The Group's capital management objectives are:

- to ensure the Group's ability to continue as a going concern; and
- to provide an adequate return to shareholders through optimisation the debt - equity mix.

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.

(i) Net debt equity ratio

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Debt (includes borrowings and lease liabilities)	55,931.49	26,893.41
Less : cash and cash equivalents	115.53	196.39
Net debt	**55,815.96**	**26,697.02**
Total equity (including reserves)	**1,33,882.72**	**(21,694.80)**
Net debt to total equity ratio	**0.42**	**(1.23)**

NOTE 38

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.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

The Group has unutilised working capital lines from banks and financial institutions of **₹23,886 Lakhs** as on March 31, 2026 (Previous year : ₹21,681 Lakhs)

The table below provides details regarding the contractual maturities of significant financial liabilities based on the contractual undiscounted payments :

₹ In Lakhs

Particulars	As at March 31, 2026				As at March 31, 2025			
	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	55,614.00	-	-	55,614.00	15,818.53	10,000.00	-	25,818.53
Lease liabilities	174.40	174.40	-	348.80	445.96	724.64	24.60	1,195.20
Trade payables	9,715.24	-	-	9,715.24	11,392.33	-	-	11,392.33
Other financial liabilities	7,816.07	50.67	91.67	7,958.41	3,789.84	13.96	87.83	3,891.63
	73,319.71	**225.07**	**91.67**	**73,636.45**	**31,446.66**	**10,738.60**	**112.43**	**42,297.69**

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). 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 Lakhs

Particulars	As at March 31, 2026					As at March 31, 2025				
	Equivalent INR					Equivalent INR				
	US Dollars	Pound	Euro	Others	Total	US Dollars	Pound	Euro	Others	Total
Financial assets										
Trade receivables	526.44	-	-	-	526.44	549.14	-	-	-	549.14
Other receivables	2,830.50	-	-	-	2,830.50	2,564.10	-	-	-	2,564.10
Cash and cash equivalents	30.52	-	-	-	30.52	32.02	-	-	-	32.02
Financial liabilities										
Trade payables	7,175.10	62.61	10.41	14.41	7,262.53	9,229.00	168.48	57.59	9.17	9,464.24
Other financial liability	6,715.78	-	-	-	6,715.78	2,277.55		-	-	2,277.55

b) Sensitivity

For the years ended March 31, 2026 and March 31, 2025, every 5% strengthening in the exchange rate between the Indian Rupee and the respective currencies for the above mentioned financial assets / liabilities would increase the Group's profit and increase the Group's equity by approximately ₹529.54 Lakhs and ₹429.83 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 leading to equal decrease in profit and equity. A 50 basis point decrease in interest rate would have led to an equal but opposite effect.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Commodity rate risk

The Group being in the business of Research & Development, does not face any significant Commodity Price Risk.

NOTE 39

PROFIT / (LOSS) PER SHARE

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(a) Profit / (loss) for the year (₹ in Lakhs)	1,55,320.43	(34,250.94)
(b) Weighted average number of shares used in computing basic and diluted profit / (loss) per share	32,45,21,588	32,45,21,588
(c) Nominal / face value per share (in ₹)	1.00	1.00
(d) Basic and diluted profit / (loss) per share (in ₹) [(a) / (b)]	47.86	(10.55)

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 Companies incorporated in India.

a) The principal amount remaining unpaid as at March 31, 2026 in respect of enterprises covered under the "Micro, Small and Medium Enterprises Development Act, 2006" (MSMED) is **₹129.84 Lakhs** (Previous year : ₹93.65 Lakhs).

b) 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.

c) The list of undertakings covered under MSMED was determined by the Companies incorporated in India on the basis of information available with the Companies incorporated in India and has been relied upon by auditors.

NOTE 41

LEASES

Right-of-use (ROU assets)

₹ In Lakhs

Particulars	Amount
At cost or deemed cost	
As at April 1, 2024	**1,767.20**
Foreign currency translation difference	13.02
Additions	-
Disposals	-
As at March 31, 2025	**1,780.22**
Foreign currency translation difference	(13.02)
Additions	-
Disposals	(1,070.34)
As at March 31, 2026	**696.86**
Accumulated depreciation	
As at April 1, 2024	**420.79**
Foreign currency translation difference	2.62
Depreciation charge	373.01

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

₹ In Lakhs

Particulars	Amount
Disposals	-
As at March 31, 2025	**796.42**
Foreign currency translation difference	6.73
Depreciation charge	230.19
Disposals	(615.22)
As at March 31, 2026	**418.12**
Net carrying amounts (Refer Note 3a)	
As at March 31, 2025	**983.80**
As at March 31, 2026	**278.74**

Lease liabilities

Below are the carrying amounts of lease liabilities recognised and the movements during the period:

₹ In Lakhs

Particulars	Amount
As at April 1, 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**
Accretion of interest	58.08
Addition during the year	-
Deletion during the year	(534.37)
Payments towards lease liability	(292.86)
Foreign currency translation difference	11.76
As at March 31, 2026	**317.49**
Lease liabilities (non-current) (Refer Note 16)	
Lease liabilities	166.01
Lease liabilities (Current) (Refer Note 21)	
Lease liabilities	151.48
Total lease liabilities	**317.49**

Lease liabilities - maturity analysis - contractual undiscounted cash flows

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Not later than one year	174.40	445.96
Later than one year and not later than five years	174.40	749.24
Later than five years	-	-
Amounts recognised in statement of profit and loss		
Interest on lease liabilities	58.08	89.89
Depreciation on right-to-use assets	230.19	373.01

Annual lease costs on short term leases and low value asset leases amounted to **₹Nil** in the year ended March 31, 2026 and March 31, 2025.

The effective interest rate for lease liabilities is considered to be 9.20%

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

NOTE 42

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 Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue by geography		
Within India	3,804.87	7,008.23
Outside India	109.96	168.37
Total revenue from contract with customers	**3,914.83**	**7,176.60**

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 43)

NOTE 43

RELATED PARTY DISCLOSURE

Disclosure of transactions with related parties as required by Ind AS-24 (Refer Annexure - A)

NOTE 44

CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
i. Contingent liabilities		
a) Guarantees given by the bankers against pollution control board	0.50	0.50
b) Disputed demands by Income tax authorities* (gross)	3,283.77	3,289.14
c) Disputed demands by Service tax authorities** (gross)	5,190.17	5,190.17

* Amount paid under protest is classified under income tax assets **₹2,857.54 Lakhs** (Previous Year ₹2,843.37 Lakhs) (Refer Note 6)

Amount paid under protest is classified under other non-current and current assets **₹172.65 Lakhs (Previous Year ₹172.65 Lakhs) (Refer Note 7 & 11)

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
ii. Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)*	33,746.11	32,302.27

iii. For commitments relating to lease arrangement. (Refer Note 41)

* 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.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

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 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 **₹392.37 Lakhs** (Previous year : ₹414.73 Lakhs).

₹ In Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Contribution to Provident Fund and Family Pension Fund	389.91	402.35
Contribution to ESIC and Employees Deposit Linked Insurance (EDLI)	2.42	12.32
Contribution to Labour Welfare Fund	0.04	0.06

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 The Code on Social Security, 2020. Under The Code on Social Security, 2020, employees are entitled to specific benefit at the time of retirement or termination of employment 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 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 Parent Company rules with corresponding charge to the statement of profit and loss amounting to **₹251.12 Lakhs** (Previous year : ₹132.58 Lakhs) out of which ₹44.88 Lakhs has been charged to employee benefit expense and ₹206.24 Lakhs has been classified under exceptional item. 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 Lakhs

Particulars	Year ended March 31, 2026 Gratuity (Funded)	Year ended March 31, 2025 Gratuity (Funded)
I. Reconciliation of liability/(asset) recognised in the balance sheet		
Present value of obligation at the end of the year	2,787.85	1,993.45
Fair value of plan assets at the end of the year	(1,420.19)	(1,513.02)
Net liability recognised in the financial statement	1,367.66	480.43
II. Movement in net liability / (asset) recognised in the balance sheet		
Net liability / (assets) as at beginning of the year	480.43	21.07
Net expense recognised in the statement of profit and loss	1,226.35	145.55
Net expense / (gain) recognised in other comprehensive income	(207.30)	25.55

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

₹ In Lakhs

Particulars		Year ended March 31, 2026 Gratuity (Funded)	Year ended March 31, 2025 Gratuity (Funded)
	Net (liability) / asset transfer out	(11.82)	(28.47)
	Contribution during the year	(120.00)	-
	Refund from fund for the benefit paid in previous year	-	316.73
	Net liability / (asset) as at the end of the year (Refer Note 18 and 25)	1,367.66	480.43
III.	**Net interest cost for the current year**		
	Interest cost	147.62	143.32
	Interest income	(96.58)	(141.80)
	Net interest cost for the current year	51.04	1.52
IV.	**Expense recognised in the statement of profit and loss**		
	Current service cost	145.06	144.03
	Net interest cost for the current year	51.04	1.52
	Past service cost	1,030.25	-
	Expense charged to the statement of profit and loss	1,226.35	145.55
V.	**Expense recognised in the other comprehensive income (OCI)**		
	Actuarial (gains) / losses on obligation for the year	(184.73)	2.56
	Return on plan assets excluding interest income	(22.57)	22.99
	Net expenses/ (income) recognised in the OCI	(207.30)	25.55
VI.	**Return on plan assets**		
	Expected return on plan assets	96.58	141.80
	Actuarial gain	22.57	(22.99)
	Actual return on plan assets	119.15	118.81
VII.	**Reconciliation of defined-benefit obligations**		
	Obligation as at the beginning of the year	1,993.45	1,993.30
	Current service cost	145.06	144.03
	Liability transfer out	(11.82)	(28.47)
	Interest cost	147.62	143.32
	Benefits paid	(331.98)	(261.29)
	Past service cost	1,030.25	-
	Actuarial (gain) / loss arising from changes in financial assumptions	(31.68)	54.91
	Actuarial (gain) / loss arising from demographic assumptions	-	-
	Actuarial (gain) / loss arising from changes in experience adjustments	(153.05)	(52.35)
	Obligation as at the end of the year	2,787.85	1,993.45
VIII.	**Reconciliation of plan assets**		
	Plan assets as at the beginning of the year	1,513.02	1,972.23
	Expected return on plan assets	96.58	141.80
	Actuarial gain on plan assets	22.57	(22.99)
	Employer’s contribution during the year	120.00	-
	Refund from fund for the benefit paid in previous year	-	(316.73)
	Benefits paid	(331.98)	(261.29)
	Plan assets as at the year end	1,420.19	1,513.02
IX.	**Actuarial assumptions**		
	Discount rate	6.89%	6.61%
	Expected return on plan assets	6.89%	6.61%
	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)	60-70 years	60-69 years

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

₹ In Lakhs

Particulars	Year ended March 31, 2026 Gratuity (Funded)	Year ended March 31, 2025 Gratuity (Funded)
X. Investment details		
Insurance fund	1,420.19	1,513.02
XI. Sensitivity analysis for significant assumptions :		
Benefit obligation as at the end of the year	2,787.85	1,993.45
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	(87.18)	(92.65)
Delta effect of -1% change in rate of discounting	96.85	103.01
Delta effect of +1% change in rate of salary increase	93.07	98.72
Delta effect of -1% change in rate of salary increase	(85.58)	(90.72)
Delta effect of +1% change in rate of employee turnover	(16.85)	(18.94)
Delta effect of -1% change in rate of employee turnover	18.34	20.67
XII. Maturity analysis of projected benefit obligation		
Projected benefits payable in future years from the date of reporting		
1st following year	923.19	418.85
2nd following year	207.22	179.13
3rd following year	295.33	187.15
4th following year	237.61	250.45
5th following year	157.73	203.06
Sum of years 6 to 10	605.90	751.75
Sum of Years 11 and above	1,009.01	969.57

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 the next financial year **₹337.08 Lakhs** (Previous year : ₹256.22 Lakhs).

NOTE 46

REVENUE FROM CONTRACT WITH CUSTOMERS

₹ In Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from contract with customers (Refer Note 27)	3,914.83	7,176.60

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables (Refer Note 8)	827.05	1,605.65
Contract liabilities (Refer Note 19 and 24)	6,259.81	10,349.63

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

NOTE 47

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 18 and 25]

2 Contingent liabilities [Refer Note 44]

3 Financial risk management [Refer Note 38]

4 Provision for tax [Refer Note 5 and 26]

5 Revenue [Refer Note 27 and 46]

6 Other operating revenue - Recognition of PRV income [Refer Note 27]

NOTE 48

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 49

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 50

OTHER STATUTORY INFORMATION

(i) The Parent Company and its subsidiary in India do 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 and its subsidiary in India have not been declared as wilful defaulter.

(iii) The Parent Company and its subsidiary in India do 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.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

(v) The Parent Company and its subsidiary in India have 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 Parent Company and its subsidiary in India have 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 and its subsidiary in India do 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 and its subsidiary in India do not have any scheme of arrangements during the year.

NOTE 51

Disclosures mandated by the Companies Act, 2013 Schedule III Part II by way of additional information is given in Annexure - B.

NOTE 52

BACK UP OF BOOKS OF ACCOUNTS AND AUDIT TRAIL

a) The Parent Company and its subsidiary in India maintain their 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 and its subsidiary in India have used accounting software for maintaining their 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 instances of audit trail feature being tampered with. Additionally, the audit trail of prior years has been preserved as per the statutory requirements for record retention.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

NOTE 53

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.

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 18, 2026

For and on behalf of the Board of Directors of
SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED

ANIL KUMAR RAGHAVAN
Chief Executive Officer
Place : Mumbai

DILIP S. SHANGHVI
Chairman
DIN: 00005588
Place : Mumbai

ANUP M. RATHI
Chief Financial Officer
Place : Mumbai

RAJAMANNAR THENNATI
Director
DIN: 01415412
Place : Vadodara

KAJAL K. DAMANIA
Company Secretary
Place : Mumbai

Date : May 18, 2026

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Annexure - A

Disclosure of transactions with related parties as required by Ind AS-24

Names of related parties and description of relationship

1. Key Management Personnel

Dilip S. Shanghvi	Chairman & Non-Executive Director
Vidhi D. Shanghvi	Non Executive Director
Rajamannar Thennati	Non-Executive Director
Bhavna Doshi	Independent Director (ceased to be director w.e.f. August 12, 2025)
Ferzaan Engineer	Independent Director (ceased to be director w.e.f. August 12, 2025)
Robert Jay Spiegel	Independent Director
Rekha Warriar	Independent Director (appointed w.e.f. May 19, 2025)
Venkateswarlu Jasti	Independent Director (appointed w.e.f. May 19, 2025)
Anil Kumar 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
Sun Pharma Japan Limited
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.

1. Transactions with Key Management Personnel (KMP)

₹ In Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Director sitting fees		
Dilip S. Shanghvi	3.60	3.90
Sudhir V. Valia	-	3.30
Vidhi D. Shanghvi	6.30	4.80
Bhavna Doshi	3.00	6.90
Rajamannar Thennati	2.70	3.00
Ferzaan Engineer	2.70	6.00
Robert Jay Spiegel	6.60	6.00
Rekha Warriar	4.80	-
Venkateswarlu Jasti	3.00	-
Remuneration		
Anil Kumar Raghavan	588.50	566.85

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.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

2. Transactions with Enterprises under significant influence of / are controlled by Key Management Personnel

₹ In Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Spiegel Consulting LLC		
Professional fees	47.18	42.90
Shanghvi Finance Private Limited		
Commission on corporate guarantee	254.53	50.00
Loan received	-	10,000.00
Interest paid	856.15	220.55
Sun Pharma Laboratories Limited		
Sale of services - License fees / Royalty on technology / R&D services	370.08	776.49
Purchase of goods	0.01	0.99
Sun Pharmaceutical Industries Europe BV		
Receiving of research and development services	-	238.19
Reimbursement of expenses paid	-	1.75
Sun Pharmaceutical Industries Inc.		
Sale of services - License fees / Royalty on technology / R&D services	103.10	160.21
Reimbursement of expenses paid	1,551.53	317.75
Receiving of research and development services	256.75	1,458.88
Purchase of goods	-	4.74

₹ In Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Sun Pharmaceutical Industries Limited		
Sale of services - License fees / Royalty on technology / R&D services	3,434.78	6,231.75
Purchase of goods	95.60	105.13
Purchase of property, plant and equipment	-	6.10
Payment of lease liabilities	278.68	278.68
Receiving of research and development services	28.47	59.45
Product development cost	-	1,037.09
Sale of property, plant and equipment	-	40.58
Reimbursement of expenses paid	425.65	425.18
Reimbursement of expenses received	9.61	34.45
Sun Pharma Japan Limited		
Purchase of goods	0.03	-
Sun Pharmaceutical Medicare Limited		
Purchase of goods	3.50	0.31
Taro Pharmaceuticals Industries Limited		
Sale of services - R&D services	6.87	8.15
Taro Pharmaceuticals U.S.A., Inc.		
Payment of lease liabilities	14.18	162.00

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Balances outstanding - receivable / (payable)

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Dilip S. Shanghvi	(0.27)	(0.54)
Bhavna Doshi	(0.27)	(0.81)
Ferzaan Nariman Engineer	(0.27)	(0.27)
Robert Jay Spiegel	(0.41)	(0.21)
Vidhi D. Shanghvi	(0.27)	(0.54)
Rekha Warriar	(0.54)	-
Venkateswarlu Jasti	(0.27)	-
Shanghvi Finance Pvt Ltd.*	(10,349.26)	(10,054.00)
Spiegel Consulting LLC	(94.36)	(42.74)
Sun Pharma Laboratories Limited	300.60	426.85
Sun Pharmaceutical Industries Europe BV	-	(56.52)
Sun Pharmaceutical Industries Inc **	(9,125.99)	(4,736.68)
Sun Pharmaceutical Industries Limited	(160.97)	629.64
Sun Pharmaceutical Medicare Limited	-	(0.10)
Taro Pharmaceuticals Industries Limited	4.71	-
Taro Pharmaceuticals U.S.A., Inc.	(329.45)	(284.74)
Sun Pharma Japan Limited	(0.04)	-

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 **₹54,500 Lakhs** as at March 31, 2026 (Previous year : ₹20,000 Lakhs). Refer Note 20.

** March 31, 2026 balance includes milestone amount received USD 5 million (₹4,717.62 lakhs), previously recognised under Other Liabilities – Deferred Revenue at ₹4,089.62 lakhs, was reclassified to Other Financial Liabilities during the current year (including foreign exchange fluctuation of ₹ 628 lakhs) as per terms of initial agreement.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Annexure - B

Disclosure of additional information pertaining to the Parent Company and subsidiaries 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)	
		2025-26		2025-26		2025-26		2025-26	
		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	99.61	1,33,358.53	99.93	1,55,213.26	80.63	207.30	99.90	1,55,420.56
	Subsidiaries								
2	SPARCLIFE Inc.	0.42	565.98	0.07	107.27	-	-	0.07	107.27
3	Genokine Biotech Limited	0.00	0.90	(0.00)	(0.10)	-	-	(0.00)	(0.10)
	Total		**1,33,925.51**		**1,55,320.43**		**207.30**		**1,55,527.73**
4	Intercompany Elimination and Consolidation Adjustments	(0.03)	(42.69)	-	-	19.37	49.79	0.03	49.79
		100.00	**1,33,882.72**	**100.00**	**1,55,320.43**	**100.00**	**257.09**	**100.00**	**1,55,577.52**

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)**

Notice of Annual General Meeting

NOTICE is hereby given that 21st (Twenty- First) Annual General Meeting of the members of **Sun Pharma Advanced Research Company Limited** ("**Company**") will be held on **Monday, August 10, 2026, at 04:30 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, 2026 and the reports of the Board of Directors and Auditors thereon.**

   To consider and, if thought fit, to pass the following resolutions as **Ordinary Resolutions:**

   "**RESOLVED THAT** the audited standalone financial statement of the Company for the financial year ended March 31, 2026 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, 2026 and the report of the Auditors thereon.**

   To consider and, if thought fit, to pass the following resolutions as **Ordinary Resolutions:**

   "**RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2026 and the report of Auditors thereon, as circulated to the Members, be and are hereby considered and adopted.

SPECIAL BUSINESS:

3. **Dr. Rajamannar Thennati (DIN: 01415412), Director liable to retire by rotation, who does not seek re-election.**

   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, Dr. Rajamannar Thennati (DIN: 01415412), Non-Executive & Non-Independent Director, retires by rotation with effect from the conclusion of 21st Annual General Meeting of the Company and the vacancy caused as such not be filled up."

4. **Appointment of Mr. Anil Kumar Raghavan (DIN: 03548731) as the Managing Director and Chief Executive Officer of the Company.**

   To consider and, if thought fit, to pass the following resolution as an **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 152, 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule V of the Act, 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 consent of the members of the Company be and is hereby accorded for appointment of Mr. Anil Kumar Raghavan (DIN: 03548731) as the Managing Director and Chief Executive Officer of the Company, for a term of five years, effective from August 11, 2026, the main key terms of appointment and remuneration are as follows:

1. **Period of Appointment:**

   Mr. Anil Kumar Raghavan shall hold office as the Managing Director and Chief Executive Officer of the Company for a term of five years, effective from August 11, 2026, and such appointment may be terminated by either party giving the other ninety days' notice in writing.

2. **Remuneration:**

   The remuneration (including variation in any components of the remuneration) payable shall be determined by the Board of Directors, from time to time, within the maximum limits as set forth below:

   a) **Salary:** (including bonus, perquisites, long-term incentives, variable pay, etc.) of up to Rs. 10,00,00,000/- (Rupees Ten Crore only) per annum be paid to the Managing Director and Chief Executive Officer of the Company during the period commencing from the current financial year and continuing until the expiry of his five (5) year term of office.

   b) **Perquisites:** He will be entitled to furnished/ non-furnished accommodation or house rent allowance, gas, electricity, medical reimbursement, leave travel concession for self and family, club fees, personal accident insurance, company-maintained car, telephone, and such other perquisites in accordance with the Company's rules, the monetary value of which will be determined in accordance with the Income Tax Rules, 2026.

   c) **Company's contribution to Provident Fund and superannuation fund** or annuity fund, gratuity payment as per Company's rules and encashment of leave at the end of his tenure shall not be included in the computation of ceiling on remuneration and perquisites as aforesaid.

d) **Minimum Remuneration:** In the event of loss or inadequacy of profits in any financial year, Mr. Anil Kumar Raghavan shall be entitled to receive a total remuneration, including perquisites, etc., not exceeding the ceiling limits as approved by the members herein above, as minimum remuneration.

3. Other Terms and Conditions:

a) Subject to the provisions of the Act, Mr. Anil Kumar Raghavan, as the Managing Director and Chief Executive Officer, shall have the power of general conduct and management of the affairs of the Company. He shall be entitled to exercise all such powers and do all such acts which are directed or required of him in his capacity as the Managing Director and Chief Executive Officer, by the Act or any other law for the time being in force.

b) Mr. Anil Kumar Raghavan would be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company shall have the discretion and authority to modify the foregoing terms of remuneration within the limits as approved by the members and that the Board of Directors 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."

By Order of the Board of Directors

For **Sun Pharma Advanced Research Company Limited**

SD/-

Kajal Damania

Company Secretary and Compliance Officer

Place: Mumbai

Date: July 13, 2026

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 21st 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 Act relating to the Ordinary/ Special Business(es) to be transacted at the 21st 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 appointment as Directors, are given under the heading "Profile of Director" forming part of this Notice.

3. 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 members 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.

4. 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.

5. 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.

6. 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 1,000 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.

7. 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

8. Participation of members through VC / OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.

9. In compliance with the Circulars, the Annual Report for 2025-26, the Notice of the 21st 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).

10. In compliance with Section 108 of the Act, read with the corresponding rules, Regulation 44 of the Listing 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.

11. 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.

12. Members holding shares either in physical or dematerialized mode, as on cut-off date, i.e. Monday, August 03, 2026, may cast their votes electronically. The e-voting period commences on Thursday, August 06, 2026 (9:00 A.M. IST) and ends on Sunday, August 09, 2026 (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 03, 2026. A person who is not a member as on the cut-off date is requested to treat this Notice for information purposes only.

13. 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.

14. 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, MUFG Intime India Private Limited at investor.helpdesk@in.mpms.mufg.com , to receive copies of the Annual Report 2025-26 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 investor.helpdesk@in.mpms.mufg.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 https://sparc.life/ as well as on RTA's website at https://in.mpms.mufg.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 SH-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	

15. Members may also note that the Notice of the 21st AGM and the Annual Report 2025-26 will also be available on the Company's website at, https://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 .

16. 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 06, 2026. 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.

17. 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.
18. 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.
19. 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 10, 2026.
20. 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.
21. Instructions for Remote E-Voting and E-Voting during the AGM:
    i. **The remote e-voting period begins on Thursday, August 06, 2026 at 9:00 A.M. (IST) and ends on Sunday, August 09, 2026 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. Monday, August 03, 2026, 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 at the meeting venue.
    iii. Pursuant to **SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 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 cdsl website www.cdslindia.com and click on login icon & My Easi New (Token) Tab 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & My Easi New (Token) 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.

Type of members	Login Method
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.js 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 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on **company name or e-Voting service provider name** and you will be re-directed to **e-Voting service provider website** for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual members (holding 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 21 09911
Individual members holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 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 "Shareholders" 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: 260703005 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.

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, 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.

xvii. **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.

xviii. 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. 1800 21 09911.

xix. 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 21 09911.

By Order of the Board of Directors
For **Sun Pharma Advanced Research Company Limited**

SD/-
Kajal Damania
Company Secretary and
Compliance Officer

Place: Mumbai
Date: July 13, 2026

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. 3 and 4 of the Notice.

Item No. 3

Dr. Rajamannar Thennati (DIN: 01415412), Director liable to retire by rotation, who does not seek re-election:

Under the provisions of Section 152 of the Act, at least one-third of the directors who are liable to retire by rotation, shall retire at every Annual General Meeting of the Company. Dr. Rajamannar Thennati, Non-executive Director of the Board, retires by rotation at this 21st AGM and has expressed his unwillingness for reappointment. However, consequent to above retirement and in compliance with Regulation 17 of SEBI Listing Regulations, Mr. Anil Kumar Raghavan will be appointed as Managing Director and Chief Executive Officer with effect from August 11, 2026 given that the Board is adequately composed, the Company does not intend to fill up the vacancy caused by the retirement of Dr. Rajamannar Thennati. Hence, as required under Section 152 of the Act, an ordinary resolution is proposed not to fill up the vacancy caused by the retirement of Dr. Rajamannar Thennati.

The Board recommends the Resolution as set out at Item no. 3 of the Notice for approval of the Members as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel or their relatives, except Dr. Rajamannar and his relatives, are in any way concerned or interested in the resolution as set out at Item No. 3 of the Notice.

Please click here for the resolution.

Item No 4

Appointment of Mr. Anil Kumar Raghavan (DIN:03548731) as the Managing Director and Chief Executive Officer of the Company.

Dr. Rajamannar Thennati, Non-Executive, Non-Independent Director of the Company, shall retire from the office of Director upon the conclusion of the ensuing 21st Annual General Meeting of the Company.

Pursuant to Regulation 17(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of a listed entity is required to comprise not less than six directors. Accordingly, upon Dr. Thennati's retirement, the Company would be required to appoint a director to maintain compliance with the applicable regulatory requirements and ensure an appropriate mix of skills, experience and leadership on the Board.

Mr. Anil Kumar Raghavan has been serving as the Chief Executive Officer of the Company and has been responsible for the overall management. In his capacity as CEO, he has been providing strategic leadership and driving the Company's growth initiatives, operational excellence and overall performance.

Considering his extensive industry experience, proven leadership capabilities, deep understanding of the Company's business and his significant contribution to the Company's development, the Board considers it appropriate and in the best interests of the Company to induct Mr. Raghavan into the Board. His appointment would also enable the Company to fill the vacancy arising from Dr. Thennati's retirement and maintain compliance with the Board composition requirements prescribed under the SEBI Listing Regulations.

Accordingly, it is proposed to appoint Mr. Anil Kumar Raghavan as a Director of the Company and designate him as Managing Director and Chief Executive Officer for a period of five consecutive years, with effect from August 11, 2026.

The proposed appointment and designation are primarily intended to align Mr. Raghavan's Board position with the executive leadership responsibilities currently being discharged by him as the Chief Executive Officer. There will be no material change in his existing roles, responsibilities, powers, duties, and he shall continue to be responsible for the overall management and affairs of the Company.

The Board of Directors at its meeting held on July 13, 2026 based on the recommendation of the Nomination & Remuneration Committee has recommended the appointment of Mr. Anil Kumar Raghavan as the Managing Director and Chief Executive Officer of the Company for a term of five years effective from August 11, 2026 and pursuant to the requirements of the Act, it is proposed to seek approval of the members in this regard. Further, Mr. Anil Kumar Raghavan shall be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

Brief profiles and other particulars, as required pursuant to Regulation 36 of Listing Regulations and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, is provided under the head "Profile of Directors" forming part of the Notice.

Mr. Anil Kumar Raghavan fulfills all the conditions given under Section 196 and Schedule V of the Act to be eligible for his appointment. He is neither disqualified under Section 164 of the Act nor debarred by virtue of any order of the Securities and Exchange Board of India or any other such authority from holding office as Directors.

The terms and conditions of Mr. Anil Kumar Raghavan's appointment and remuneration are detailed as part of the resolution at Item No. 4

Remuneration Proposal

The NRC and the Board of Directors has reviewed and recommended the remuneration to be paid for FY 2026-27 to Mr. Anil Kumar Raghavan on his appointment. The approval of the members is being sought for a maximum remuneration of Rs. 10,00,00,000 (Rupees Ten Crore only) per annum, be paid to the Managing Director and Chief Executive Officer of the Company during the period commencing from the current financial year and continuing until the expiry of his five (5) year term of office, and the Board will determine the remuneration from time to time within such overall limit.

Proposed Remuneration for FY 2026-27	Rs. in Crores
Fixed Pay	7.83
Variable Pay	0.77
Total CTC	8.60

The remuneration payable includes variable pay, which is determined based on the achievement of targets, which is a combination of individual performance on financial and operational goals and overall company performance in terms of revenues and profits before tax.

The resolution is proposed as Special Resolution, since the remuneration as approved by the Board, within the maximum limit as approved by the members, shall be paid as minimum remuneration, in the event of the inadequacy of profits during the term of their appointment, which may exceed the amount calculated under Schedule V of the Act.

Mr. Anil Kumar Raghavan is not related to any Director or Key Managerial Personnel of the Company.

None of the Directors, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the resolution as set out at Item No. 4.

Please click here for the resolution.

By Order of the Board of Directors
For **Sun Pharma Advanced Research Company Limited**

SD/-
Kajal Damania
Company Secretary and
Compliance Officer

Place: Mumbai
Date: July 13, 2026

Registered Office:
Plot No. 5 & 6/1, Savli G.I.D.C. Estate,
Savli - Vadodara Highway, Manjusar,
Vadodara - 391775, Gujarat, India.

PROFILE OF DIRECTOR

As required under 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 who is proposed to be appointed is given below:

Particulars	Mr. Anil Kumar Raghavan
Age	58 years
Brief Resume of the Director	Mr. Anil Kumar Raghavan currently serves as the Chief Executive Officer of Sun Pharma Advanced Research Company Limited (SPARC). Mr. Raghavan is responsible for developing and executing strategies to realize SPARC's vision of becoming a Global Pharmaceutical Leader with a portfolio of innovative solutions. He operates from SPARC's Mumbai office. Mr. Raghavan also serves as a mentor 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. Raghavan 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. Mr. Raghavan also served on the board of Quintiles' early development joint venture. Mr. Raghavan 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. Mr. Raghavan served customers in varied segments like Media and Entertainment, Telecommunications, Health Care services, and Technology/Outsourcing. Mr. Raghavan substantially contributed to developing consulting solutions for the emerging Information Technology and Business Process Outsourcing industries. Mr. Raghavan 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.
Nature of expertise in specific functional areas	Global Exposure; Business Strategy; Business Development; Research and Development Strategy and strategic planning, Product Delivery, Research & Development Academic and Training, Leadership and Governance, Business Development and Stakeholder Engagement
Date of First appointment on the Board	August 11, 2026
Directorship held in other companies (excluding foreign companies and section 8 companies)	Nil
Memberships/ Chairmanships of Committees of other Public Companies	Nil
Listed entities from which the person has resigned in the past three years	Nil
Inter-se relationship between Directors	Mr. Anil Kumar Raghavan is not related to any other Directors or Key Managerial Personnel of the Company
No. of equity shares held in the Company (singly or jointly as first holder) as on the date of Notice:	Nil

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
https://sparc.life/