ALKEM LABORATORIES LTD.
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Lower Parel (West), Mumbai - 400 013, Maharashtra, India.
• Phone: +91-22-3982 9999 • Fax: 022-2495 2955
• Email: contact@alkem.com • Website: www.alkemlabs.com
• CIN: L00305MH1973PLC174201

29th July, 2026

To,

The Corporate Relationship Department **BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001. ***Scrip Code: 539523***	**National Stock Exchange of India Limited** Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai 400 051. ***Scrip Symbol: ALKEM***

Sub: Notice of the 52nd Annual General Meeting (AGM) and Annual Report for financial year 2025-2026.

Dear Sir/Madam,

Please find enclosed herewith the Notice of the 52nd Annual General Meeting of the Company scheduled to be held on Thursday, 27th August, 2026 at 11.00 a.m. through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM) alongwith the Annual Report for financial year 2025-2026.

The same is also available on the website of the Company at www.alkemlabs.com

Kindly take the same on record.

Thanking you

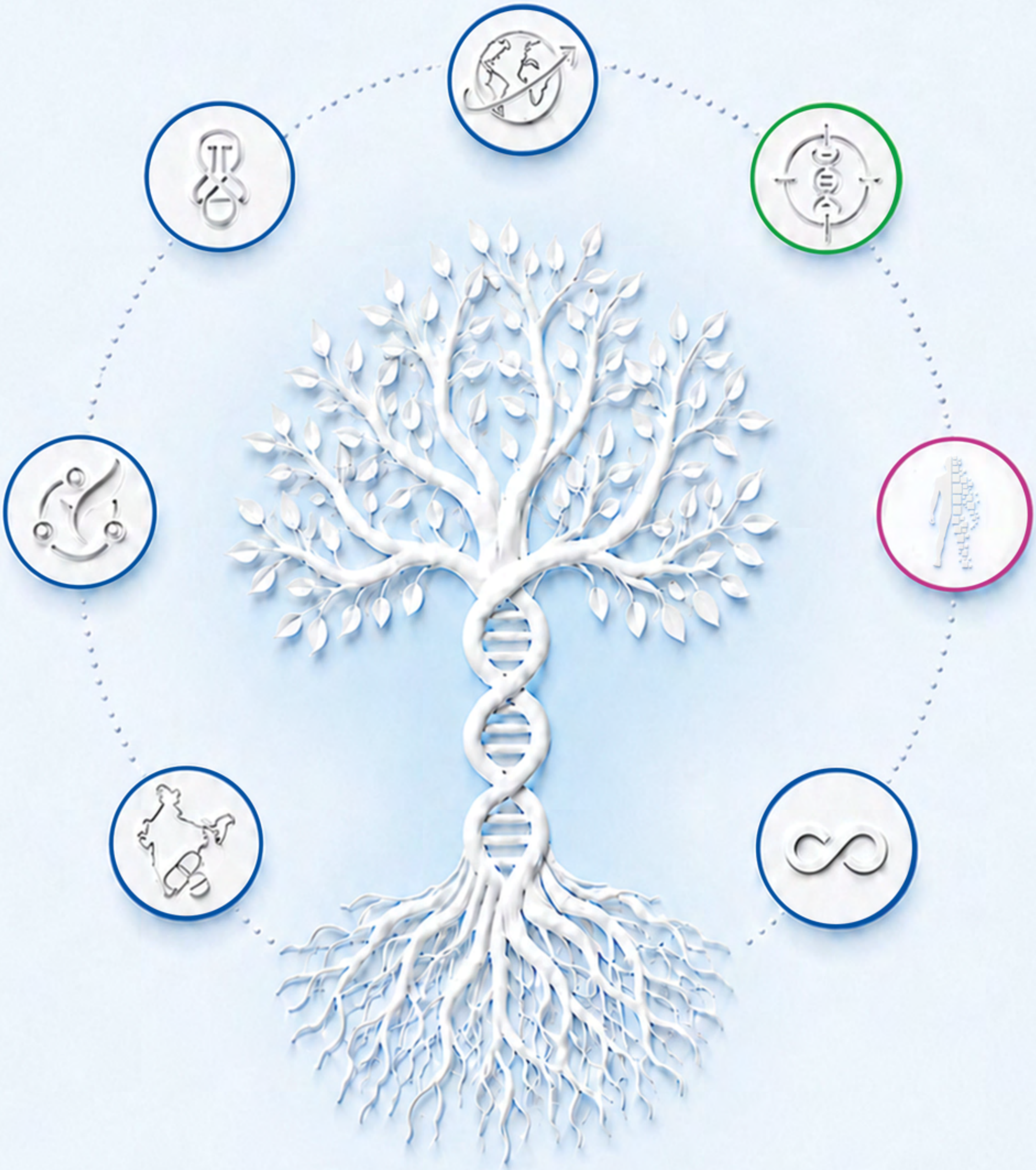
Sincerely,
For **Alkem Laboratories Limited**

DIVYA KUMAR
Digitally signed by DIVYA KUMAR
Date: 2026.07.29 19:00:18 +05'30'

Divya Mewani
Vice President – Legal and Deputy Company Secretary

Encl: a/a

ALKEM
Inspiring Healthier Lives

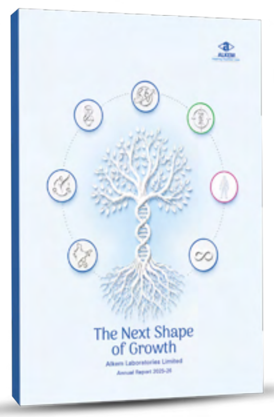


The Next Shape of Growth

Alkem Laboratories Limited

Annual Report 2025-26

What's Inside



Concept Note

The Next Shape of Growth reflects Alkem Laboratories Limited's evolution into a future-ready healthcare organisation, building on a strong foundation while expanding into new opportunities. The tree, rooted in a DNA helix, symbolises innovation as the source of enduring growth, with deep roots representing scientific excellence, trust and resilience. The icons across the canopy represent the Company's diversified portfolio spanning Domestic Pharma, Branded and Trade Generics, OTx and APIs, ActivLife and Alkem Activa, International Business, Biotech including Biosimilars and Bio CDMO, and MedTech. The infinity symbol signifies limitless possibilities, highlighting Alkem's commitment to sustained value creation, broader healthcare impact and long-term growth.

The Next Shape of Growth

For over five decades, Alkem's growth journey has been shaped by a strong and consistent foundation — building trusted brands, expanding access to medicines, deepening therapy presence, driving innovation, and creating operational excellence.

This foundation has enabled Alkem to build a resilient pharmaceutical business with a strong India franchise and a growing global presence. The next phase of growth builds on this strength, while expanding the boundaries of what the company can achieve.

"The Next Shape of Growth" represents the evolution of Alkem from a successful pharmaceutical company into a broader healthcare enterprise — one that continues to strengthen its core while building new engines of future growth.

The theme reflects a transition from growth driven primarily by scale and market expansion to growth powered by capability building, innovation and diversification. The established business remains the foundation — generating resilience, cash flows and competitive strength — while emerging platforms create opportunities for the future.

Three strategic areas represent this next chapter:

Building beyond the traditional pharmaceutical model

Alkem is expanding its presence into high-growth healthcare segments, including MedTech, where the focus is on creating differentiated capabilities and participating in emerging opportunities.

Strengthening innovation-led growth

The advancement of biosimilars and newer therapeutic platforms reflects Alkem's commitment to building future-ready capabilities and addressing evolving healthcare needs.

Preparing for the next wave of healthcare opportunities

The entry into areas such as GLP-1 therapies demonstrates the company's ability to anticipate market evolution and position itself early in high-potential segments.

These initiatives are not separate growth avenues; they are interconnected parts of a larger strategy. The strength of the core business enables investments in future opportunities, and these emerging businesses, over time, are expected to become contributors to the next phase of sustainable growth.

The Next Shape of Growth is not about changing who Alkem is — it is about expanding what Alkem can become.

It represents a more diversified, innovation-driven and future-ready healthcare enterprise, built on the same values and strengths that have defined the company for more than fifty years.

Company Overview

Built to Scale, Engineered to Endure

A diversified healthcare company headquartered in Mumbai, with a domestic prescription business that ranks among India's largest, an international platform now spanning more than forty countries, and a growing presence in MedTech, biosimilars, Active Pharmaceutical Ingredients, and consumer wellness.

What we do

Multiple healthcare platforms with One Philosophy: A shared commitment to improving lives through accessible, high-quality healthcare solutions.

Domestic Pharma | Branded & Trade Generics

Our core franchise is built on a strong foundation of prescription-led growth, deep market reach and trusted brands. We are a leader across acute and chronic therapies, with a strong presence in anti-infectives, vitamins and nutrients, pain management, and gastro-intestinal segments. Our growth momentum continues to expand across high-potential therapies including anti-diabetics, dermatology, urology, ophthalmology and respiratory care.

We are also among India's largest players in the trade generics segment, now housed under our wholly owned subsidiary, Alkem Wellness, enabling focused growth in this market.

OTx & APIs | ActivLife and Alkem Activa

Our consumer health franchise, ActivLife, led by the trusted A-to-Z brand portfolio, addresses preventive healthcare needs across nutrition, women's health, paediatric care and everyday wellness.

Through Alkem Activa, we also leverage our API capabilities to strengthen our integrated healthcare ecosystem and support our broader pharmaceutical portfolio.

International Business

Our international operations span regulated and emerging markets, combining global quality standards with local market expertise.

With a presence across the United States, Europe, Australia, Latin America, CIS, Middle East, Africa and Southeast Asia, we continue to build diversified portfolios through a combination of own products, strategic partnerships and market-specific capabilities.

Corporate Overview
Statutory Reports
Financial Statements

Biotech | Biosimilars & Bio-CDMO

We are building capabilities in next-generation biologics and complex molecules through Enzene Biosciences, strengthening our presence across the biotechnology value chain.

Our integrated platform spans development, manufacturing and global regulatory capabilities, with progress across key regulatory pathways including USFDA, EMA and CEP filings.

Through our Bio-CDMO initiative in New Jersey, USA, we are expanding our global biologics manufacturing footprint and creating a platform to support innovation-led partnerships with biotechnology companies worldwide. This capability is designed to cater to the growing demand for high-quality, agile and technology-driven biologics development and manufacturing solutions

MedTech

A strategic growth platform focused on advancing healthcare delivery through innovative medical technologies. Our MedTech business is anchored around orthopaedics and cardiovascular devices, with capabilities being scaled through Advita Ortho (erstwhile Exactech), Bombay Ortho, and the proposed investment in Occlutech. These platforms strengthen our presence in high-growth medical device segments and complement our pharmaceutical expertise.

Where we Operate

A footprint shaped by deliberate sequencing rather than opportunistic expansion.

Forty-plus countries served directly or through partnerships. Manufacturing in India and the United States. Research in India and through collaborations with leading academic institutions across the United States, Europe, and India.

Scale at a Glance

20 Facilities
Across India & US
(5 FDA approved)

8,800+
Stockists

3
Dedicated
R&D Centres

11
Central
Warehouses

25,000+
Employees
Worldwide

14,500+
Medical Representatives
in India

Vision, Mission & Core Values

Vision

To build a healthier world by ensuring quality healthcare is accessible and affordable globally, while touching lives and strengthening trust through every relationship we nurture.

Mission

To deliver high-quality, trusted, and affordable healthcare through innovation, compassion, and sustainability, making better health outcomes and healthcare a right for every individual.

Core Values

Responsibility for our words and actions and their consequences

Compassion in our relationships with our fellow employees and the communities affected by our business

Fairness to fellow employees, shareholders, customers and suppliers through adherence to all applicable laws, regulations & policies, transparency & a high standard of behavior

Respect for fellow employees, shareholders, customers and suppliers while showing willingness to elicit, listen and to take into account their opinions and value their feedback

Adaptability of thinking and behaviour to meet the ever-changing conditions, taking care to act in harmony with nature to ensure progress and success in all endeavours

Gratitude for all the benefits received, confident that this attitude will be a source of unbounded joy and vitality, enabling us to overcome any obstacles we may encounter

Safety of highest grade in product manufacturing and workplace environment

Quality in our products & services, by striving to provide defect-free products and services to our customers

Honesty in communicating within the Company & with our suppliers, customers & all stakeholders, while at the same time protecting the Company's confidential information & trade secrets

Year in Numbers

The Shape of Progress Performance

+13.5%
Revenue growth

+19.6%
EBITDA growth

+9.7%
India business growth

+22.5%
International business growth

Capability and Pipeline

192
Cumulative ANDA Filings with USFDA

2
Cumulative NDA Filings with USFDA

1
BLA filed

1,100+
Product Registration across International Markets

~1,000 Crore
MedTech Revenue Ambition over a 5-year Horizon

ESG Highlights

15%
reduction in Scope 1 & 2 emissions

27%
renewable energy mix

7
sites with ZLD systems

22.21 Crore litres
of rainwater conserved across key locations

15,151 employees
participated in volunteering initiatives across India

Reach and Presence

A Global Network. A Growing Impact.

Alkem's geographic distribution is the result of fifty-plus years of deliberate sequencing. India remains the largest contributor, both in revenue and in operational depth. International markets, until recently a hedge against domestic concentration, are now a structural growth engine in their own right.

With the proposed Occlutech transaction, three new geographies for medtech enter the network at scale: The United States, Western Europe, and Japan, each representing high-barrier, innovation-led healthcare ecosystems.

India: The Foundation

Eighteen manufacturing units across Sikkim, Baddi, Daman, Mandva, Ankleshwar, and Pune, supported by formulation and bio-equivalence research at Taloja, Biosimilar research at Pune, and Active Pharmaceutical Ingredient research at Mandva.

Cumulatively, these facilities support more than 800 brands and 1,500-plus stock keeping units, distributed through one of the densest pharmaceutical networks in the country.

International: structurally diversified

The United States operates as the lead regulated market, with a portfolio focused on cardiovascular, central nervous system, anti-diabetic, iron deficiency, and pain management therapies. Australia, Europe, Latin America, and Southeast Asia operate through dedicated subsidiaries and licensing partnerships. Emerging market operations across Africa, the CIS region, and the Middle East are structured around branded generics, with pipeline localisation and partnerships shaping country-specific portfolios.

MedTech: new geographies, new ecosystems

Our MedTech strategy is focused on building differentiated healthcare platforms across high-value medical device segments. Anchored by our presence in orthopaedics through Advita Ortho (erstwhile Exactech) and Alkem Medtech Ortho (erstwhile Bombay Ortho), we are expanding capabilities across implants, surgical solutions and speciality medical technologies. Our orthopaedics business provides a strong foundation through established clinical relationships, domain expertise and access to global markets. The strategy is centred on strengthening our presence across the orthopaedic value chain by leveraging technology, surgeon partnerships and differentiated product portfolios, while expanding into new geographies and healthcare ecosystems.

The proposed investment in Occlutech (Cardio business) extends Alkem's footprint into three regulated markets where it has not previously had material direct presence. Each comes with its own regulatory architecture, clinical credibility expectations, and distribution complexity. Each also represents a distinct opportunity to participate in higher-margin, innovation-led segments.

Manufacturing and R&D backbone

Twenty plants worldwide, five of them USFDA-approved, and clearances spanning UK MHRA, EMA, TGA, WHO, and other regulators. Three research centres employing more than five hundred scientists. Together these define the operational chassis on which the rest of the story rides.

Global Footprint

India

18 Manufacturing Facilities

Operations across Sikkim, Baddi, Daman, Mandva, Ankleshwar, and Pune, supported by formulation & bio-equivalence research at Taloja, Biosimilar research at Pune and API research at Mandva. Backbone for 800+ brands and 1,500+ SKUs

United States

Lead Regulated Market

Western Europe

New MedTech Entry Geography

Japan

Innovation-led Expansion

Latin America

Diversified Regional Operations

Australia

Established International Presence

Southeast Asia

Partnership-led Growth

Africa

Branded Generics Focus

CIS Region

Emerging Market Expansion

Middle East

Regional Pharmaceutical Presence

Global Manufacturing & R&D Network

20
Plants

3
Research Centres

Worldwide network comprising 20 manufacturing plants, including 5 USFDA-approved facilities, with approvals spanning UK MHRA, EMA, TGA and WHO standards, supported by 3 research centres employing 595+ scientists.

Journey So Far

Growth through the Years

1973–1992

Foundations of Purpose

1973 – Alkem Laboratories is founded with a vision to deliver accessible, high-quality medicines.

1978 – First manufacturing facility begins operations at Taloja, near Mumbai.

1992 – Second facility established at Mandva, later becoming a key API unit.

2003–2012

Research. Reach. Recognition.

2003 – First dedicated R&D Centre established in Taloja, marking entry into advanced drug development.

2006 – Taxim becomes the first anti-infective brand in India to cross ₹ 1 Billion in annual sales.

2009 – First ANDA approval received in the United States; Pharmacor acquired in Australia.

2010–2012 – Expansion into the US through Ascend Labs, Biosimilars via Enzene, and a new API facility in the US.

2014–2018

Expanding Horizons

2014 – Clavam surpasses ₹ 2 Billion in domestic sales; Clindac acquired.

2015 – Initial Public Offering completed, strengthening institutional credibility.

2018 – US revenues cross the $ 200 Million milestone, reinforcing global scale.

2019–2023

Sharpening Scale and Strategy

2019 – Global revenue crosses $ 1 Billion.

2020 – New manufacturing facilities launched in Pune for biologics and biosimilars.

2021 – First biosimilar launched from Enzene in India; Pulmocare division debuts in respiratory therapy.

2022 – Named "Pharma Company of the Year" at ET Pharma World Awards; Clavam crosses ₹ 6 Billion in sales.

2023 – 50 years of Alkem celebrated; Eyecare and Ophthalmology division launched.

2024–2026

The Next Shape

2024–25 – Entry into MedTech through Advita Ortho (erstwhile Exactech) licensing agreement.

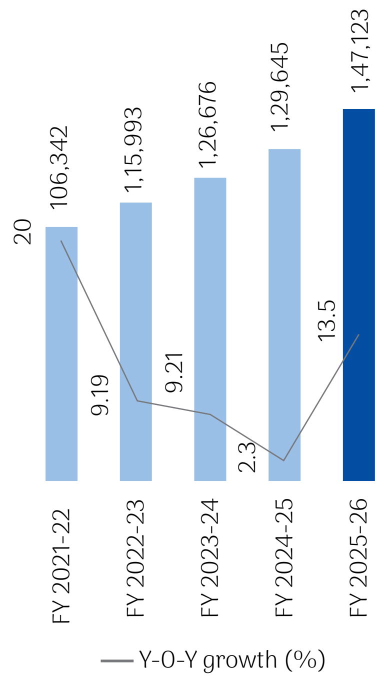
Included in the MSCI India Index.

2025–26 – Adroit & Bombay Ortho Acquisition completed. Carve out of Trade Generics business into subsidiary "Alkem Wellness".

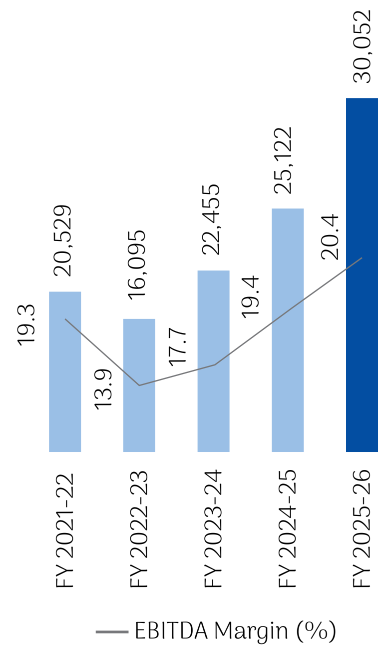
Financial Performance

Numbers that Shape Our Growth

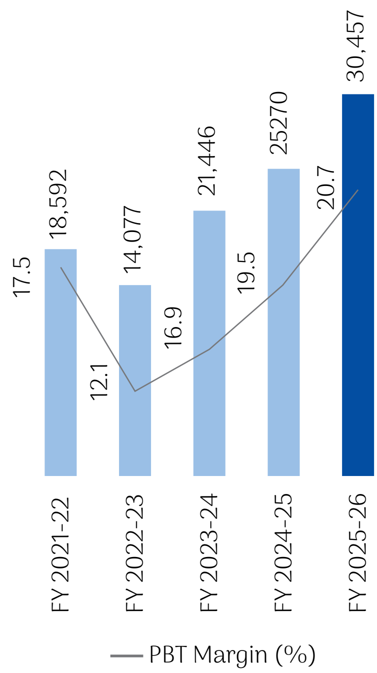
Revenue from Operations (₹ in Mn)



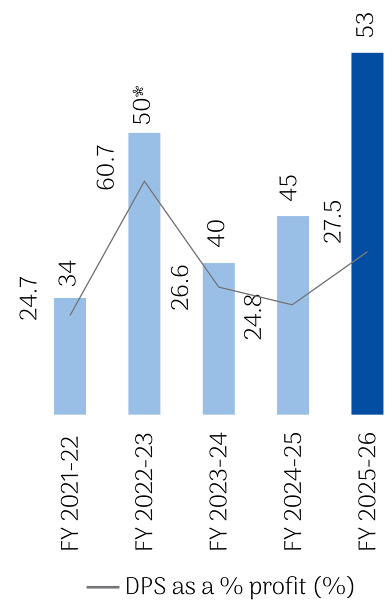
EBITDA (₹ in Mn)



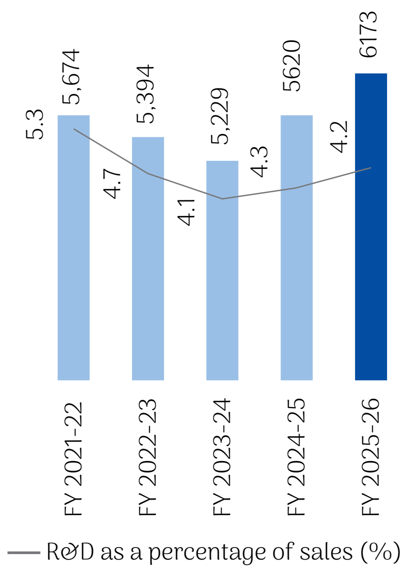
Profit Before Exceptional Items and Tax (₹ in Mn)



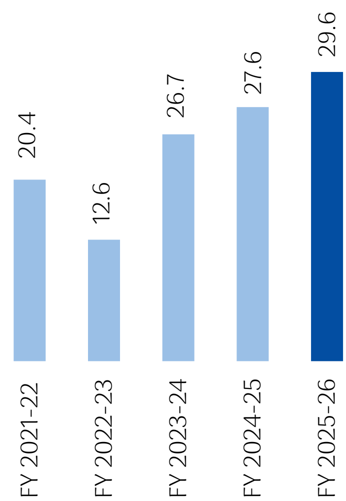
DPS and Dividend Payout (₹ in Mn)



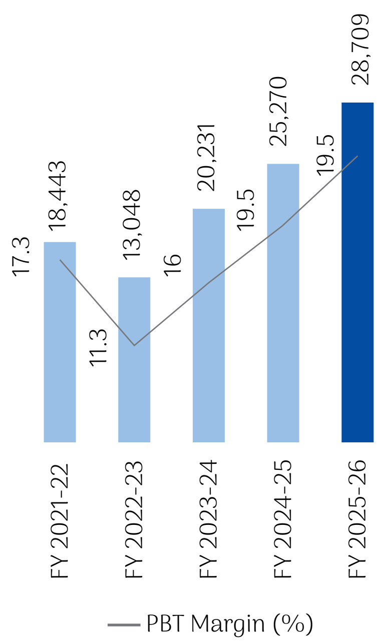
R&D spend (₹ in Mn)



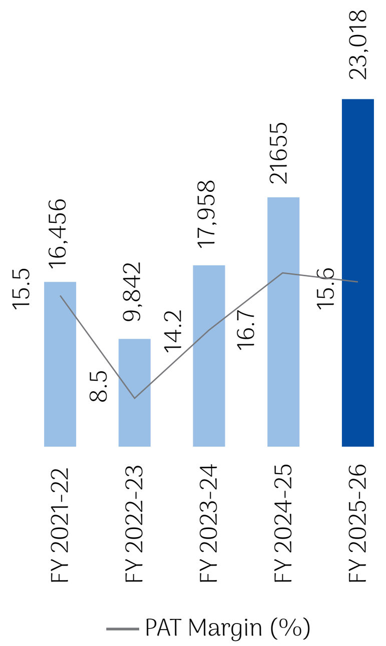
Return on Capital Employed (RoCE) (%)



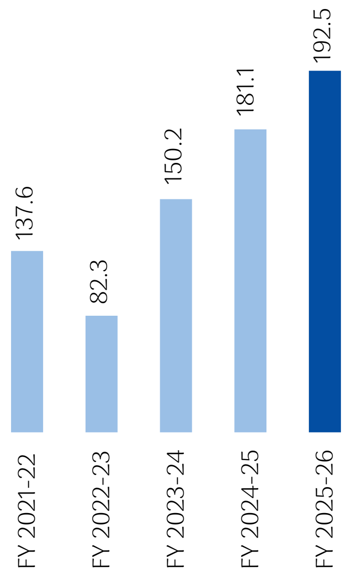
Profit Before Tax and After Exceptional Items (₹ in Mn)



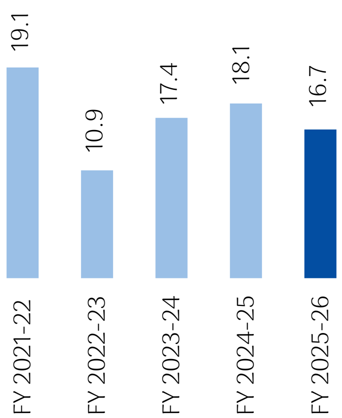
Profit After Tax (₹ in Mn)



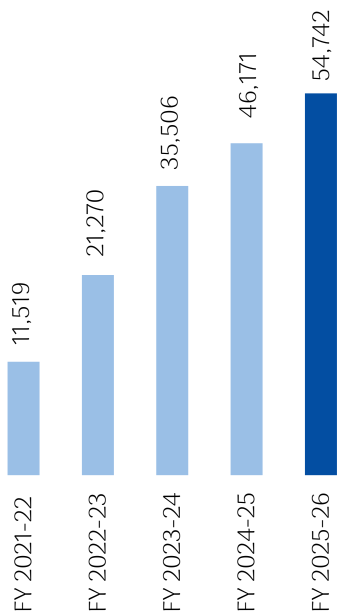
Earnings Per Share (EPS) (in ₹)



Return on Net Worth (RoNW) (%)



Net Cash (₹ in Mn)



Value Creation Model

Value Engineered for Growth

At Alkem Laboratories Limited, value creation is anchored in the disciplined deployment of six interconnected capitals. Each capital strengthens the Company's ability to scale responsibly, expand innovation-led businesses, deepen stakeholder trust, and deliver sustainable long-term growth.

Capitals	Key metrics / inputs	Value creation focus
Financial Capital	• Revenue: **INR 14712.3 Crore** • EBITDA: **INR 3005.2 Crore** • International business contribution: **32.2%** • Net debt-to-equity: **0.10** • Net Cash: **Rs 5474 Crore**	Allocate capital towards acquisitions, R&D, biosimilars, GLP-1 Launch and MedTech expansion while maintaining balance sheet flexibility
Manufacturing Capital	• **20** manufacturing facilities worldwide • **5** USFDA-approved facilities • Regulatory approvals from **USFDA, UK MHRA, EMA, TGA and WHO** • **800+** brands • **1,500+** SKUs	Build globally compliant, scalable and technology-enabled manufacturing infrastructure supporting regulated market growth
Intellectual Capital	• **1,100+** product registrations globally • **192** ANDAs; 2NDAs & 1BLA filed with the USFDA • **6** granted patents • **55** pending patent applications • **3** research centres • **595+** scientists	Strengthen innovation capabilities across pharmaceuticals, biosimilars and MedTech through R&D, filings and differentiated technologies
Human Capital	• **25,000+** employees globally • **14,500+** field force in India • **4,10,353 hours** training hours delivered • **13,161+** employees trained • **30+** years of combined • **MedTech leadership** experience	
Social & Relationship Capital	• CSR spend: **INR 362.1 Million** • **8,72,377** beneficiaries impacted • **15,151** employee volunteers engaged • **26** volunteering campaigns conducted • Presence across **10** states and **2** Union Territories	
Natural Capital	• **5%** reduction in Scope 1 & 2 emissions • **12%%** reduction in water consumption • **27%** renewable energy share • **5,151 MT** waste recycled/reused • **7** domestic sites with ZLD systems • **ISO 14001, ISO 45001** and **ISO 50001** certified facilities	

Build a future-ready workforce through leadership development, capability enhancement, diversity and employee engagement

Strengthen healthcare access, community development and stakeholder trust through structured CSR and community engagement initiatives

Embed sustainability into operations through energy efficiency, water stewardship, emissions reduction and responsible resource management

FY 26 outputs and outcomes	SDGs
• Proposed Occlutech investment funded through internal accruals reflecting balance sheet strength and capital flexibility • Continued investment in biosimilars and MedTech platforms • Sustained financial flexibility and capital discipline	8 Decent Work and Economic Growth; 9 Industry, Innovation and Infrastructure; 12 Responsible Consumption and Production
• Strengthened GLP-1 manufacturing readiness to enable rapid commercialisation opportunities • Biosimilar capacity expansion at Enzene approaching European commercialisation • Continued digital manufacturing transformation with Level-2 MES implementation across facilities	3 Good Health and Well-Being; 9 Industry, Innovation and Infrastructure; 12 Responsible Consumption and Production
• Proposed Occlutech platform adds **200+** patents • Established MedTech R&D capabilities with **15+** member technical team • Ongoing development of Left Atrial Appendage (LA) device targeting **USD 1.4 Billion** Global TAM	3 Good Health and Well-Being; 9 Industry, Innovation and Infrastructure; 17 Partnerships for the Goals
• Expanded leadership bench for emerging businesses • Strengthened learning and capability-building programmes • Continued progress in diversity and organisational readiness	8 Decent Work and Economic Growth; 4 Quality Education; 5 Gender Equality
• **89,042** beneficiaries reached through Alkem Anaemia Mukti Abhiyaan • **42,000+** individuals screened under Cancer Care Programme • **22.21** Crore litres rainwater conserved in Mandva and Ankleshwar • Bharat CSR Award and multiple CSR recognitions received	3 Good Health and Well-Being; 4 Quality Education; 6 Clean Water and Sanitation; 10 Reduced Inequalities; 11 Sustainable Cities and Communities; 17 Partnerships for the Goals
• Expanded renewable energy adoption • Strengthened ESG governance and disclosure systems • Sustainable supply chain assessment initiated across key suppliers	6 Clean Water and Sanitation; 7 Affordable and Clean Energy; 12 Responsible Consumption and Production; 13 Climate Action; 15 Life on Land

Capital Allocation Story

Fuelling Future Frontiers

Growth at Alkem Laboratories Limited has never been built around chasing scale for its own sake. Over the years, the Company has followed a measured approach to capital allocation, investing where the opportunity can create long-term strategic value, strengthen capabilities, and open the door to future growth platforms.

That philosophy became even more visible in FY 26.

The cash flows generated by Alkem's strong domestic business, together with contributions from international operations, are now being channelled into a new phase of expansion shaped by complex technologies, regulated markets, and innovation-led healthcare opportunities.

What connects these investments is not size alone, but selectivity. Each decision has been guided by three clear filters: high barriers to entry, stronger margin potential, and the ability to build capabilities that can shape the business over the long-term.

Where Capital Was Deployed

Alkem MedTech
Innovative. Affordable. Accessible

ENZENE Biosciences Ltd.
Passion. Innovation. Life

MedTech: Building a New Growth Engine

The proposed investment in Occlutech marked one of the most significant strategic moves of the year.

With an investment of Euro 99.4 Million for a 55% stake, Alkem is entering a high-value MedTech space supported by strong intellectual property, differentiated products, and access to regulated healthcare markets including the United States, Western Europe, Australia and Japan.

The business brings with it:

- Regulatory approvals across USFDA, EU MDR, TGA and PMDA
- A portfolio backed by 200+ patents

At the same time, the integration of Alkem Medtech and the scale-up of the Advita Ortho Partnership continued to strengthen Alkem's MedTech ambitions.

Biosimilars: Preparing for the Next Opportunity

At Enzene, investments continued towards capacity expansion, manufacturing readiness, and international commercialisation.

The biosimilar portfolio is now approaching European launch readiness, while out-licensing opportunities in the United States continue to evolve. These investments are helping build a platform capable of participating meaningfully in the next generation of biologics-led healthcare.

GLP-1 Post-Launch: Preparing Ahead of the Shift

As the GLP-1 opportunity landscape continued to evolve, Alkem Laboratories Limited strengthened its manufacturing readiness and expanded strategic international partnerships supporting the successful launch and scale-up of its GLP-1 portfolio in India. These developments reflect the Company's long-standing approach of building capabilities early, enabling it to participate meaningfully in the emerging healthcare opportunities with speed, preparedness, and operational confidence.

Digital Infrastructure: Connecting the Enterprise

Behind the visible expansion sits a quieter but equally important transformation.

Through initiatives such as Project EKAM, SAP HANA 2023, Project Aspire, and Level-2 MES integration, Alkem continued building a connected digital backbone across manufacturing and business operations. Today, a unified digital platform supports 22,000+ users, enabling greater visibility, operational agility, and real-time manufacturing insights across the organisation.

Capital Discipline in Practice

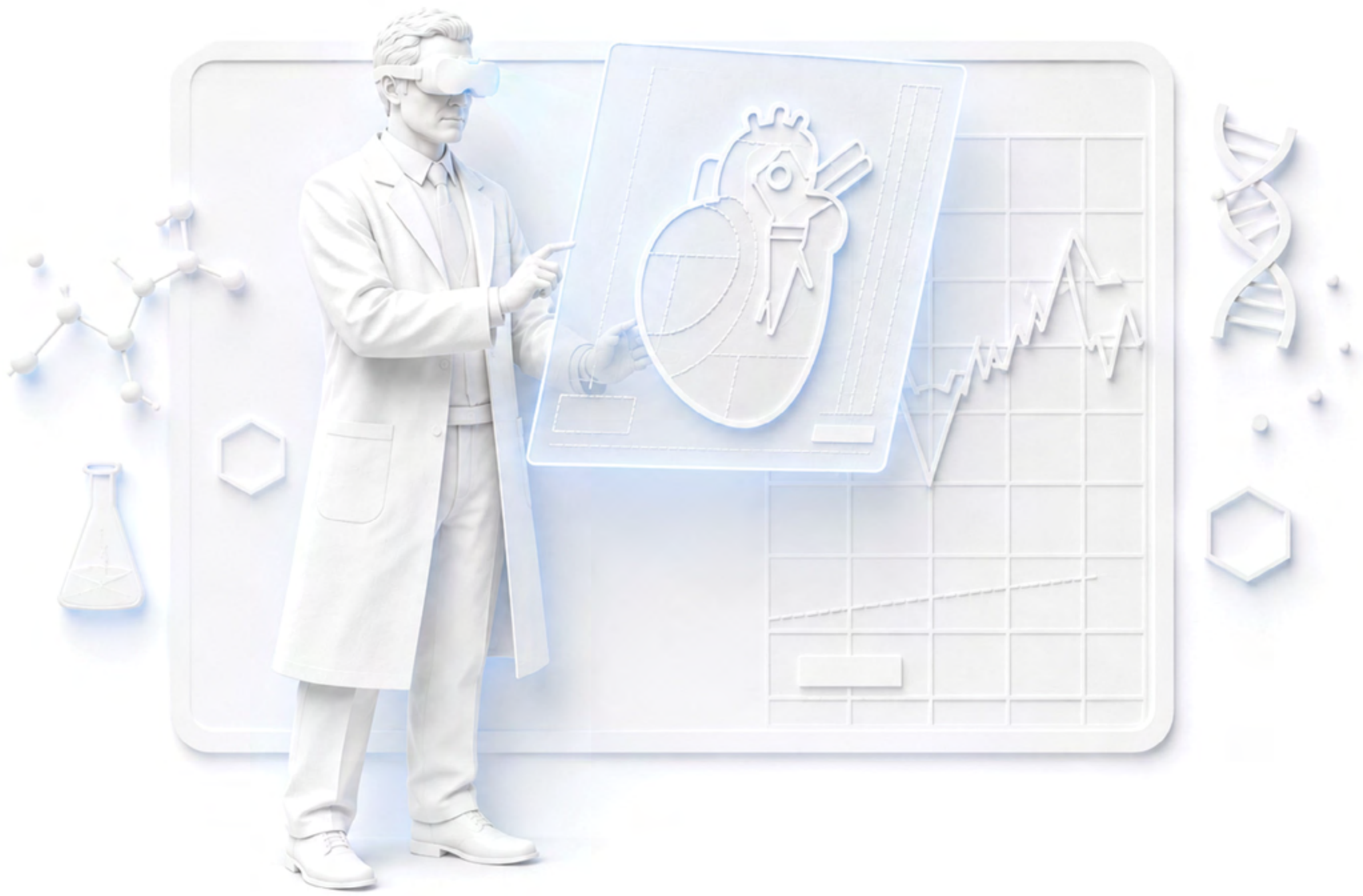
Even as Alkem invests in new growth platforms, financial discipline remains unchanged.

The proposed Occlutech investment is being funded entirely through internal accruals and existing cash balances, with no new debt and no equity dilution. Similarly, investments across MedTech and Biosimilars continue to follow defined capital envelopes and milestone-based reviews, ensuring that expansion remains measured and accountable. This balance between ambition and discipline remains central to how Alkem approaches growth.

What This Means for Shareholders

As the Company enters its next phase, three priorities continue to remain intact:

- Dividend discipline, aligned with stated payout philosophy
- Balance sheet flexibility, preserved through prudent capital deployment
- Disciplined reinvestment, where every major investment is evaluated against risk-adjusted return expectations



Chairman's Letter

Beyond Pharmaceuticals. Building the Next Shape of Healthcare.

"Our strategic investment in Occlutech through Alkem MedTech reflects this philosophy. It represents more than an acquisition; it is an important step in expanding our participation across the healthcare value chain."

Dear Shareholders,

Healthcare has always evolved with science. Today, it is evolving even faster—with technology, data, biologics, medical devices and precision therapies reshaping how care is delivered and experienced. Patients expect better outcomes, healthcare systems seek greater efficiency, and innovation is increasingly emerging at the intersection of multiple disciplines rather than within a single one.

This changing landscape presents an important question for every healthcare company: How should we prepare for the future while remaining true to the strengths that have defined us?

For Alkem, the answer lies in thoughtful evolution.

For more than five decades, we have built a company founded on scientific excellence, trusted brands, disciplined execution and enduring relationships with healthcare professionals. These strengths have enabled us to become one of India's leading pharmaceutical companies and have created a resilient business capable of delivering consistent value across business cycles.

Yet we also recognise that the future of healthcare will be broader than pharmaceuticals alone.

Tomorrow's healthcare leaders will increasingly combine medicines, medical technologies, biologics and specialised healthcare solutions to address patient needs more comprehensively. As these boundaries continue to converge, we believe Alkem must evolve alongside them—not by moving away from our core business, but by extending the capabilities that have made us successful.

This philosophy underpins our theme for the year: The Next Shape of Growth.

Growth, in our view, is not simply about becoming larger. It is about becoming more relevant to the future of healthcare. It requires building new capabilities while preserving the discipline, integrity and long-term orientation that have always guided our decisions.

Our strategic investment in Occlutech through Alkem MedTech reflects this philosophy. It represents more than an acquisition; it is an important step in expanding our participation across the healthcare value chain. Together with the progress we continue to make in biologics through Enzene Biosciences, it demonstrates our conviction that future growth will increasingly come from creating a diversified healthcare platform capable of serving patients through multiple modalities.

Importantly, this evolution does not change who we are.

Pharmaceuticals will remain the foundation of Alkem. The trust we have earned with physicians, patients and partners over decades will continue to be the bedrock upon which every new opportunity is built. We will continue to pursue growth with the same prudence that has characterised our journey—allocating capital thoughtfully, maintaining financial discipline and investing only where we believe we can build lasting competitive advantage.

Equally important is our commitment to governance. As our organisation expands into new areas of healthcare, strong governance, ethical conduct and responsible leadership become even more critical. Sustainable value creation cannot be achieved through ambition alone; it must be supported by robust institutions, sound decision-making and an unwavering commitment to doing what is right for all stakeholders.

Beyond business, we remain deeply conscious of the responsibility that accompanies our purpose. Improving healthcare extends beyond the products we develop. It includes strengthening communities, advancing access to quality healthcare, protecting the environment and creating opportunities for our people to grow and contribute meaningfully. These principles remain integral to how we define success.

As we look ahead, I believe Alkem stands at an important point in its journey. We have built a strong pharmaceutical enterprise. We are now thoughtfully expanding into areas that will shape the future of healthcare. While the opportunities before us are significant, we will continue to approach them with patience, discipline and humility.

The next chapter of Alkem will not be defined by how quickly we grow, but by how responsibly we build.

On behalf of the Board, I thank our employees, healthcare professionals, partners, shareholders and the communities we serve for their continued trust and confidence. Your support has been instrumental in our journey, and it inspires us to continue building an institution that creates enduring value for generations to come.

Warm regards,

Basudeo N. Singh
Executive Chairman

MD's Communique

Building with Conviction

"Our pharmaceutical business provides a strong and resilient foundation. Around it, we are steadily building new capabilities that expand our participation across the healthcare value chain and position us for opportunities that extend well beyond traditional pharmaceuticals."

Dear Shareholders,

The past year marked an important milestone in Alkem's journey—not because we changed our direction, but because we committed capital behind it.

Over the years, we have built a strong pharmaceutical business anchored by trusted brands, scientific capabilities and disciplined execution. That foundation remains central to who we are. At the same time, we recognise that the next phase of healthcare will be shaped by businesses that combine multiple capabilities across pharmaceuticals, biologics and medical technology. Our investment decisions during FY 2026 reflects this long-term view.

We have always believed that capital allocation is one of management's most important responsibilities. Every investment must strengthen our competitive position, expand our capabilities and create sustainable value over the long term. This philosophy continues to guide every strategic decision we make.

The most significant step in that direction during the year was our investment in Occlutech through Alkem MedTech.

For us, Occlutech represents far more than an acquisition. It provides a globally established platform in structural heart therapies, with differentiated technology, strong intellectual property, advanced manufacturing capabilities and a presence across developed and emerging markets. Importantly, it brings together experienced scientific talent and an innovation-driven culture that complements our own long-term aspirations.

Our objective is not simply to participate in the MedTech market, but to build a business that can become a meaningful contributor to Alkem's future growth. We see significant opportunities to expand Occlutech's global footprint, accelerate innovation, strengthen manufacturing efficiencies and leverage our experience in building scalable healthcare businesses. We remain equally committed to preserving the entrepreneurial culture and scientific excellence that have made Occlutech successful.

Alongside cardiovascular devices, we continue to strengthen our orthopaedics platform. The integration of Bombay Ortho, our partnership-led product strategy and the gradual expansion of our implant portfolio are helping us establish a differentiated presence in one of India's fastest-growing MedTech segments. Together, cardiovascular and orthopaedics provide Alkem MedTech with two strong platforms capable of generating sustainable long-term value.

Our investments extend beyond medical technology.

Through Enzene Biosciences, we continue to build capabilities in biologics, biosimilars and contract development and manufacturing. The commissioning of our CDMO facility in New Jersey marks an important step in bringing us closer to global customers while complementing our research and manufacturing strengths in India. As supply chains continue to diversify globally, we believe our integrated innovation and manufacturing model positions us well to participate in the growing biologics opportunity.

Within pharmaceuticals, our priorities remain equally clear.

We continue to invest in chronic therapies, differentiated product development, complex generics, speciality portfolios and digital capabilities that strengthen our commercial competitiveness. Investments in research, manufacturing excellence and regulatory capabilities remain essential to sustaining long-term leadership across both domestic and international markets. Our approach has never been to pursue growth indiscriminately, but to invest selectively in areas where we can build meaningful competitive advantage.

What connects each of these investments is a common philosophy.

We are building complementary businesses—not unrelated ones.

Each platform strengthens our ability to serve healthcare systems more comprehensively while allowing us to leverage capabilities that already exist within the Alkem ecosystem. Whether it is pharmaceuticals, biologics or medical technology, our objective remains consistent: to create multiple engines of growth without compromising financial discipline or strategic focus.

Equally important is the manner in which we deploy capital.

Alkem has earned the trust of its shareholders by maintaining a prudent balance sheet and exercising discipline in investment decisions. That philosophy remains unchanged. We will continue to pursue acquisitions selectively, invest organically wherever possible and remain patient in evaluating opportunities. Scale, by itself, has never been our objective. Sustainable value creation has.

As we look ahead, I believe Alkem is entering one of the most exciting phases in its history. Our pharmaceutical business provides a strong and resilient foundation. Around it, we are steadily building new capabilities that expand our participation across the healthcare value chain and position us for opportunities that extend well beyond traditional pharmaceuticals.

The future we are building will not emerge from a single investment or a single year. It will be created through consistent decisions, disciplined capital allocation and the collective efforts of our people over many years.

I thank our shareholders for their continued confidence, our employees for their commitment and our partners for their trust. Together, we are building not only the next phase of Alkem's growth, but the next shape of healthcare.

Warm regards,

Sandeep Singh
Managing Director

CEO's Message

Executing with Precision. Delivering with Discipline.

"Across our pharmaceutical business, we continued to strengthen our commercial performance despite a dynamic operating environment marked by evolving regulations, pricing pressures and geopolitical uncertainty"

Dear Shareholders,

Strategy creates direction. Execution creates outcomes.

At Alkem, we have always believed that sustainable growth is built not through occasional breakthroughs, but through consistent execution over many years. As our business expands into new areas of healthcare, that belief has become even more important. New opportunities create new possibilities, but they also demand greater operational discipline, stronger capabilities and an unwavering commitment to quality.

FY 2026 was a year in which our teams remained firmly focused on execution.

Across our pharmaceutical business, we continued to strengthen our commercial performance despite a dynamic operating environment marked by evolving regulations, pricing pressures and geopolitical uncertainty. The resilience of our portfolio, the trust we have earned among healthcare professionals and the dedication of our people enabled us to deliver stable growth while continuing to invest for the future.

Our India business remained the cornerstone of our performance.

We strengthened our position across several key therapy areas while continuing to expand our presence in chronic therapies, where sustained investments over the past several years are delivering encouraging results. Growth across anti-diabetics, cardiology, neurology and other speciality segments reflects the increasing depth of our portfolio as well as the effectiveness of our field organisation.

Equally encouraging has been our ability to outperform the broader pharmaceutical market across multiple therapy areas. While market leadership is important, we place even greater emphasis on the quality of growth. Building stronger doctor engagement, enhancing scientific interactions and improving execution at the last mile remain central to our commercial approach.

Our international business also maintained healthy momentum during the year.

Across the United States and our Rest of World markets, we continued to sharpen portfolio quality, strengthen customer relationships and improve operational efficiency. In an environment characterised by pricing pressures, evolving trade policies and changing regulatory expectations, our focus remains clear: compete where we can create differentiated value, maintain disciplined cost structures and allocate resources to opportunities that offer sustainable returns.

Execution begins with quality.

Every medicine we manufacture carries the trust of patients and healthcare professionals. Protecting that trust requires uncompromising quality systems, rigorous compliance and a culture of continuous improvement across our manufacturing network.

During the year, we remained fully engaged with regulatory authorities across our facilities while continuing to strengthen our quality management systems, digital manufacturing capabilities and operational controls. Following the recent USFDA inspection at our Daman facility, we responded promptly to the observations received and initiated comprehensive corrective and preventive actions. Experiences such as these reinforce our belief that regulatory excellence is not a destination but an ongoing commitment embedded across the organisation.

Alongside quality, productivity continues to be an important source of competitive advantage. Throughout the year, we focused on improving procurement efficiencies, optimising product mix, strengthening inventory planning and enhancing supply chain resilience. Ongoing geopolitical developments and volatility in freight and raw material markets required constant monitoring, yet our teams responded with agility by diversifying sourcing, improving planning and maintaining business continuity across operations.

Innovation also requires disciplined execution. As new products, biosimilars and medical technologies move closer to commercialisation, our role is to ensure that every launch is supported by robust manufacturing, reliable supply chains, regulatory readiness and strong commercial capabilities. Over the past year, we have invested significantly in strengthening these operational foundations so that future growth platforms can scale efficiently while maintaining the quality standards that define Alkem. None of this would be possible without our people.

As our organisation evolves into a broader healthcare enterprise, we are equally focused on building leadership capability, strengthening functional expertise and creating an environment where talent can thrive. During the year, we continued to invest in learning, digital enablement and leadership development while attracting experienced professionals across our emerging businesses. The diversity of expertise now coming together within Alkem is one of our greatest strengths. Our culture continues to evolve alongside our business.

While new capabilities and technologies are essential, the values that have guided Alkem for more than five decades remain unchanged—integrity, accountability, scientific rigour and respect for people. As we grow, preserving these values becomes even more important because culture is ultimately what enables consistent execution across a larger and more diverse organisation.

Looking ahead, our priorities are clear. We will continue strengthening our leadership in the domestic market, improve the quality of our international portfolio, enhance operational productivity, maintain the highest standards of quality and compliance, and execute upcoming product launches with the discipline they demand. At the same time, we will support the continued growth of our newer healthcare platforms by ensuring they benefit from the operational excellence that has long been a hallmark of Alkem. Our ambition is significant, but our approach remains unchanged. We will continue to execute with patience, focus and discipline—one decision, one product and one patient at a time.

On behalf of the management team, I extend my sincere gratitude to our employees for their dedication, our healthcare partners for their continued trust and our shareholders for their unwavering confidence. Together, we are building an organisation that is not only prepared for the future of healthcare, but capable of delivering it consistently.

Warm regards,

Dr. Vikas Gupta
Chief Executive Officer

Core Momentum

The Engine Never Stopped

What growth looked like in numbers

The Indian Pharmaceutical Market grew 9.0% during the year. Alkem grew 9.2%, marginally faster than the market, on a domestic sales base of approximately ₹ 8,832 Crore (IQVIA SSA MAT March 2026). The 20-bps spread is small in isolation. Compounded across multiple years on a base approaching ten thousand Crore, it is the difference between a market participant and a market leader.

Seventeen brands individually exceed ₹ 100 Crore in annual sales, contributing 52% of the company's domestic revenue and growing at 7.8% year-on-year. Pan grew 14.6% and remained among the top five brands in the IPM. Clavam grew 12.3% and rose two positions to rank ninth. Pan-D held its position at twelfth. Alkem ranked third in prescription generation in the IPM (SMSRC MAT February 2026).

Market position

4.1%	#1	#2	#3
Overall IPM Share	Anti-infectives Category leadership	Vitamins, Minerals, Nutrients Category leadership	Prescription Generation IPM ranking

Beyond the legacy brands

New launches contributed disproportionately to growth. Alkem ranked among the top four pharmaceutical companies in India by sales contribution from new product introductions. Empagliflozin, launched following loss of exclusivity, generated revenues exceeding ₹ 25 Crore and placed Alkem among the top four post-LoE generics in the molecule. Semaglutide injectables were launched on day one across both diabetes and obesity indications.

Chronic therapies, where the company has been deliberately building, continued to outpace the broader market. Anti-diabetes, dermatology, urology, and inhaled chronic respiratory all gained share during the year.

Why this growth is different

The difference is in the quality of the growth. It is prescription-led rather than price-led. Volume-driven rather than mix-driven. Broad-based across therapies rather than concentrated in a handful of brands. And it sits on a field force of more than 14,500+ medical representatives, a digital engagement layer (MediSamvad) that supports continuing medical education, and a scientific footprint built over decades of doctor-led evidence generation.

The Indian business is not just growing. It is growing in the way investors prefer: with clarity, with consistency, and with capacity to compound.

What FY 2026-27 watches for in the India core

Chronic share rising:

dermatology, urology, ophthalmology, and inhaled respiratory segments are being added to the GLP-1 and anti-diabetic build-out.

New launches sustaining volume:

semaglutide and follow-on molecules set to maintain day-one participation discipline as molecules continue to go off-patent.

Market share expanding:

continued investment in field force depth and digital engagement (MediSamvad) across Tier-2 and Tier-3 cities.

Global Growth Mix

The World is Now in the Mix

Five years ago, international business was a hedge. Today it is direction. The shift shows up in the numbers, the geographic spread, the regulatory pipeline, and how the leadership team allocates attention.

The international business grew 22.5% year-on-year in FY 2025-26. What makes it meaningful is what the headline conceals. Growth came from multiple geographies, multiple therapies, and multiple regulatory pathways, all moving in parallel. There was no single market doing the heavy lifting.

The regulatory engine behind the growth

Approximately 200-plus dossiers were filed during FY 2025-26 across priority emerging markets. Looking further out, around 1,675 in-house product dossiers have been shortlisted for filing across FY 2026 to FY 2028. Geographic expansion runs alongside the regulatory build. Entry into approximately 29 new countries over the medium term is planned, including selective entry into business-to-consumer branded generics businesses.

Regulated markets: scaling with credibility

USFDA establishment registrations for products including SafeLavage and SafeTrion, ISO 13485:2016 certification for medical devices, and progress on EU-MDR registrations for knee and hip implant systems all strengthened the Company's position in high-compliance regulated markets during the year.

> The world is no longer a hedge. It is a co-author of growth.

Emerging Markets: a portfolio of countries turning at once

Emerging markets: the composition is what investors should focus on, not the aggregate.

Market	Driver
CIS (led by Kazakhstan)	Branded portfolio depth
Middle East (led by UAE)	Hospital and institutional channel expansion; value-added product mix
East Africa	Portfolio expansion and improved on-ground execution
Francophone West Africa	Broad-based participation; new launches accelerating
Southeast Asia (Philippines)	Pricing pressure and launch delays; corrective action under way

Capability-led Expansion

Growth Beyond Borders

Most pharmaceutical companies enter MedTech the same way. They build organically, hire selectively, file regulatory submissions over multi-year horizons, and wait. Alkem chose a different route.

The proposed strategic investment in Occlutech Holding AG, a Swiss-headquartered specialist in structural heart devices, compresses years of capability building into a single, disciplined transaction. On 13 February, 2026, Alkem MedTech executed a binding term sheet for the acquisition of a 51 to 55% controlling stake in Occlutech at a total equity value of Euro 180.70 Million (₹ 19,516 Million), funded through internal accruals and current cash balances, with closure expected by July 2026.

What Occlutech is

Occlutech was founded in 2003 and has sold more than 200,000 implants across more than 70 countries. It ranks second in Europe and third globally in the structural heart occluder market. Net sales for calendar year 2025 stood at Euro 50 Million, growing at a 14% CAGR from 2021 to 2025. The business employs more than 300 people. Seventy percent of revenues come from Western Europe, the United States, and Japan.

Market position:
Ranked #2 in Europe, #3 globally in the occluder segment

Geographic revenue split (2025):
EU 71%,
Americas 14%,
APAC 8%,
MEA 7%

Sales by channel (2025):
Direct 51%,
Distributor 49%

Manufacturing:
Germany and Turkey (backward integrated; multiple braiding machines)

R&D:
Germany and Istanbul (15-plus person team; 200-plus active patents)

Certifications & Accreditations (2025):
USFDA, EU MDR, PMDA (Japan), TGA (Australia), ANVISA (Brazil), MDSAP

PFO approval timeline:
USFDA expected June 2027; Japan expected December 2027

Future pipeline:
Left Atrial Appendage (USD 1.4 Bn TAM), Vascular Flow Restrictor

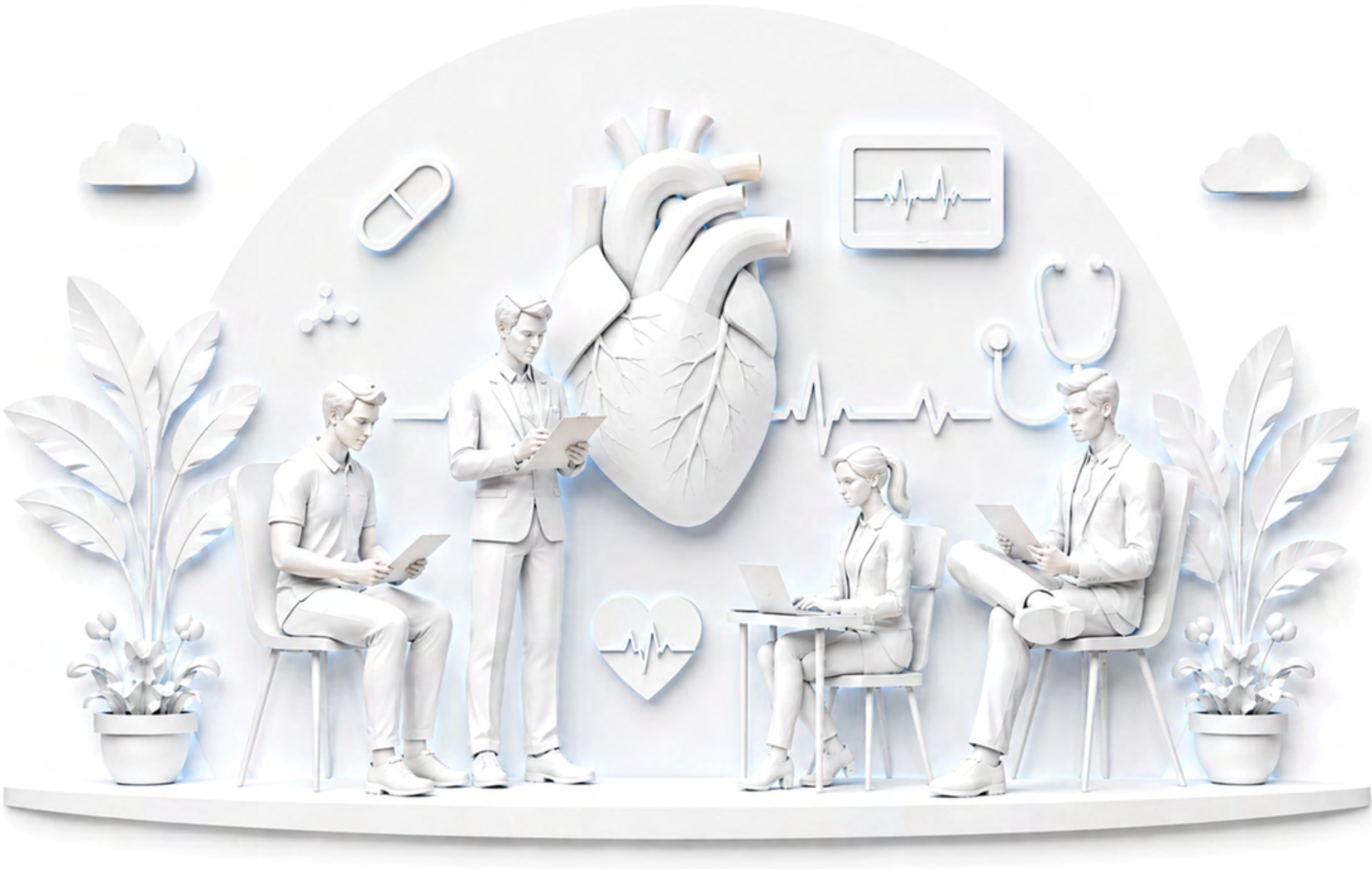
What Occlutech brings to Alkem

Three shifts follow from the transaction, and each is structural rather than cosmetic. First, a 73% gross margin profile that is materially accretive to the consolidated business and supports continued investment in next-curve platforms. Second, direct presence and regulatory clearances in the United States, Western Europe, and Japan, with established clinical credibility, relationships, and distribution already in place. Third, a patent portfolio of 200-plus active patents, an active R&D team, and a clinical centre in the United States, all of which accelerate the pace of innovation that Alkem MedTech can generate.

The leadership behind the build

Alkem MedTech is led by Kaustav Banerjee, a 30-plus year veteran of the global medical device industry with experience at Zimmer Biomet, Medtronic and St. Jude Medical, At St. Jude, Medical, he founded and scaled the wholly-owned subsidiary of St. Jude Medical India Pvt. Ltd. from inception. He is supported by a strong team that collectively brings deep experience across every function required to scale a global MedTech business.

> Capability-led expansion is not about doing more deals. It is about doing the right ones. Occlutech sets the template.



Seeds of the Next Curve

Tomorrow's Growth, Underway

The most common misconception about future-curve businesses is that they live in the future. They do not. They live in the present, in lab notebooks, regulatory dossiers, manufacturing scale-ups, and partnership agreements.

Seed One: MedTech Orthopaedics

The orthopaedics platform is being constructed around two tracks. The organic track, built through a technology transfer partnership with Advita Ortho and internal R&D, supports product range development. The inorganic track, built through the acquisition of Bombay Ortho, delivered immediate commercial traction.

Alkem MedTech Ortho recorded more than 50% sequential quarterly growth (Q-o-Q) in implants through YTD December 2025, with 150-plus repeat customers. Knee and Hip implants as part of the Technology transfer is scheduled for Q2 FY 27 and Q4 FY 27 launch respectively. CE approval for both products is targeted by Q4 FY 28, and CIS country approvals by Q1 FY 28.

The five-year vision for musculoskeletal: 250,000-plus implants over five years, 10% market share in the Indian large joints market by the fifth year, 4,000-plus trained implanters, and a Rest of World launch in 2028. Fully integrated manufacturing, with ISO 13485:2016 already in place.

Seed Two: MedTech cardiovascular (via Occlutech)

The cardiovascular dimension of the MedTech platform is anchored by the Occlutech investment, which provides immediate access to the global structural heart closure market. Beyond the current occluder portfolio, the pipeline includes the Left Atrial Appendage device (targeting a Global USD 1.4 Billion total addressable market) and the Vascular Flow Restrictor. The PFO occluder, currently pending USFDA approval expected June 2027 and Japan approval expected December 2027, adds a meaningful incremental growth layer.

Seed Three: Biosimilars/Bio-CDMO at Enzene

Enzene Biosciences, the biosimilar and contract development and manufacturing platform, is moving from build phase into commercial activation. European launch of the first biosimilar asset is imminent, with regulatory progression on track. A USFDA inspection of the biotech facility is under way. Out-licensing of select biosimilar assets is being pursued in parallel, providing optionality on revenue realisation.

The Innovation Pipeline Beyond the Seeds

Alixer Nexgen Therapeutics, Alkem's wholly owned innovation subsidiary, holds 6 granted patents and 55 pending applications globally. The clinical pipeline includes one Phase-2 programme and three other programmes are undergoing Investigational New Drug (IND)-enabling studies. The clinical research facility cleared the USFDA Bioresearch Monitoring inspection in March 2025 with zero observations, the highest quality validation.

Seed Four: GLP-1

Alkem launched semaglutide injectables on day one across both diabetes and obesity indications during FY 2025-26. A partnership with a global pharmaceutical company has been signed for an extended GLP-1 project across international markets. Manufacturing scale-up and regulatory preparedness have positioned Alkem Laboratories Limited strongly to participate in the next wave of GLP-1 opportunities, with molecules approaching loss of exclusivity.

> The seeds are not metaphors. They are dossiers, manufacturing lines, partnerships, and patents. The work has been done. The arrival is in motion.

Growth Architecture

Building, What Comes Next

The four arcs of the narrative are not independent trajectories. They are designed as an integrated architecture, where each engine feeds, strengthens, and accelerates the others over time.

Together, they define **The Next Shape of Growth** — a model built not on isolated wins, but on interlocking momentum and compounding value creation.

The Engine Never Stopped

The India business, deeply embedded, widely trusted, and consistently executed, continues to anchor the system. But this is not just a story of scale. It is a story of refinement turning into acceleration.

What was optimised in FY 2025 begins to compound in FY 2026. A sharper portfolio. A stronger chronic mix. A distribution network that reaches further, responds faster, and converts better.

Growth here is not driven by pricing alone, it is prescription-led, volume-backed, and structurally aligned.

The World is Now in the Mix

International markets are no longer supporting characters; they are becoming co-authors of growth. What was once seen as diversification is now emerging as direction. Growth across geographies is not concentrated, it is distributed. Regulated markets bring credibility and scale. Emerging markets bring agility and expansion.

Together, they reshape the revenue mix into something more balanced, resilient, and opportunity-rich. And with each market that turns, the business becomes less dependent on any single geography, and more aligned with global healthcare demand.

Steps Beyond Borders

With the strategic investment in Occlutech Holding AG, Alkem steps into MedTech not as a newcomer, but as a capability-led player. This is not an incremental move.

It is an accelerated entry into a space defined by high barriers, deep science, and global opportunity.

Through this, Alkem gains more than a portfolio:

- A presence across key global markets
- Access to advanced R&D and patented technologies
- Entry into high-margin, innovation-led segments

It is a shift from building step-by-step to building with strategic intent and speed.

Seeds of the Next Curve

The biosimilar European launch opens a market that the generics business could not address. The GLP-1 platform day-one readiness ensures Alkem participates in the largest pharmaceutical category opportunity of the next decade from the first eligible day.

The Alixer pipeline, while early, carries the long-term optionality that institutional investors need to see in any company with growth ambitions beyond the near term.

Each seed carries a defined pathway:

- MedTech, with its ambition and ecosystem build
- Biotech, advancing through regulatory and commercial milestones
- GLP-1 Day 1 launch

Strategic Enablers

Translating Architecture into Action

At Alkem Laboratories Limited, strategy is not articulated as intent alone; it is defined through clear enablers, measurable objectives, and time-bound execution

The Growth Architecture outlined in this report is brought to life through five strategic pillars, each designed to strengthen a specific layer of the business, while collectively advancing a cohesive 3-year roadmap (FY 2026-28). These pillars are not independent priorities. They are mutually reinforcing levers that translate vision into sustained performance.

India Prescription Leadership

Strategic Objective: Strengthen leadership in the India Rx market through prescription-led growth, therapy depth, and expanded reach.

Enablers

- Continued shift toward chronic and speciality therapies
- Enhanced doctor engagement and field force productivity
- Portfolio optimisation focused on high-growth, high-margin segments
- Strengthening distribution across urban and semi-urban markets

3-Year Outcome (FY 2026-28)

- Sustain top-tier ranking in India pharma market
- Increase contribution from chronic therapies
- Drive volume-led, prescription-driven growth with improved realisations

The Core will not just scale, it will evolve in quality, mix, and consistency.

International Revenue Mix Expansion

Strategic Objective: Transform international business into a structural growth driver with a diversified and resilient market mix.

Enablers

- Expansion across regulated (US, Europe) and emerging markets (RoW)
- Focus on complex generics, speciality products, and differentiated filings
- Strengthening local partnerships and distribution networks
- Increased pipeline localisation and market-specific strategies

3-Year Outcome (FY 2026-28)

- Higher share of international revenues in overall mix
- Improved growth contribution from multiple geographies
- Enhanced margin profile through product and market mix optimisation

The global business will move from being an extension to becoming a balanced second engine of growth.

M&A-led Capability Building

Strategic Objective: Leverage strategic acquisitions to build capabilities, enter high-barrier segments, and compress time-to-scale.

Enablers

- Targeted investments in innovation-led, high-margin segments
- Integration of platforms like Occlutech Holding AG to unlock global MedTech capabilities
- Focus on acquiring IP, regulatory approvals, and established market access
- Leveraging Alkem's scale for operational and commercial synergies

3-Year Outcome (FY 2026-28)

- Establish a meaningful presence in MedTech and advanced healthcare segments
- Unlock new revenue streams with higher margin potential
- Build a globally competitive capability base beyond pharma

M&A will not be opportunistic, it will be strategic, selective, and capability-driven.

Pipeline Acceleration — Biotech, GLP-1, MedTech

Strategic Objective: Accelerate high-potential pipelines to create future growth engines aligned with evolving healthcare demand.

Enablers

- Advancing Biotech capabilities (including biosimilars and CDMO platforms)
- Readiness for GLP-1 portfolio entry with manufacturing and regulatory alignment
- Scaling MedTech platform across orthopaedics and cardiovascular segments
- Strengthening R&D investments and regulatory pathways

3-Year Outcome (FY 2026-28)

- Commercialisation milestones across Biotech and MedTech platforms
- Establish early leadership in GLP-1 segment
- Build scalable, innovation-led revenue streams

These pipelines are not optional adjacencies; they are strategic imperatives shaping the next decade.

Operational Excellence & Margin Discipline

Strategic Objective: Drive consistent improvement in efficiency, cost structures, and margin profile to support long-term value creation.

Enablers

- Optimisation of manufacturing footprint and supply chain efficiencies
- Focus on cost discipline without compromising quality
- Leveraging backward integration and scale advantages
- Digital and process transformation to enhance productivity and responsiveness

3-Year Outcome (FY 2026-28)

- Sustained EBITDA margin resilience and expansion
- Improved operating leverage across businesses
- Stronger cash flow generation to fund future growth

Operational excellence ensures that growth is not just faster, it is more efficient, more profitable, and more sustainable.

Risk Management

Managing Risk Across the Value Chain

Alkem's Enterprise Risk Management framework maps enterprise-level risks across supply chain, regulatory, compliance, financial, operational, technology, and ESG domains. The nine most material are presented below.

The Risk Management Committee of the Board, chaired by Mr. Mritunjay Kumar Singh with five members including Independent Directors, reviews the risk register every six months. A comprehensive ERM refresh was completed in FY 2024-25, integrating ESG risks into the framework for the first time. The three-lines-of-defence model applies: business units own their risks, the Risk Management Division oversees and monitors, and the Internal Audit function provides independent assurance.

INDIA PRICING AND DPCO RISK

Government price controls under the Drug Price Control Order apply to a meaningful portion of the domestic portfolio. Expansion of the scheduled medicines list, could reduce revenue and margins from affected brands.

Likelihood: Likely

Impact: High

Category: Regulatory

MITIGATION

Portfolio diversification into chronic, speciality, and OTC segments reduces dependence on price-controlled acute medicines. Engagement with industry associations (IPA, IDMA) supports constructive regulatory dialogue. Continued investment in branded positioning differentiates Alkem products from commodity generics.

US GENERIC PRICING PRESSURE

Sustained pricing erosion in the US generics market, driven by consolidation among pharmacy benefit managers and buying groups, compresses margins on established molecules even as new approvals add to the portfolio.

Likelihood: Likely

Impact: Moderate

Category: Market

MITIGATION

Focus on complex, differentiated generics (injectables, pen devices, controlled substances) where pricing erosion is slower. Target molecules with limited competition or complex manufacturing requirements. Seek first-to-file and first-to-market positioning on high-value ANDAs

REGULATORY AND CGMP COMPLIANCE

Non-compliance with CGMP, USFDA, EMA, or other regulatory requirements at any manufacturing site could result in import alerts, warning letters, product recalls, or market access restrictions that materially affect revenue.

Likelihood: Possible

Impact: Critical

Category: Regulatory

MITIGATION

Six USFDA-approved sites with zero FDA warning letters over four years. Cross-functional Corporate Quality Assurance team conducts bi-annual self-inspections. TrackWise audit management system tracks corrective and preventive actions. Digital batch record management (Level-2 MES) reduces human error.

OCCLUTECH M&A INTEGRATION

Integration of a European MedTech acquisition into an Indian pharmaceutical holding company requires careful navigation of regulatory, cultural, operational, and governance differences. Integration delays or value leakage could affect the expected return on the Euro 180.70 Million investment.

Likelihood: Possible

Impact: High

Category: Strategic

MITIGATION

Experienced MedTech leadership team (Kaustav Banerjee, ex-Zimmer Biomet and St. Jude Medical) leads integration. Defined integration milestones with Board-level oversight. Occlutech management team retained. Acquiring partial stake structure (51 to 55%) preserves operational continuity. Internal accruals funding eliminates debt service risk.

CLIMATE CHANGE AND ENVIRONMENTAL RISK

Increasing frequency of extreme weather events, evolving environmental regulations, and shifting stakeholder expectations on climate action pose risks to manufacturing continuity, supply chain resilience, and regulatory standing. Water stress at production sites, carbon border adjustment mechanisms in export markets, and mandatory climate disclosure requirements could affect operational costs and market access.

Likelihood: Possible

Impact: Moderate

Category: ESG

MITIGATION

Comprehensive EHSS framework with dedicated leadership across all manufacturing sites. Water recycling and rainwater harvesting systems operational at key facilities. Renewable energy capacity being expanded, including solar installations. Scope 1 and Scope 2 emissions tracked and reported. Hazardous waste co-processing and zero liquid discharge systems implemented at select sites. BRSR Core and GRI-aligned sustainability disclosures in place.

BIOSIMILAR REGULATORY TIMELINE

The pathway to European and US approval for biosimilar molecules is complex and subject to regulatory agency timelines, clinical trial outcomes, and patent challenge outcomes that are not fully within the company's control. Separately, the ramp-up of the biotech CDMO business involves execution risk around client acquisition, capacity utilisation, and technology transfer timelines.

Likelihood: Possible

Impact: High

Category: Regulatory

MITIGATION

Enzene Biosciences has been preparing for European launch over multiple years with dedicated regulatory, quality, and manufacturing teams. USFDA inspection of the biotech facility is in progress. Out-licensing optionality provides revenue realisation flexibility if timeline extends. Multiple molecules in pipeline reduce single-asset dependence. For the CDMO vertical, early-stage client engagements are under way, supported by established biologics manufacturing infrastructure and a differentiated continuous manufacturing platform.

SUPPLY CHAIN CONCENTRATION AND SEISMIC RISK

Sikkim hosts five of Alkem's manufacturing units and represents a significant share of production capacity. The region sits in a high seismic activity zone. Supply disruption from natural events, transportation failures, or input shortages could affect production continuity.

Likelihood: Possible

Impact: Critical

Category: Operational

MITIGATION

Sufficient inventory buffers maintained for critical products. Loan licence and third-party manufacturing agreements for priority molecules provide alternate supply. Relocation and expansion planning under review. Site-level emergency response plans and NDRF-inspected disaster management infrastructure. Business Continuity Plan being developed in alignment with ISO 22301.

CYBER SECURITY AND DATA INTEGRITY

Pharmaceutical operations depend on data integrity across manufacturing, clinical, and regulatory systems. A cyber breach, ransomware event, or IT system failure could disrupt operations, compromise regulatory submissions, and cause reputational damage.

Likelihood: Possible

Impact: Critical

Category: Technology

MITIGATION

24/7 Security Operations Centre (SOC) monitoring all inbound and outbound traffic. Zero Trust Network Access, Extended Detection and Response, Privilege Access Management, and Data Classification all deployed. Quarterly phishing simulation tests with declining failure rates. ISO 27001 certification process initiated (gap assessment complete). VAPT audits twice annually.

GEO-POLITICAL AND TRADE POLICY RISK

Escalating trade tensions, tariff actions, sanctions regimes, and shifting geo-political alignments could disrupt cross-border supply chains, increase input costs, and restrict market access. Changes in US trade policy, including tariffs on pharmaceutical imports and API sourcing restrictions, pose particular relevance given the Company's US revenue exposure.

Likelihood: Likely

Impact: High

Category: External

MITIGATION

Diversified manufacturing footprint across multiple Indian states and international locations. Backward integration for critical APIs reduces import dependence. Active monitoring of trade policy developments through industry associations and regulatory advisors. Multi-market registration strategy provides commercial flexibility across geographies. Internal scenario planning for tariff and sanctions contingencies

Manufacturing

Where Precision Meets Excellence

Twenty manufacturing facilities. Five USFDA approvals. Zero FDA warning letters. These are not operational footnotes. These are a testimony to Alkem's manufacturing prowess in the world's most demanding pharmaceutical markets.

The manufacturing backbone

Eighteen units in India across six locations (Sikkim, Baddi, Daman, Mandva, Ankleshwar, Pune), plus facilities in the United States through Norac Pharma and Enzene Inc. Sikkim is the largest single complex, with seven units producing tablets, capsules, dry syrups, drops, injections, liquid, respules and nutraceuticals. Baddi and Daman each operate two units. Mandva, Ankleshwar, Taloja, and Pune each operate one unit, with Mandva and Taloja housing the R&D infrastructure.

Capacity alignment with new businesses

The Enzene Biosciences facility in Pune, designed for next-generation bioreactors and purification systems, provides the biological manufacturing backbone for biosimilar European commercialisation. The Bombay Ortho manufacturing facility, now ISO 13485:2016 certified, is scaling toward knee implant launch in Q2 FY 27 and hip in Q4 FY 27, with fully integrated manufacturing capability targeted for 2028.

Digital manufacturing

Level-2 Manufacturing Execution System integration is under way, enabling real-time digital control of production parameters, automated batch record management, and electronic deviation and change control. IoT energy meters have been installed at high-energy-consuming blocks and equipment at multiple sites, providing granular visibility into consumption patterns. SAP HANA provides the unified ERP backbone that connects manufacturing with supply chain, finance, and commercial functions.

Innovation and R&D

Science that Shapes Growth

Research at Alkem Laboratories Limited is guided by purpose and accountability. Every innovative effort is closely aligned to meaningful outcomes, whether through regulatory progress, clinical advancement, or the ability to bring impactful therapies to patients.

Building Clinical Research Capabilities for the Future

At Alkem Laboratories Limited, clinical research has evolved into a key pillar of the Company's innovation journey. Its integrated clinical research facility supports not only bioequivalence and bioavailability studies, but also first-in-human and early-phase clinical trials.

Over the years, the facility has undergone inspections from leading global regulators including the USFDA, UK MHRA, EMA, ANVISA, NPRA-Malaysia and CDSCO. In March 2025, the site successfully cleared a USFDA Bioresearch Monitoring (BIMO) inspection with No Form 483 observations, reinforcing the Company's focus on compliance, quality, and data integrity.

192
ANDAs filed with USFDA

2
NDAs filed with USFDA

1,100+
International registrations across global markets

4.2%
Revenue on R&D

Expanding Clinical Development Across Therapies

Alkem's clinical development capabilities today span the full spectrum of trials, from Phase I to Phase IV, across several therapeutic areas including infectious diseases, oncology, endocrinology, neurology, cardiology, haematology, rheumatology, ophthalmology, and gastroenterology.

The teams bring experience across both small molecules and complex biologics, including stem cell-based products, supporting regulatory pathways in India as well as major international markets such as the United States and Europe.

What continues to define the approach is a balance between scientific rigour and operational agility. Clinical programmes are designed with a strong focus on patient participation, diversity, accessibility, and real-world relevance, while maintaining adherence to global ICH-GCP standards and regulatory expectations.

Strengthening Innovation through Partnerships

Innovation at Alkem is increasingly being shaped through collaborations with leading scientific and academic institutions across the world.

The journey began through collaborations with leading academic and research institutions across the United States, Europe, and India. Globally, Alkem works alongside organisations such as Harvard University, Johns Hopkins University, National Institutes of Health and Karolinska Institute. In India, partnerships with institutions including Indian Institute of Technology Bombay, Indian Institute of Technology Kanpur, Indian Institute of Science Bangalore and Tata Memorial Hospital continue to strengthen the Company's research ecosystem.

These collaborations are helping advance research in therapies targeting cancer, diabetic peripheral neuropathy, vascular ischemia, and allergic rhinitis.

A significant part of this innovation effort is being driven through Alixer Nexgen Therapeutics Ltd, Alkem's wholly owned subsidiary focused on advancing transformative therapies through translational science, strategic collaborations, and technology-enabled drug discovery. The objective is to progress first-in-class as well as best-in-class innovations from discovery and Investigational New Drug (IND)-enabling studies into early human proof-of-concept stages.

Today, the innovation pipeline includes a mix of novel biologics and small molecules across multiple stages of development. ALDP001, a novel therapy for seasonal and perennial allergic rhinitis, advanced into Phase-2 clinical development.

Beyond this, several additional programmes are advancing through preclinical and IND-enabling stages, including:

- ALK-201, a novel first-in-class humanized monoclonal antibody targeting tumor growth and progression in colorectal cancer
- ALK-202, a regenerative and restorative platform targeting vascular ischemia in diabetic patients
- ALDP021, a combination therapy of novel histamine blocker and safe, clinically proven corticosteroid for allergic rhinitis

We have successfully completed the Pre-IND (ALK-201) and INTERACT (ALK-202) meetings with the US FDA to define the regulatory strategy and advance both programmes toward IND submission. Supporting this pipeline is a growing intellectual property portfolio comprising 6 granted patents and 55 pending patent applications globally, reinforcing Alkem's long-term commitment to differentiated and innovation-led healthcare development.

Bridging Science and Growth

As the business expands into newer therapies and advanced treatment areas, scientific engagement continues to play an important role in product adoption and medical education.

During the year, Alkem introduced therapies including semaglutide, pertuzumab, and other advanced treatments across metabolic and priority disease segments. These launches were supported through scientific engagement programmes, medical education initiatives, and post-launch evidence generation led by the Medical Affairs Function.

Across all interactions, the Company continues to maintain alignment with applicable regulations and the Uniform Code of Pharmaceutical Marketing Practices (UCPMP), ensuring that scientific exchange remains ethical, transparent, and patient-focused

Research at Alkem Laboratories Limited is increasingly focused on therapies where the medical need continues to evolve and long-term demand remains significant. Across its R&D ecosystem, the Company is building capabilities in both large chronic segments and complex speciality therapies, balancing near-term opportunities with future innovation platforms.

Human Capital

Building a Future-Ready, People-led Organisation

A Culture that Speaks for Itself

At Alkem, our culture is built on trust, purpose, and the unwavering belief that our people are our greatest strength.

Every initiative we undertake is guided by a simple philosophy. When employees feel valued, empowered, and inspired, they create extraordinary outcomes for the organisation, our customers, and the communities we serve.

This people-first philosophy has once again been recognised externally. FY 2025-26 marks a defining milestone in Alkem's people journey, with the Company being recognised as a Great Place To Work for the fifth time while achieving its highest-ever ranking of #26 among India's 100 Best Companies to Work For 2026, in the prestigious study conducted by Great Place To Work India in association with The Economic Times. This achievement also positions Alkem as the #1 Pharmaceutical & Healthcare Company in the country, reaffirming our commitment to creating a workplace where people thrive.

The recognition was further strengthened by our highest employee engagement scores to date, with an 88% Trust Index, 93% Pride Score, and 83% Employee Participation; reflecting a workplace where employees feel respected, connected, empowered, and proud to be a part of the Alkem Family.

In another significant milestone, Alkem's Great Place To Work recognition extended across six countries; India, the United States, Australia, Kazakhstan, the Philippines, and Kenya; underscoring the consistency of our people-centric culture across geographies and reinforcing our commitment to fostering an inclusive and high-performing workplace globally.

The Great Place To Work assessment is recognised as one of the world's most credible benchmarks of workplace excellence, as it is driven primarily by confidential employee feedback and an independent evaluation of organisational culture. Achieving our best-ever ranking is a strong endorsement of our Employee Value Proposition, reflecting the sustained progress we have made in strengthening employee trust, reinforcing our core values, and creating a collaborative, inclusive, and high-performance work environment.

At Alkem, culture is not defined by policies alone, it is experienced through everyday leadership behaviours, meaningful employee interactions, and continuous opportunities to learn and grow. Leadership town halls, HR Connect initiatives, structured onboarding, capability-building programmes, learning interventions, and employee engagement platforms foster transparency, accessibility, collaboration, and open dialogue across the organisation.

As we continue our growth journey, we remain committed to nurturing a workplace where innovation flourishes, collaboration drives excellence, and every employee is empowered to realise their full potential. Ultimately, this recognition belongs to our people, our Alkemites, whose passion, ownership, and shared values bring our culture to life every day. Their unwavering commitment continues to make Alkem not only one of India's Best Companies to Work For, but also an organisation that lives its purpose and continues to build a workplace where people and performance grow together.

People Who Power Progress

Anchored in our credo, "Inspiring Healthier Lives," our people philosophy is guided by four cultural pillars—Trust, Care, Empowerment, and Pride—which shape decision-making, leadership behaviour, and the overall employee experience. This diverse workforce spans across Alkem's core business as well as its growing presence in Alkem Wellness and Alkem MedTech, reflecting the organisation's expanding footprint. While our current gender mix continues to be an area of focus, we remain committed to building a more balanced and inclusive workforce as we scale, ensuring that our people remain at the heart of our growth journey.

Enabling this scale and performance is a strong and structured focus on capability building, ensuring that our Alkemites are continuously equipped to grow, lead, and deliver impact across roles and functions.

Capability Building at Scale

Alkem's structured learning ecosystem continues to build leadership depth and future-ready capabilities across levels. Flagship programmes such as Aarambh, Pathshala, Metamorph, Discover the Leader Within (DTLW), and EVOLVE enable seamless progression from frontline readiness to strategic leadership.

During the year, these initiatives were implemented at scale, with a strong focus on addressing evolving business needs and capability requirements across levels. Multiple onboarding and leadership-led interventions were conducted across regions, alongside targeted programmes for senior and mid-level leaders, ensuring continuous development and enhanced managerial effectiveness. This is further supported by digital and AI-led learning platforms, including Alkepedia and global content partnerships, enabling ongoing, self-driven learning and capability building across the organisation.

This continuous focus on capability building is closely integrated with our talent strategy, where hiring, onboarding, and training work in tandem to prepare our teams for business priorities and market readiness.

Scaling Talent, Strengthening Impact

FY 2025-26 was marked by strong execution of talent strategy aligned to business growth and global expansion.

A key milestone was the implementation of SAP SuccessFactors across international markets, creating a unified, digital-first HR framework and strengthening global alignment.

The organisation demonstrated exceptional agility in talent mobilisation, with over 400 employees recruited, onboarded, and trained within a compressed timeline for the Semaglutide launch; ensuring Day 1 market readiness. In parallel, supporting broader expansion plans, the organisation added overall 1,450 field force employees during the year, including 1,100 Marketing Executives, 250 First-Line Managers, 65 Second-Line Managers, and 20 Third-Line Managers. This large-scale hiring initiative was critical in enabling divisional launches, strengthening market reach, and meeting aggressive business timelines.

Employee engagement was strengthened through structured initiatives such as Cluster Head Connect and Alkem Family Meets Family, fostering deeper alignment, recognition, and emotional connect.

At the core of this growth journey is a strong focus on employee well-being, inclusion, and empowerment; ensuring that as we scale talent and performance, we continue to build a workplace that is supportive, equitable, and future-ready.

Inclusive Growth & Employee Well-being

The all-women operated liquid production line at Alkem's Sikkim facility has emerged as a strong example of capability-led inclusion delivering measurable business impact. Demonstrating higher productivity, improved consistency, and low error rates, the initiative has been recognised as an ideal internal case study.

To amplify its significance, this model was uniquely showcased through a dedicated video released across the organisation on the occasion of International Women's Day, capturing the team's expertise, ownership, and performance excellence. Positioned as a benchmark for inclusive manufacturing, the Sikkim initiative is now being leveraged to drive awareness, inspire replication across units, and reinforce Alkem's commitment towards building a future-ready, equitable workplace.

Programmes such as the Aura Women Mentoring initiative and enterprise-wide inclusion platforms further strengthen leadership pipelines and equitable growth opportunities.

Employee well-being remains central to the organisation's philosophy. The Alkemites Assistance Programme (EWAP) continues to see strong adoption, reflecting growing awareness and trust, while safety initiatives and wellness infrastructure reinforce a supportive and secure work environment.

As we continue to strengthen an inclusive and empowered workforce, innovation and scientific excellence remain at the core of Alkem's growth journey—driven by collaboration, continuous learning, and the collective potential of our people.

Recognition, Milestones & Global Momentum

FY 2025-26 has been a landmark year for Alkem, marked by prestigious recognitions and strategic milestones

Key highlights include

Pharma Company of the Year – Large
Financial Express Pharma Summit & Awards 2026

Excellence in Anti-Counterfeiting Innovation
Financial Express Pharma Summit & Awards 2026

CSR Programme of the Year
Financial Express Pharma Summit & Awards 2026

Excellence in Innovation in Anti-Counterfeiting
BW Pharma World - Pharma Leadership Awards 2025-2026

Excellence in Rural Health Initiative
BW Pharma World - Pharma Leadership Awards 2025-26

Most Promising Biologics Drug Pipeline (2025)
IMAPAC / Biopharma Excellence Awards 2026

Ranked 26 among India's Best Companies to Work For by Great Place to Work &
The Economic Times (2026)

Alkem strengthened its global presence through participation at the **India–EU Business** Forum, following **an invitation from the Government of India. Represented by Ms. Madhurima Singh**, this engagement underscored Alkem's growing role in global healthcare dialogue and its contribution to strengthening international economic and industry partnerships.

Leadership Excellence was further recognised as **Ms. Madhurima Singh, Executive Director, was honoured with the Business Today's Most Powerful Women in Business Award 2025**, reflecting visionary leadership and Alkem's commitment to purpose-led, inclusive growth.

Corporate Milestone: FY 26 also marked 10 years since Alkem's listing on NSE and BSE, reflecting a decade of consistent growth, strong fundamentals, and disciplined execution.

As Alkem continues its growth journey, the focus remains on building a future-ready, globally aligned, and people-centric organisation.

With a strong foundation of trust, a growing culture of innovation, and continued investment in people and capabilities, Alkem is well-positioned to drive sustainable growth while staying true to its purpose; Inspiring Healthier Lives.

Environment, Health, Safety & Sustainability (EHSS)

Key Highlights of Environment, Health, Safety & Sustainability

At Alkem, we believe that businesses have a fundamental responsibility to contribute to a safe, healthy, and sustainable future. We integrate Environment, Health, Safety & Sustainability (EHSS) with Environmental, Social and Governance (ESG) principles across our operations to ensure responsible growth, robust risk management and regulatory compliance.

Our approach is anchored in a comprehensive EHSS Management System and evolving ESG Framework, aligned with statutory requirements, global standards and stakeholder expectations. This enables us to safeguard the well-being of employees and communities while minimising environmental impact and strengthening governance practices.

Governance, Framework & Strategic Direction

EHSS at Alkem is guided by our vision of 'Zero Harm' and implemented through an integrated management system that ensures oversight across all operations.

The Corporate EHSS function provides strategic direction, while site level teams, comprising qualified professionals, drive implementation. Roles, responsibilities and performance indicators are clearly defined and linked to the business objectives.

During the year, we further strengthened our ESG foundation by:

- Formalising our ESG vision and identity
- Integrating sustainability into governance frameworks
- Aligning policies with evolving global standards

Our systems and processes cover:

- Hazard Identification and Risk Management
- Incident reporting and investigation
- EHSS and ESG performance monitoring
- Training and Competency development
- Stakeholder engagement including engagement of suppliers in our Sustainability drive

Risk Management & Compliance

We maintain structured risk management systems across all our operations including R&Ds and manufacturing facilities to proactively identify, assess and mitigate EHSS and ESG risks.

Key elements include:

- Systematic Risk Assessments and Opportunity identification
- Regular audits, inspections and self-assessments
- Hazard Control and Mitigation measures
- Incident reporting, investigation and organisation-wide learning systems
- Monitoring of statutory compliance and emerging regulations

EHSS committees at site level, comprising management and employee representatives, support governance and ensure alignment with defined KPIs.

ESG Risk Identification & Materiality

During the year, we completed a Double Materiality Assessment evaluating ESG topics from both:

- Impact perspective (impact on environment and society)
- Financial perspective (risks and opportunities affecting business)

Key material topics identified:

- Water and waste management
- Patient safety and product quality
- Counterfeit drugs
- Cybersecurity and data privacy

These priorities guide our ESG strategy, risk management and disclosures.

Safety Culture & Employee Participation

We foster a strong safety culture built on awareness, accountability and employee participation and consultation. Engagement is driven through structured training, EHSS committees and bottom-up reporting mechanisms.

Training & Capability Building

EHSS Training is integrated into onboarding and delivered through role-specific modules across R&D, manufacturing and supply chain functions.

Key training areas include:

- Operational Safety and Risk Assessment
- Health, hygiene and behavioural safety
- Emergency preparedness and road safety
- High-risk operations (electrical, chemicals, process safety)

We also extend awareness programmes to local communities and observe national and global safety and environmental events.

Metrics (FY 2025–26):

- EHSS Trainings conducted: 4,794
- EHSS Training man-hours: 38,229
- Mock drills: 26 Nos.
- EHSs committee meetings: 43 Nos.

Hazardous Chemicals & Process Safety

Given the nature of our operations, we maintain strict controls for hazardous materials through:

- Engineering controls
- Standard operating procedures (SOP)
- Personal Protective Equipment (PPE)

Process safety is embedded across the lifecycle of the molecule from design to operations particularly for processes involving hazardous substances. Robust mitigation measures are implemented wherever risk elimination is not feasible.

Audits, Inspections & Continuous Improvement

Regular audits and inspections are integral to our management systems, enabling identification of gaps and continual improvement.

Metrics (FY 2025–26):

- EHSS audits & inspections: 614 Nos.
- EHSS related CAPAs raised: 5,196 Nos.
- Closure of EHSS related CAPAs: 91.45%

All corrective and preventive actions are tracked for timely closure.

Environmental Stewardship

We are committed to minimising environmental footprints and impact through structured management of emissions, energy, water, and waste. All facilities operate with necessary environmental approvals and consents.

Climate Action & GHG Emissions

We have initiated a structured approach to quantify and manage greenhouse gas emissions, focusing on improved data systems and identification of emission hotspots.

Metrics (FY 2025–26):

- Scope 1 emissions: 19,089 tCO2e
- Scope 2 emission: 74,116 tCO2e
- Reduction in Scope 1 & Scope 2 emissions from FY 25: 15%

Energy Management

For us Energy Efficiency remains a key priority, supported by technology upgrades and process optimisation.

Key initiatives:

- Installing High-efficiency HVAC systems
- Replacing lights with LED lighting
- Automation and process improvements
- Adoption of renewable energy

Metrics (FY 2025–26):

- Total energy consumption: 7,54,499 GJ
- Renewable energy share: 27%
- Reduction in energy consumption from FY 25: 22%

Water Stewardship

We prioritise responsible water management through monitoring, conservation and recycling initiatives.

Key initiatives:

- Real-time monitoring systems at few locations
- Water audits and efficiency improvements
- Effluent treatment and reuse
- Rainwater harvesting and community watershed programmes

Metrics (FY 2025–26):

- Water withdrawal: 6,19,064 kl
- Water consumption: 5,80,642 kl
- Water discharge: 38,423 kl
- Sites with ZLD: 7 out of 12 domestic sites
- Reduction in water consumption from FY 25: 12%

Waste Management

We follow the 3Rs principle (Reduce, Reuse, Recycle) to drive resource efficiency and circularity.

Key focus areas:

- Waste minimisation at source
- Recycling and co-processing
- Responsible disposal via authorised agencies

Metrics (FY 2025–26)

- Waste generated: Hazardous – 902 MT | Non-hazardous – 5,326 MT
- Waste recycled/reused/recovered: 5,931 MT
- Disposal (incineration, landfill or others): 412 MT

Emissions Control

We deploy advanced systems such as scrubbers, filters and dust collectors to control air pollutants and ensure compliance.

Metrix - Air Emissions (FY 2025–26):

- SPM: 50 MT
- SOx: 15 MT
- NOx: 29 MT

Sustainable Supply Chain

To extend ESG principles beyond operations, we launched a Sustainable Supply Chain Programme.

- ESG gaps identified across environmental, social, and governance parameters
- Corrective Action Plans initiated collaboratively
- This establishes a scalable framework for integrating ESG across our value chain.

Product Stewardship

A Life Cycle Assessment (LCA) for Metoprolol Succinate was conducted to evaluate environmental impacts across its lifecycle.

Insights from this study will support:

- Improved resource efficiency
- Reduced environmental footprint
- Sustainable product design

ESG Performance & External Recognition

Our ESG performance continues to strengthen, supported by improved disclosures and alignment with global benchmarks.

Ratings & Scores:

- S&P Global CSA: 53 (+24 improvement)
- NSE Sustainability: 73 (Leader)
- CRISIL ESG: 58 (Adequate)
- ISS ESG: C+ (Prime)
- Sustainalytics: 29.2 (Medium Risk)
- MSCI ESG: B

ESG Capability Building

To embed ESG into operations, we initiated capacity building programmes across facilities, including at the Alkem MedTech site in Rajkot. These programmes aim to build awareness, strengthen accountability and enable site-level ownership of ESG goals.

Key EHS Metrics (FY 2025–26)

- Total fatalities: 0 No.
- Total reportable incidents: 1 No.
- Occupational ill-health cases: 0 No.
- EHSS-related adverse notices: 1 No. (Responded & Closed)

Certifications, Memberships & Policy Framework

All manufacturing and R&D facilities are aligned with globally recognised standards, including:

- ISO 14001 (Environmental Management System), ISO 45001 (Occupational Health and Safety Management System), ISO 50001 (Energy Management System)
- ISO 22000 (nutraceutical facility)
- SEDEX Certification (Baddi unit)

We are also an Associate Member of:

- Pharmaceutical Supply Chain Initiative (PSCI)
- National Safety Council of India

During the year, EHS and Sustainability policies were revised and strengthened in line with global best practices.

Way Forward

Our EHSS (including ESG) journey is evolving toward deeper integration and measurable impact. Our key priorities include:

- Expanding supplier ESG engagement
- Translating material topics into measurable targets and KPIs
- Strengthening ESG data systems and disclosures
- Enhancing employee capability and accountability
- Driving continuous improvement aligned with global benchmarks

Through these efforts, we aim to create long-term value while advancing sustainable and responsible healthcare delivery.

For details, please refer our Sustainability Report available on our Website

CSR Roadmap & Strategic Direction

In a landscape where only, a limited number of eligible corporates invest in developing structured CSR roadmaps, Alkem Foundation has taken a leadership position by institutionalizing a comprehensive CSR roadmap. This forward-looking approach enables the organization to drive long-term, sustainable social impact, reinforcing its commitment to moving beyond compliance toward strategic and transformative CSR.

During FY 2025-26, Alkem Foundation's CSR strategy focused on scaling proven models, expanding into priority geographies, and deepening impact across its flagship programmes. The Foundation adopted an inclusive, evidence-led, and sustainable development approach, closely aligned with national priorities and responsive to evolving community needs.

CSR interventions were structured across clearly defined thematic areas to ensure measurable outcomes, long-term sustainability, and optimal utilisation of resources, thereby enhancing the overall effectiveness and impact of initiatives.

Strategic Priority Areas

- Healthcare Initiatives
- Environmental Sustainability
- Research & Innovation
- Integrated Village Development Programme
- Employee Volunteering (SMILE initiatives)

Healthcare initiatives

Alkem Anemia Mukti Abhiyaan (AAMA)

The **Alkem Anemia Mukti Abhiyaan (AAMA)** was implemented to complement the Government of India's **Anaemia Mukt Bharat** initiative. The programme focused on strengthening c**ommunity based screening, awareness generation, counselling, and behaviour change,** particularly in high burden regions.

Key Interventions

- Community based anemia screening and referrals
- Awareness sessions on nutrition and anemia prevention
- Lifecycle based interventions covering adolescents, pregnant & lactating women, and children
- Engagement and capacity building of frontline community health workers

Impact Snapshot

89,042 beneficiaries reached

33,515 awareness interactions conducted

18,656 counselling sessions delivered

15,899 individuals reported anemic to non-anemic

Alkem Cancer Care Programme

Cancer screening programmes were implemented in Buxar, Bhagalpur, and Jehanabad districts of Bihar, with a focus on early detection of common cancers, community awareness, and strengthening Cancer Care ecosystem.

This year, we expanded our Cancer Care Programme into new geographies too, including Maharashtra and Delhi, strengthening our reach and impact in critical healthcare areas.

Coverage & Interventions

- Community screening for oral, breast, and cervical cancers
- Clinical breast examinations and visual inspection procedures
- Training of grassroots health workers and structured awareness campaigns

Screening Impact

42,000+ individuals screened

1,047 health workers trained

418 screening camps organized

Home Based Palliative Care - Bihar

The palliative care programme aimed to enhance quality of life for patients and caregivers by delivering holistic care services beyond hospital settings.

Key Outcomes

243 patients enrolled under palliative care

600 home visits conducted

1,522 telephonic consultations provided

Shri Samparada Singh Memorial Radiotherapy Centre – Bihar

Daily patients- 400-600 for treatment and radiotherapy.

Home Based Palliative Care Delhi

Sr no.	Particular	Beneficiaries April'25- March'26
1	No. of patients	239
2	No. of family caregivers supported	717
3	No. of home visits	1884
4	% of patients received comprehensive nursing care	92
6	% of families received bereavement support	85
7	% patient/family satisfaction with care	93

Cancer Screening & Awareness Programme, Maharashtra

Screening

18 screening camps organized

975 beneficiaries screened

Awareness

744 community awareness sessions conducted

15,002 individuals reached

70% of participants were women

Training

1,731 Frontline Health Care Workers (FLHCWs) trained

Coverage across **4 talukas**

System Strengthening

- District approvals and hospital partnerships enabled quality screening
- Dedicated field teams deployed for programme implementation and monitoring

Environmental Sustainability

Alkem Jal Sanchay Project

The Alkem Jal Sanchay Project, focused on water conservation, groundwater recharge, and community led water stewardship across Ankleshwar/Mandva, and Daman.

Key Achievements

- **22.21 crore** litres of rainwater conserved in Mandva and Ankleshwar over two years
- **17.13 crore** litres of rainwater conserved in Daman over two years
- **52,440** individuals benefited
- **11,025** households covered

Water Conservation Measures

- Recharge of borewells and open wells
- Household level rainwater harvesting systems
- Pond renovation and community infrastructure enhancement

Total water conservation potential created: 231.08 million litres (Daman)

Total water conservation potential created: 50.168 million litres (Mandva/Ankleshwar)

Research & Innovation

Alkem Foundation – IIT Bombay Collaboration

During the year, Alkem Foundation advanced its commitment to scientific research through:

- Launched **Alkem Research Centre for Immuno-Therapeutics & Regenerative Medicine** at IIT Bombay
- A **₹ 77 crore CSR commitment**, among the largest CSR funded research investments in India

Integrated Village Development Programme

Integrated development initiatives were implemented across **Sikkim, Baddi, Daman, Mandva/Ankleshwar, Taloja**, and corporate locations, adopting a **multi sectoral, community centric development model.**

Focus Areas

- Primary healthcare and mobile health units
- Education support and scholarship programs
- Rural Development and livelihood promotion
- Sanitation and Hygiene
- Socio infrastructure development
- Supporting sports

Alkem Mission Ayushman

Alkem Foundation, in collaboration with a grassroots NGO operating in some of the most remote areas of Bihar—launched a dedicated initiative to ensure healthcare access for underprivileged communities. With the aim of promoting healthcare security, we initiated a drive to equip all eligible individuals with Ayushman Cards, which entitle beneficiaries to receive up to ₹ 5 lakh worth of treatment at any empaneled hospital in their region.

Reach- 6 Panchayat of Kishanganj, Bihar.

Provides access to health insurance benefits worth INR. ₹ 3,031.9 crore

Key Highlights of the Project:

- Total Registrations: **63,864**
- Total eKYC Completed: **60,638**
- Household Reached: **24,479**
- Healthcamp: **1500**
- Wards covered in 6 panchayats: **88**

Alkem Aarogya Project

Alkem Foundation extends its commitment to affordable healthcare through mobile health units in Maharashtra, Daman, Sikkim, Himachal Pradesh and Gujarat and primary health centres in Sikkim, and Himachal Pradesh. These facilities provide critical medical services to communities with limited access, improving their overall health outcomes and reducing out-of-pocket medical expenses.

Location	Male	Female
Daman	2035	2823
Ankleshwar	1778	2569
Baddi	1570	5315
Sikkim	2623	2169
Taloja	2450	3630
Total	10456	16506

Awareness sessions and counselling beneficiaries- 15704

Aatma Nirbhar Gram

Alkem Foundation launched two new production units for cultivating mushrooms and producing noodles as part of its Alkem Aatma Nirbhar Gram Project, which was launched in Sikkim last year. The new plants, opened in partnership with the Namchi Gram Panchayat, will provide a means of subsistence to 150 underprivileged women.

Shri Samprada Singh Scholarship Program

The Shri Samprada Singh Scholarship Programme, dedicated to mitigating the pandemic's impact on vulnerable communities, ensures uninterrupted education for lower-middle-class children at risk of orphanhood.

45 beneficiaries

Gets support for their educational journey from primary school to college.

Holistic Educational Initiatives

Alkem Foundation collaborates with Muktangan to provide quality preschool programmes, fostering lifelong learning and holistic development. Additionally, the Foundation supports inclusive education through National Association of Blind and Child reach NGO for visually impaired children and ensuring academic empowerment. Furthermore, backed by the Foundation, remedial centres in slums employ innovative teaching methods to improve learning outcomes.

230 beneficiaries

Project AAGAZ+: Strengthening WASH in Schools

In collaboration with the Sikkim Education Department, a WASH training was conducted at PM Shri Government Girls' Senior Secondary School, Deorali. The session trained over 300 teachers and students on effective implementation of Water, Sanitation, and Hygiene (WinS) practices using participatory methods including group discussions and case studies.

Alkem Foundation Supporting National Sports

Alkem Foundation is immensely proud to support national sports through its impactful partnership. These remarkable achievements exemplify the unwavering commitment and dedication of our athletes, and we are honored to contribute to their journey of excellence.

Total 1074 medals were received in national and international events like Olympics and para-Olympics

Employee Volunteering (SMILE initiatives)

SMILE – Employee Volunteering Program

The SMILE programme continued to strengthen a culture of employee-led social responsibility, enabling Alkem employees and their families to actively participate in community development initiatives.

As the SMILE initiative gains momentum, we are progressing toward our vision of engaging every Alkemite in meaningful volunteering. To support this, we launched the SMILE Webpage—a one-stop destination for all employee volunteering initiatives across Alkem locations. Notably, this platform represents a unique and differentiated initiative among Indian corporates, reinforcing our commitment to structured and scalable employee engagement.

This year also marked a significant milestone, with 15,151 Alkemites participating in volunteering activities—the highest ever in the organization's history.

Our Reach –

- **15151** Alkemites participated
- **26** campaign
- **122716** volunteering hours

We Care Month – Collective Impact

The first edition of We Care Month was organized in August to commemorate:

- Foundation Day
- Birth Centenary of **Late Shri Samprada Singh,** Founder & Chairman Emeritus
- Birthday of Shri **B. N. Singh,** Co-founder & Executive Chairman

It is noteworthy that dedicating an entire month exclusively to employee volunteering is a rare practice among corporates.

Participation & Reach during We Care Month

- **3,282** employees participated
- Activities conducted across **11 states and 24 cities**

States & Locations Covered

- **Maharashtra:** Mumbai, Raigad, Taloja
- **Gujarat:** Ankleshwar, Mandva, Ahmedabad, Porbandar, Junagadh
- **Rajasthan:** Barmer, Jaisalmer
- **West Bengal:** Medinipur
- **Bihar:** Buxar, Bhagalpur, Jehanabad, Muzaffarpur, Gopalganj, Patna
- **Uttar Pradesh:** Ballia, Lucknow
- **Telangana:** Rangareddy
- **Delhi NCR**
- **Sikkim**
- **Himachal Pradesh:** Baddi
- **Daman**

Some of Key Activities Conducted

- **Joy of Giving:** Encouraged small yet meaningful acts of kindness, fostering empathy and sharing happiness within communities.
- **Audio Book Recording:** Enabled access to stories and learning resources for the visually impaired.
- **Rakhi Sale & Exhibition:** Supported women led self help groups by promoting livelihoods and cultural traditions.
- **Community Connect:** Strengthened relationships with local communities through dialogue and engagement.
- **Blood Donation Camps:** Contributed to saving lives by adding to critical blood reserves.
- **Old Age Home Visits:** Brought companionship, care, and emotional support to senior citizens.
- **Food Distribution to Cancer Caregivers:** Provided nutritional and emotional support to caregivers during treatment journeys.
- **Cleanliness Drives:** Promoted hygiene, sanitation, and healthier public spaces.
- **Book Fair:** Encouraged reading habits and access to knowledge among children and youth.
- **Organ Donation Awareness:** Sparked conversations around organ donation and the gift of life.
- **First Aid & Emergency Response Training:** Equipped participants, especially young individuals, with life saving skills.
- **Support to Self Help Groups:** Enabled income generation and financial self reliance.
- **Connect with Children:** Spread joy, learning, and care through interactive activities with children.
- **Mass & Tree Plantation Drives:** Contributed to environmental sustainability and green cover enhancement.
- **Mangrove Cleaning Drive:** Supported coastal and marine ecosystem restoration efforts.
- **Cake Baking and Engagement Activities:** Employees baked the cake and distributed to children.

Recognitions

Alkem Laboratories honored with 21st FICCI CSR Award

Alkem Laboratories, through its social arm Alkem Foundation, has been honored with the award under Category 7: Health, Drinking Water, Sanitation & Hygiene for its Comprehensive Cancer Care Program.

BW Business World Pharma Awards 2026

Excellence in Rural Initiatives with recognition in Alkem Anemia Mukti Abhiyaan in 6 states.

Financial Express Pharma Award 2026

Wins award for CSR programme of the year for our Alkem Cancer Care project in Bihar.

Governance

Board of Directors

Seating Left to Right:

Mr. Sarvesh Singh
Executive Director

Mrs. Madhurima Singh
Executive Director

Mr. Sandeep Singh
Managing Director

Standing Left to Right:

Mr. Diwakar Gupta
Independent Director

Mr. Sujjain Talwar
Independent Director

Ms. Neela Bhattacherjee
Independent Director

Seating Left to Right:

Mr. Basudeo N. Singh
Executive Chairman

Mr. Mritunjay Kumar Singh
Executive Director

Mr. Srinivas Singh
Executive Director

Standing Left to Right:

Mr. Narendra Kumar Aneja
Independent Director

Mr. Rajeev Kher
Independent Director

Mr. Ranjal Laxmana Shenoy
Independent Director

Board Profile

Executive Directors

Mr. Basudeo N. Singh

Executive Chairman

Member

Nomination & Remuneration Committee

Mr. Basudeo N. Singh is the Co-Founder and Executive Chairman of Alkem. With his clarity of purpose, entrepreneurial tenacity, and an unrelenting focus on execution, he has been the driving force behind an enterprise that has grown, over five decades, into one of India's most prominent pharmaceutical companies.

Mr. Singh steers Alkem's long-term strategy with the acumen and experience of someone who has navigated many cycles the Indian pharmaceutical industry has seen, while holding to the highest standards of quality, and building an organisation worthy of the trust placed in it.

He has been instrumental in strengthening the business, building a meaningful global presence, expanding manufacturing capabilities, and setting the standards for governance and people practices.

Mr. Singh is a Postgraduate in Political Science from Patna University. He served as President of the Indian Drug Manufacturers' Association and Executive Council Member of the Indian Pharmaceutical Alliance, and played a notable role in shaping the sector's policy and regulatory landscape.

Mr. Singh's contributions have been recognised through the Business Leader of the Year Award at the Pharmaceutical Leadership Summit (2014), EY Entrepreneur of the Year in Life Sciences (2016), Chief Mentor of the Year by the Indian Drug Manufacturers' Association (2018), and the Hurun India Lifetime Achievement Award (2024).

Mr. Sandeep Singh

Managing Director

Member

Audit Committee

Risk Management Committee

Mr. Sandeep Singh has been associated with Alkem since 2004 and joined the Board in 2013. He currently serves as the Managing Director of the Company. He has been at the centre of Alkem's growth in both ambition and scope, consolidating its domestic position while enhancing presence in global markets and expanding into new segments.

Over the years, he has helped shape Alkem into a more diversified and forward-looking organisation by balancing scale with agility and building capabilities across both established and emerging areas of healthcare.

He has also been closely involved in expanding Alkem's presence in biosimilars, CDMO and medical device segments, reflecting a clear strategic focus on areas that will define the next phase of healthcare innovation and growth.

Mr. Singh was recognised as the Emerging Pharma Leader of the Year in 2016 and featured in the ET & Spencer Stuart 40 Under 40 List in 2021.

Mr. Mritunjay Kumar Singh

Executive Director

Chairperson	Member
Risk Management Committee	Audit Committee Stakeholders' Relationship Committee

Mr. Mritunjay Kumar Singh is an Executive Director on the Board of Alkem since 2008 and has been associated with the management of the Company for over 35 years. Additionally, he is also the Managing Director of M/s. Indchemie Health Specialities Private Limited, a subsidiary of the Company in India.

Mr. Singh's expertise in Strategy & Business Development and Procurement functions along with development, implementation and evaluation of brand strategy for the Company has led to the growth and expansion of the Company's domestic business. He plays an instrumental role in driving domestic business growth through his innovative initiatives contributing to the long-term vision of the Company.

He is skilled in leading cross functional teams of various divisions of the Company's domestic business thereby enabling a competitive advantage for the Company. He holds a Bachelor of Science Degree along with Diploma in Administration Management.

Mrs. Madhurima Singh

Executive Director

Chairperson	Member
Corporate Social Responsibility and Sustainability Committee	Stakeholders' Relationship Committee

Mrs. Madhurima Singh is an Executive Director on the Board of Alkem since 2021. She has been instrumental in driving Alkem's transformative initiatives, bringing a distinctive combination of strategic clarity, organisational depth, and measured leadership to the Company's growth journey. Her ability to integrate operational rigour with a people-centric approach has contributed significantly to strengthening institutional capabilities across the organisation.

She has also played an important role in the continued expansion of the Company's Active Pharmaceutical Ingredients (API) and medical device segments. Her work in the areas of sustainability, social impact, and the adoption of new-age technologies reflects her long-term vision and active role in shaping the organisation that Alkem is becoming; one that is as prepared for the demands of the future as it is grounded in the strengths of its past.

She holds a Master of Science Degree specialising in Microbial & Molecular Genetics. She was recognised among Business Today's Most Powerful Women in Business in 2025.

Executive Directors

Mr. Sarvesh Singh

Executive Director

Member

Corporate Social Responsibility and Sustainability Committee

Mr. Sarvesh Singh has been associated with Alkem since 2004 and joined the Board in 2019. Over twenty years with the Company, he has built a deep understanding of market dynamics in which Alkem operates, its customer base, and commercial operations through sustained involvement in the business.

His focus within the organisation has been on the chronic therapies segment, where he has contributed to portfolio expansion, market development, and business execution. He additionally contributes to the CSR initiatives of the Company. He is actively involved in strengthening business processes and supporting the organisation's efforts to build scale with consistency across functions.

Mr. Srinivas Singh

Executive Director

Member

Stakeholders' Relationship Committee
Risk Management Committee
Corporate Social Responsibility and Sustainability Committee

Mr. Srinivas Singh has been associated with Alkem since 2012 and joined the Board in 2022. He has been involved across areas including R&D, portfolio management, product launches, and strategic initiatives for global markets.

Over the years, he has contributed to strengthening the Company's product pipeline, supporting new product introductions, and driving initiatives related to cost optimisation, alternate sourcing, and risk assessment. He has also been closely associated with medical device segment and projects focused on sales digitalisation, and operational efficiency across functions.

He continues to contribute across strategic and operational priorities, with a focus on strengthening innovation capabilities, improving agility, and supporting long-term business readiness. Beyond business initiatives, Mr. Singh supports the Company's CSR efforts, contributing to programmes focused on community welfare and social development. He holds a Bachelor of Science Degree.

Independent Directors

Mr. Narendra K. Aneja

Independent Director

Chairperson	**Member**
Audit Committee	Corporate Social Responsibility and Sustainability Committee

Mr. Narendra K. Aneja joined the Board in 2020. He brings four decades of extensive experience in governance, risk management and compliance, with a strong background in advisory and management consultancy. He is the Chief Executive of Aneja Associates, Chartered Accountants, India, and has worked across a wide range of governance, risk, and compliance assignments over the course of his career.

He has overseen risk and governance in various international bodies. He is presently the Vice-Chairman of the Audit and Compliance Committee of the Asian Football Confederation, and serves on the IPPF Oversight Council (IPPFOC) Committee of the Institute of Internal Auditors Inc., USA, tasked with the responsibility of ensuring that internal audit standards are made in the public interest. His organisation, Aneja Associates, works actively with various charitable foundations ensuring governance and achievement of their objectives.

He is a Fellow Chartered Accountant, a Certified Internal Auditor, and holds a certification in Risk Management Assurance (CRMA). He also holds an MBA from the Wharton School. He is a Gold Medalist (ICWA), a Tata Scholar and was ranked on the Director's List at Wharton School (1978).

Mr. Sujjain Talwar

Independent Director

Chairperson	**Member**
Stakeholders' Relationship Committee	Nomination & Remuneration Committee

Mr. Sujjain Talwar joined the Board in 2022. He brings over three decades of experience in mergers and acquisitions, project finance, and infrastructure advisory.

He is a co-founding Partner of Economic Laws Practice (ELP), one of India's leading full-service law firms, and has advised a wide range of Indian and international businesses across complex legal and strategic matters.

He is a qualified Solicitor in India as well as England and Wales. He also serves on the boards of companies across diverse sectors, including the Murugappa Group and Dubai Ports World.

Independent Directors

Mr. Rajeev Kher
Independent Director

Member

Audit Committee
Corporate Social Responsibility and Sustainability Committee

Mr. Rajeev Kher joined the Board in 2024. He brings wide-ranging experience across public policy, international trade, industrial development, competition law, sustainability, and global governance, with a distinguished career spanning over four decades.

A former Indian Administrative Service officer, he has spent twenty years in senior positions in the Ministry of Environment and the Department of Commerce in the Government of India culminating in the position of Commerce Secretary. Over the course of his career, he has worked extensively across areas related to international commerce, investment policy, competition law, environmental management, and sustainable development. He has also been associated with The Energy and Resources Institute (TERI) and been a Member of the Competition Appellate Tribunal.

He has also served on the boards and advisory bodies of organisations across sectors including healthcare, financial services, education, and private equity.

Mr. Kher is recognised for his contribution to strengthening India's position in the global generic medicines industry and enabling the country to get the identity of "Pharmacy of the World".

Mr. Ranjal Laxmana Shenoy
Independent Director

Chairperson

Nomination & Remuneration Committee

Member

Audit Committee
Risk Management Committee

Mr. Ranjal Laxmana Shenoy joined the Board in 2025 and has around five decades of experience in companies belonging to different industrial segments. He has a wide experience in handling diverse fields such as Finance, Taxation, Legal, Commercial, Secretarial, Auditing, Procurement, Distribution, Regulatory Affairs etc. and is also closely involved in the restructuring of Companies, i.e. IPOs, Rights Issues, Bonus Issues, Buy back, acquisition of brands and companies .

Ms. Neela Bhattacherjee

Independent Director

Member

Nomination & Remuneration Committee
Risk Management Committee

Ms. Neela Bhattacherjee joined the Board in 2025 and brings over three decades of experience across business strategy, mergers and acquisitions, sales and marketing, and product development in the global technology and services industry.

Over the course of her career, she has worked across strategic and business leadership roles, with experience spanning growth initiatives, market development, and organisational transformation. Her cross-industry perspective contributes to the discussions on strategy, leadership, and business evolution.

She is also associated with the Indian Angel Network (IAN) and Talent Nomics, where she actively mentors and supports women professionals and entrepreneurs.

Mr. Diwakar Gupta

Independent Director

Member

Audit Committee
Risk Management Committee

Mr. Diwakar Gupta joined the Board in 2025 and brings with him over five decades of experience in banking and financial services, with deep expertise across financial institutions, risk management, and strategic advisory.

Over the course of his career, he has held several leadership roles in the financial sector and has worked closely with the Reserve Bank of India and other government agencies on matters related to banking and finance. His experience contributes valuable perspective on financial oversight, risk governance, and long-term business sustainability.

Note: For the details of Committee Composition, please refer to the Corporate Governance Report forming part of the Boards' Report.

Audit & Assurance

Rigour that Reinforces Credibility

Alkem maintains a robust audit framework:

- The Audit Committee operates in compliance with SEBI (LODR) and Companies Act requirements
- Regular meetings ensure continuous oversight of financial reporting, risk management, and internal controls
- Internal and statutory audits validate the accuracy and integrity of financial disclosures

Audit outcomes during the year reaffirm the Company's strong internal control environment, with no material deviations impacting financial integrity.

Governance in Strategic Investments

The proposed investment in Occlutech Holding AG is an example of Alkem's structured and governance-led approach to capital allocation:

- A clearly defined majority stake acquisition (51–55%), ensuring control with accountability
- Investment backed by internal accruals and cash reserves, reflecting financial prudence
- Subject to regulatory approvals across geographies, reinforcing compliance discipline
- Focus on acquiring a business with established global presence, strong IP, and proven financial profile

This demonstrates that growth is pursued not opportunistically, but through well-evaluated, governance-backed strategic decisions.

Risk Management

At Alkem Laboratories Limited, risk management continues to be anchored in a stable, well-integrated framework, aligned with business strategy and embedded across operations.

During the year, there have been no material changes to the overall risk management structure. The governance mechanisms, oversight processes, and integration with strategic planning remain consistent with the prior year, ensuring continuity and control as the Company scales.

However, within this stable framework, the risk landscape has evolved, most notably with an increase in geopolitical risk severity, driven by heightened global uncertainty.

Ethics & Whistleblower Framework

At Alkem Laboratories Limited, ethics are embedded into the way the business is built, scaled, and governed. As the Company expands into global markets and advanced healthcare segments, the emphasis is on ensuring that every decision, operational or strategic, is anchored in integrity.

The Company has established a structured Whistle-blower Framework that enables employees and stakeholders to report concerns related to:

- Unethical conduct or misconduct
- Fraud, financial irregularities, or control weaknesses
- Breach of policies, laws, or regulatory requirements

Multiple reporting channels ensure easy accessibility and confidentiality, encouraging timely reporting of issues.

The Way Ahead

Shaping the Next Curve of Growth

As Alkem Laboratories Limited enters its next phase, the focus is steadily shifting from building capabilities to activating them at scale. The foundations created over the last few years across pharmaceuticals, biosimilars, MedTech, digital integration, and sustainability are now expected to translate into broader business momentum and deeper market participation.

The next shape of growth is therefore expected to be more diversified, innovation-led, and globally connected than before.

At the same time, the Company remains focused on balancing expansion with discipline — strengthening healthcare access, scaling responsibly, and building long-term resilience across operations and communities

Strengthening the India Core

India will continue to remain the foundation of the business.

The focus in FY 27 will be on sustaining growth ahead of the Indian Pharmaceutical Market, while further strengthening the chronic therapies portfolio across anti-diabetes, ophthalmology, and respiratory segments.

Following the FY 26 launch of semaglutide injectables, the Company expects a full year contribution from the portfolio, while preparing for participation across additional GLP-1 opportunities as more molecules approach loss of exclusivity.

The strategy continues to centre around prescription-led growth, deeper doctor engagement, portfolio expansion, and continued product vitality across key therapies.

Expanding the International Footprint

International markets are expected to remain an increasingly important growth driver.

The CIS and Middle East businesses are expected to build on their existing momentum, supported by strong registration pipelines and deeper field execution. Across Africa, the Company is expanding its presence further into East Africa and Francophone West Africa, while Southeast Asia remains an area of renewed focus through targeted launches and regulatory prioritisation.

More than 200 dossier filings across priority emerging markets during FY 26 are expected to begin translating into launch opportunities over FY 27 and FY 28, strengthening the long-term international pipeline.

As the business expands globally, the focus also remains on building region-specific capabilities, improving market responsiveness, and strengthening access across healthcare ecosystems.

> The Next Shape of Growth is therefore not defined by a single business line or market. It is being built across therapies, technologies, geographies, and impact platforms that can support sustainable long-term value creation.

Building the MedTech Platform

FY 27 is also expected to mark an important milestone in Alkem's MedTech journey.

The proposed consolidation of Occlutech is expected to be completed by June 2026, with the business beginning to contribute financially during FY 27.

The integration approach has been designed to preserve Occlutech's operational strengths and leadership continuity, while leveraging Alkem's commercial scale, market reach, and brand-building capabilities across geographies.

At the same time, the MedTech portfolio in India continues to expand. The knee implants as part of the Technology transfer is targeted for Q2 FY 27 launch, followed by hip implants in Q4 FY 27. A trained implanter network of 150+ repeat customers have already been established to support commercial readiness.

Regulatory filings and CE mark applications for these products continue to progress, reflecting the Company's long-term intent to build a globally relevant MedTech platform.

The Road Ahead

The next phase for Alkem is being shaped by multiple growth engines coming together — a strong India business, expanding international markets, emerging MedTech capabilities, a progressing innovation pipeline, and a more integrated sustainability agenda.

Together, these are expected to create a business that is broader in capability, stronger in resilience, and more diversified in opportunity.

Awards & Recognitions

Recognised for Impact

Recognition is not pursued, it is earned through consistency in quality, strength of execution, and commitment to stakeholders.

FY 2026 reflects a year where the Company's expanding footprint across pharma and MedTech, as highlighted in the investor presentation, translated into strong external validation, across employer brand, product quality, operational excellence, and sustainability practices.

Key recognitions during the year included:

Silver Lion at Cannes for Dawai Reader Innovation

Gold & Silver Lion at 2025 One Asia Creative Awards in the category Creative Use of Data, Data for Good & Creative use of AI, Branded AI respectively

Gold Spike in the Healthcare category ay the Spikes Asia Awards for Dawai Reader Innovation

Won a prestigious D&AD Pencil in the Pharma category

Immortal Awards: Regional Finalist (Asia)

Finalist at the London International Awards (LIA)

The year also marked a significant corporate milestone as Alkem completed 10 years of listing on the NSE and BSE, reflecting a decade of consistent growth and disciplined execution.

Leadership recognition continued as Ms. Madhurima Singh, Executive Director, was honoured with the Business Today Most Powerful Women in Business Award 2025.

Alkem also strengthened its global engagement through participation at the India-EU Business Forum, reflecting the Company's expanding role in international healthcare dialogue and partnerships.

Corporate Information

Board of Directors

Mr. Basudeo N Singh
Executive Chairman

Mr. Sandeep Singh
Managing Director

Mr. Mritunjay Kumar Singh
Executive Director

Mrs. Madhurima Singh
Executive Director

Mr. Sarvesh Singh
Executive Director

Mr. Srinivas Singh
Executive Director

Mr. Arun Kumar Purwar
Independent Director
(upto 12 July, 2025)

Ms. Sangeeta Singh
Independent Director
(upto 12 July, 2025)

Ms. Sudha Ravi
Independent Director
(upto 12 July, 2025)

Mr. Narendra Kumar Aneja
Independent Director

Mr. Sujjain Talwar
Independent Director

Mr. Rajeev Kher
Independent Director

Mr. Ranjal Laxmana Shenoy
Independent Director
(w.e.f. 13 July, 2025)

Ms. Neela Bhattacherjee
Independent Director
(w.e.f. 13 July, 2025)

Mr. Diwakar Gupta
Independent Director
(w.e.f. 13 July, 2025)

Key Managerial Personnel

Dr. Vikas Gupta
Chief Executive Officer
(upto 30 June, 2026)

Mr. Nitin Agrawal
President – Finance and Chief Financial Officer

Mr. Manish Narang
President – Legal, Company Secretary and Compliance Officer

Registered Office

Alkem House, Senapati Bapat Marg,
Lower Parel, Mumbai - 400 013,
Maharashtra, India
CIN: L00305MH1973PLC174201
Telephone: +91 22 3982 9999
Fax: +91 22 2495 2955
Website: www.alkemlabs.com
Email: investors@alkem.com

Registrar & Share Transfer Agent

M/s. MUFG Intime India Private Limited
(formerly known as Link Intime India Private Limited)
Unit: Alkem Laboratories Limited
C-101, 247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai - 400 083
Telephone: +91 22 4918 6000 | Fax: +91 22 4918 6060
E-mail: rnt.helpdesk@in.mpms.mufg.com
Website: www.in.mpms.mufg.com

Statutory Auditors

M/s. Deloitte Haskins & Sells LLP
Chartered Accountants

Plant locations

- Daman, India
- Mandva, Gujarat, India
- Ankleshwar, Gujarat, India
- Unit I, Baddi, Himachal Pradesh, India
- Kumrek, East Sikkim, India
- Alkem Health Science, (Unit of the Company) Unit I, II & III, Samardung, South Sikkim, India
- Unit 5, South Sikkim, India
- *Ujjain, Madhya Pradesh
- S&B Pharma LLC, California, U.S.A.
- Alkem Medtech Ortho Private Limited (formerly known as Bombay Ortho Industries Private Limited), Rajkot, Gujarat
- Indchemie Health Specialities Private Limited, Somnath, Daman, India
- Indchemie Health Specialities Private Limited, Amaliya, Daman, India
- Indchemie Health Specialities Private Limited, Baddi, Himachal Pradesh, India
- Unit I & II, Indchemie Health Specialities Private Limited, Kumrek, East Sikkim, India
- Cachet Pharmaceuticals Private Limited, Baddi, Himachal Pradesh, India
- Enzene Biosciences Limited, Chakan, Pune, Maharashtra, India
- Enzene Biosciences Limited, Pimpri-Chinchwad, Pune, Maharashtra, India
- Enzene Inc., Pennington, New Jersey, USA

Major Research Centres

- R&D Centre, MIDC, Taloja, Maharashtra, India
- R&D Centre, Mandva, Gujarat, India
- Enzene Biosciences Limited, Chakan, Pune, Maharashtra, India

** The Company has received an allotment letter for setting up of a greenfield formulations manufacturing facility of the Company in Ujjain, Madhya Pradesh.*

Management, Discussion & Analysis Report

The Next Shape of Growth
Across Markets. Across Modalities.

FY 2025-26 marked another year of strategic transformation for the Company, as Alkem continued to strengthen its position across core pharmaceutical businesses while accelerating investments into future growth platforms.

The Company recorded:

- Sustained growth in the India business, supported by strong performance in chronic therapies
- A more stable performance in the United States, reflecting a calibrated approach to portfolio expansion
- Continued growth in international markets, driven by branded generics

During the year, Alkem also advanced multiple long-term growth engines including biosimilars, Bio-CDMO, MedTech and consumer healthcare — expanding its presence beyond traditional generics into differentiated and technology-driven healthcare segments.

These investments are aligned with the Company's long-term strategy of building a diversified, innovation-led healthcare platform with multiple scalable growth drivers.

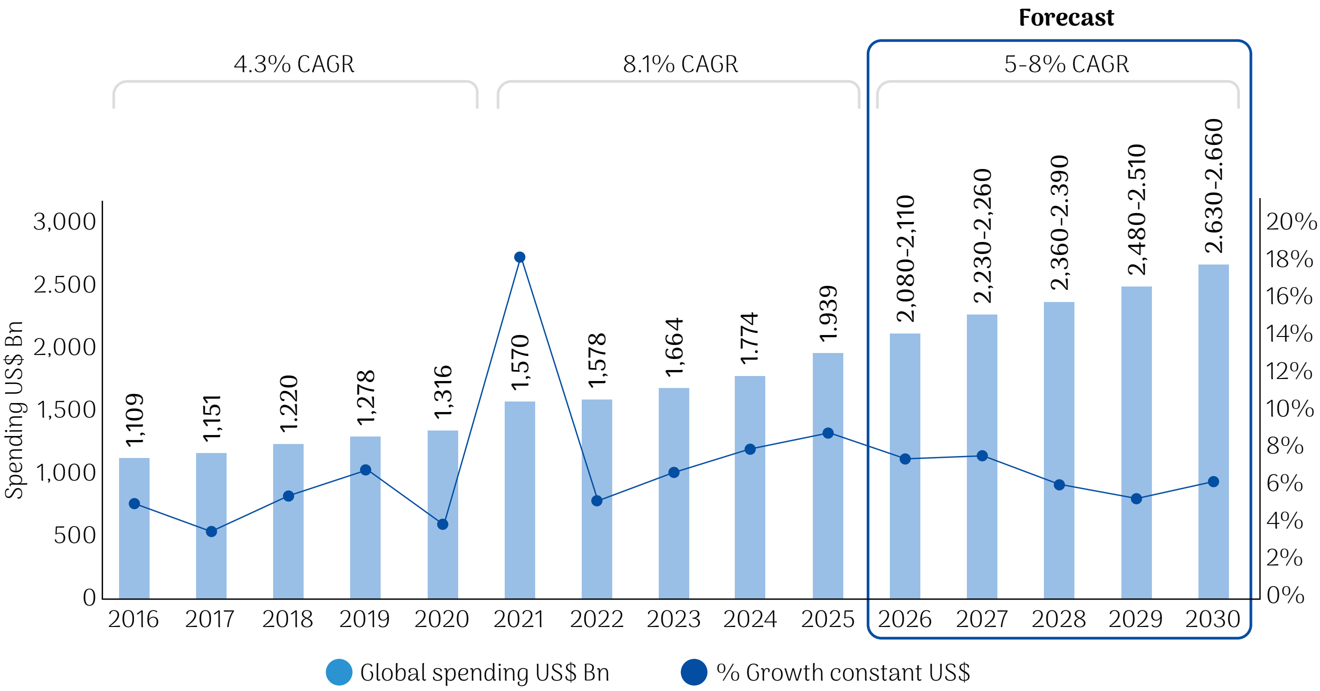
Global Pharmaceutical/ Healthcare Industry

The global pharmaceutical industry grew by 9.3% in 2025 to an estimated US$ 1,939 Billion from US$ 1,764 Billion in 2024. The steady growth was driven by ageing population, rising incidences of chronic diseases, growing government investments, advancements in biologics, steady rise in demand for complex generics, spurt in personalised medicine, and digital health applications in pharmaceuticals. The market is estimated to grow at 5-8% CAGR to reach US$ 2,630-2,660 Billion by 2030, primarily led by the growing contribution of new products and the impact of patent expiries, including the growing impact of biosimilars and complex generics. Increasing regulatory pressures, including U.S. IRA pricing reforms and EU HTA frameworks, are reshaping pricing dynamics across the global pharmaceutical industry.

The healthcare industry covers a plethora of items related to people's wellbeing and prosperity including drugs, clinical gadgets, indicative hardware, services, and healthcare benefits, each pointed toward forestalling, diagnosing, treating, and overseeing different ailments. The sector continues to witness strong growth driven by factors like ageing population, rising rates of chronic diseases, and extending healthcare access in rising economies. Apart from these, telemedicine, AI, digital medicine, cloud-based health information systems, precision medicine, wearable devices and customised medication, are reshaping the healthcare industry with fast paced innovation. Healthcare industry is becoming increasingly patient-centric and data-driven with rapidly growing awareness and access to care.

Strategic shifts in pharma manufacturing are increasingly focused on the adoption of continuous manufacturing and automation to enhance supply chain resilience and reduce operational overhead. Leading biopharma companies are aggressively investing in R&D to transition from traditional chemical synthesis toward complex large-molecule biologics.

In 2025, the pharmaceutical the market reached ~US$ 1.7 Trillion, at list prices, up 10% driven by established medicines and a continued flow of innovation-led drugs. An estimated 73 novel active substances were launched globally in 2025, exceeding the average of the past decade. There is a distinct spike in demand for high-margin speciality pharmaceutical products given rapid advancements in biologics, personalised medicine, and RNAi-based therapeutics for complex therapies. Due to their cost effectiveness with comparable efficacy, biosimilars are gaining significant traction. Expansion of telehealth services is facilitating greater access to healthcare.



Source: IQVIA Market Prognosis, Sep 2025; IQVIA Institute, Dec 2025.

Notes: Global medicine spending is based on IQVIA Market Prognosis with the addition of estimates of COVID vaccine and therapeutic spending which are not otherwise included. Those COVID additions are informed by company financials and published prices and vaccination rates.

Report: Global Medicine Use Trends 2026: Therapy Drivers, Spending Levels, and Policy Evolution. IQVIA Institute for Human Data Science, February 2026.

In terms of region, the US continued to dominate with ~53% of the market share, followed by Europe at 24%, led by Germany and France. APAC's share of sales was 11%, with China continuing as the world's second largest pharmaceutical market. Middle East and Africa (ME&A) saw robust growth during the year, led by countries such as Saudi Arabia, reflecting improved access and policy reforms alongside rising demand. In Asia, while China continues to be the largest pharmaceutical market, MNCs are hesitating to invest in China, marked by regulatory tightening, geopolitical risks, and aggressive local competition. China+1 strategy has largely benefitted the Indian pharmaceutical market.

In 2025, ~43% of global pharmaceutical value was constituted by oncology, immunology, and diabetes. There has been a rapid ascent of obesity, which entered the top five therapy areas globally, emerging as the second largest contributor to growth.

The global biotechnology market was estimated at US$ 1.77 Trillion in 2025 and is likely to increase to US$ 2.02 Trillion in 2026 being transformed by AI which aids in speed, precision and lowers the cost in areas like drug discovery, clinical research, data analysis, personalized treatment plans, early disease detection etc.

- Key high-growth areas include biopharmaceuticals, bioinformatics, and regenerative medicine.
- North America accounted for the highest revenue share of 37.4% in 2025.
- Developing countries like China, Japan, and India, are witnessing high growth supported by government efforts to simplify regulations, speed-up product approvals, improve reimbursement policies, and accelerate the approval process.
- By application, the bio-pharmacy segment captured the biggest market share of 42% in 2025.
- By technology, the tissue engineering and regeneration segment held the highest market share of 19.17% in 2025.

The biotechnology market is expected to grow at 13.6% CAGR from 2026 to 2035 to US$ 6.34 Trillion by 2035, driven by increasing rates of chronic diseases, technological advances such as gene editing, AI-driven drug discovery, and rising demand for precision medicine. The biotechnology market benefits from rising government focus on healthcare spending, the demand for personalised medicine and sustainable bioprocesses.

Source: Precedence Research

Patient care is changing with wearables health devices, smarter diagnostic tools, and virtual platforms. There is a growing demand for tools and technology that enable more effective diagnosis, treatment and disease management. The global medtech is witnessing robust growth driven by the increasing demand for better medical solutions and innovations in healthcare technology. The global medtech market was valued at US$ 572 Billion in 2026 driven by increasing demand for digital health solutions, telemedicine adoption and increase in usage of wearable device. The North American MedTech market is a global leader, particularly in the United States led by advanced healthcare infrastructure, high investment in R&D, and a growing demand for innovative medical technologies. The market is estimated to grow to US$ 808 Billion by 2035 at 4.4% CAGR. New markets in Asia and the Middle East provide ample growth opportunities for expansion of healthcare technology in turn resulting in growing demand for better medical tools and equipment. There is a growing demand for digital health tools and robotic surgery systems supported by the rise in the number of ageing population and chronic diseases, and rising government healthcare expenditure.

Source: https://www.businessresearchinsights.com/market-reports/med-tech-medical-technology-market-117917

The pharmaceutical market is on the cusp of major digital transformation with AI-driven drug discovery, real-world evidence generation, and digital QA/QC systems. These digital technologies are leading to marked improvement in efficiency across R&D and commercialisation processes. Rapid advancements in biotechnology, precision medicine, and novel drug delivery platforms are reshaping treatment paradigms and strengthening the competitive landscape. There is increased focus on research to develop targeted therapies offering higher efficacy and improved safety profiles. Expansion of biologics, cell-based therapies, and monoclonal antibodies has diversified product portfolios and enhanced therapeutic specificity. Digital integration within clinical trials has improved patient recruitment, monitoring accuracy, and data analysis efficiency. Artificial intelligence-driven drug discovery tools are accelerating compound identification and reducing development timelines.

Strict regulatory guidelines govern drug approval, safety, marketing, and pricing under compliance check by various authorities such as the FDA, EMA, and CDSCO. These regulatory bodies ensure product quality and post-marketing surveillance, but lead to lengthy development timelines and increased operational cost burden. Changes in regulatory guidelines impact operations of players and may lead to delay while players comply with new/modified norms. Regulatory complexity favours established companies with experience, brand equity and resources to navigate compliance and forms a hinderance for new entrants.

The increasing number of patients suffering from acute and chronic diseases, including diabetes, cancer, and others, coupled with growing awareness regarding treatment options, is resulting in a growing number of patients undergoing diagnostic and surgical procedures. The rise in inpatient admissions and the increasing number of surgical and diagnostic procedures, is leading to a surge in demand for products, including capital equipment and consumables, across developed and emerging countries. With cardiovascular diseases being the leading cause of death in the US, the devices market for cardiovascular treatment is witnessing strong traction. Heart or coronary

artery stents are among the most essential cardiovascular devices.

Overall, the pharmaceutical industry outlook 2026 reflects a market transitioning toward integrated ecosystems that combine innovation, manufacturing excellence, and regulatory alignment. Large molecules are expected to contribute the majority of incremental revenue growth, supported by strong adoption of biologics and advanced therapies. Pricing reforms, biosimilar competition and supply chain disruptions due to ongoing geopolitical conflicts remain key considerations.

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Global Medicine Use Trends 2026 | IQVIA

Market Overview

3.1 India

The Indian pharmaceutical market has had strong growth of 9.0% in FY 2025-26.

India's pharmaceutical industry (IPM) is often referred to as 'Pharmacy of the World' being the largest provider of generic medicines globally. India holds nearly 20% of global supply share in terms of volume with exports to 190+ countries. The IPM ranks third in production by volume and 14th by value. India is the world's leading vaccine exporter, supplying 65-70% of the World Health Organization's (WHO) vaccine requirements, particularly for DPT, BCG, and measles. IPM plays a significant role in affordable HIV treatment. Led by the China +1 strategy among large pharmaceutical markets, India is solidifying its position as a key global pharmaceutical supplier. India's API industry ranks third largest in the world, with 57% of APIs on the WHO.

Indian Pharma Market (IPM) - Key Therapy Areas (FY 2025–26)

Therapy Area	Sales (₹ Cr)	Contribution (in %)	Y-o-Y Growth FY 2025–26 (in%)
Cardiac	30,287	14.1	13.8
Gastrointestinal	23,397	10.9	5.7
Anti-infectives	21,466	10.0	4.0
Anti-diabetic	20,884	9.7	11.5
Vitamins/Minerals/Nutrients	17,300	8.1	9.2
Respiratory	18,287	8.5	11.3
Pain/Analgesics	16,786	7.8	7.2
Neuro/CNS	13,418	6.3	9.8
Dermatology	15,005	7.0	6.1
Gynecology	9,617	4.5	7.8

Source: IQVIA SSA Data March 2026

India boasts of having the highest number of US-FDA compliant pharmaceutical plants outside of USA. The IPM includes approximately 3,000+ drug companies and 10,500+ manufacturing units offering over 60,000 generic brands across 60 therapeutic categories. The IPM is currently valued at USD 60 Billion is expected to reach USD 130 Billion by 2030, as per the Indian Ministry of Commerce. The primary growth drivers include rising incidence of chronic diseases, ageing population, growing life expectancy, increased health awareness, expanded access to healthcare services, and a stable regulatory environment encouraging innovation.

India ranks 11th (in terms of value) in global pharmaceutical exports, with 3% share. More than half of the Indian pharmaceutical exports are directed to highly regulated markets such as the United States (34% of total Indian pharmaceutical exports) and Europe (19% of total Indian pharmaceutical exports). The export of medical devices has grown from USD 2.5 Billion in FY 2020-21 to USD 4.1 Billion in FY 2024-25. The industry is constantly striving to shift from a volume-driven to a value-driven model, by increasing focus and R&D investment in complex generics, biosimilars, and integrated therapies. Focus is also high on reducing import dependency through the adoption of advanced manufacturing technologies such as AI and 3D Printing, along with streamlining global certification processes to strengthen international market access.

The IPM is a crucial focus point of the government. With the vision of transforming India into a leading global biopharma industry and capturing 5% of the global biopharmaceutical market share, the government laid strong focus on biopharma and biologic medicines in healthcare and manufacturing strategy in the Union Budget 2026-27. Several other policies were also announced to promote the pharmaceutical sector including PLI scheme for Bulk Drugs, Revamped Pharmaceuticals Technology Upgradation Scheme, scheme for Promotion of Bulk Drug Parks, PLI for Medical Devices etc. Biopharma SHAKTI, was launched with an outlay of ₹ 10,000 Crore over the next five years, with an aim to develop India as a global manufacturing pharma hub. This is to strengthen end-to-end ecosystem for biologics and biosimilars, 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.

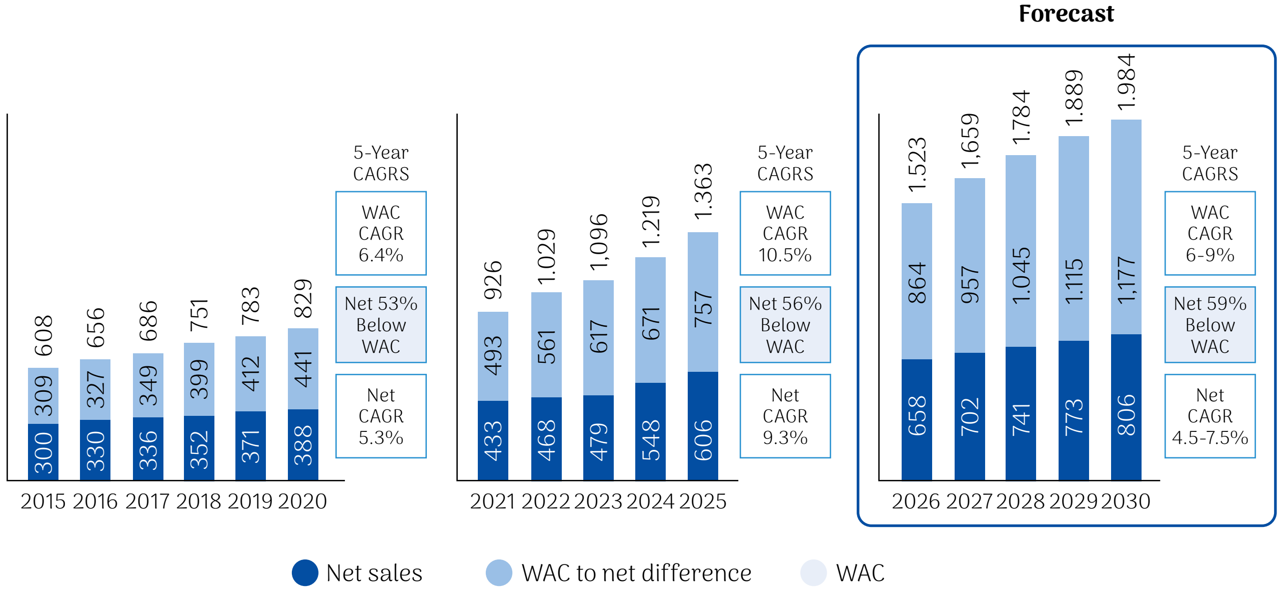
While the IPM has been dominating the formulations market globally, there is increased structural focus to move up the value chain with backward integration in Active Pharmaceutical Ingredients and Key Starting Materials and strong focus on differentiated and complex-value offerings like complex generics, speciality APIs and advanced therapeutic forms. India is slowly emerging as a resilient and integrated pharmaceutical manufacturing hub led by a substantial capital expenditure cycle, policy support through Production Linked Incentive schemes, and robust supply chains.

Source: Investing in India's Pharmaceutical Industry: Key Growth Prospects

Alkem with continued focus on strengthening presence in chronic therapies like oncology, enhancing doctor engagement, expanding reach across markets, building a widespread distribution network and establishing a strong presence in future growth categories like medical devices, trade generics and complex therapies is well-positioned to ride the growth opportunity in the IPM. With a diversified manufacturing base, strong regulatory track record and expanding differentiated product portfolio, the Company is well-positioned to benefit from the global diversification of pharmaceutical supply chains.

3.2 United States

The growth in the US pharmaceutical market is driven by growing prevalence of chronic diseases, rising healthcare expenditure, advancements in therapeutics, increasing geriatric population and growth in personalised medicine. Net medicine spending in the US market increased by USD 58 Billion (10.6%) in aggregate, rising from USD 548 Billion in 2024 to USD 606 Billion in 2025, with most growth driven by protected brands outside GIP/GLP-1 agonists and COVID-19 vaccines and therapeutics. GIP/GLP-1 agonists across diabetes and obesity contributed USD 14 Billion in growth, with USD 9.6 Billion concentrated in products approved for obesity and related comorbidities. Market growth is attributable to technological advancements, led by AI advancements and machine learning, which are expected to provide significant boost to R&D and drug discovery.



Source: IQVIA Institute, Apr 2026.

Notes: IQVIA audits include measures of sales at Wholesale Acquisition Cost (WAC) or list prices. Additionally, the IQVIA Institute has analyzed company reported net revenues for a sample of companies and products and derived a total market estimate for both list prices (WAC) and net manufacturer prices (see Methodology).

Report: U.S. Medicine Use Trends 2026: Increased Use and Spending Amid Access and Cost Pressures, IQVIA Institute for Human Data Science, April 2026.

Total net spending on medicines in 2030 is expected to increase by USD 200 Billion compared to 2025, as volume growth and adoption of innovation are partly offset by lowerprice drivers such as patent expiries and policy effects. Growth will be driven by the adoption of newly launched innovative products, with an average of 50–55 new medicines expected to launch annually over the next five years, including therapies in oncology, immunology, and other speciality areas, as well as more traditional treatments in diabetes, obesity, and neurology. The US generic drug market remained resilient, and poised to embark significant patent expiry cycles between 2025 and 2035, with nearly 200 blockbuster drugs to lose patent protection, unlocking meaningful opportunities for generic and biosimilar players.

Source: [U.S. Medicine Use Trends 2026 | IQVIA]

The Company continued to adopt a calibrated strategy in the US market with increasing focus on differentiated and complex product opportunities aimed at improving profitability and reducing exposure to commoditized segments.

Strategic priorities include injectables, oral oncology products, speciality opportunities and biosimilars, supported by selective portfolio expansion via organic & inorganic pathways and investments in manufacturing and development capabilities.

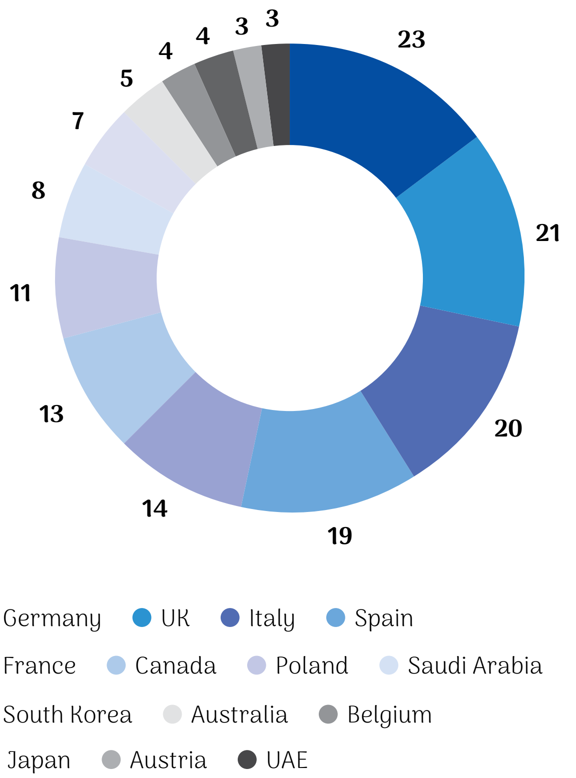
3.3 International Markets

Almost 14 larger growth high GDP countries (excluding the U.S.) are projected to grow by USD 155.1 Billion through 2030, with 83% of the growth from the top eight of these countries. The drivers of spending growth in developed markets are predominately the adoption of novel drugs, with most global launches reaching these markets within a year. Spending in Pharmerging countries is expected to grow by USD 120.8 Billion through 2030, with the top eight of these countries also driving 83% of growth.

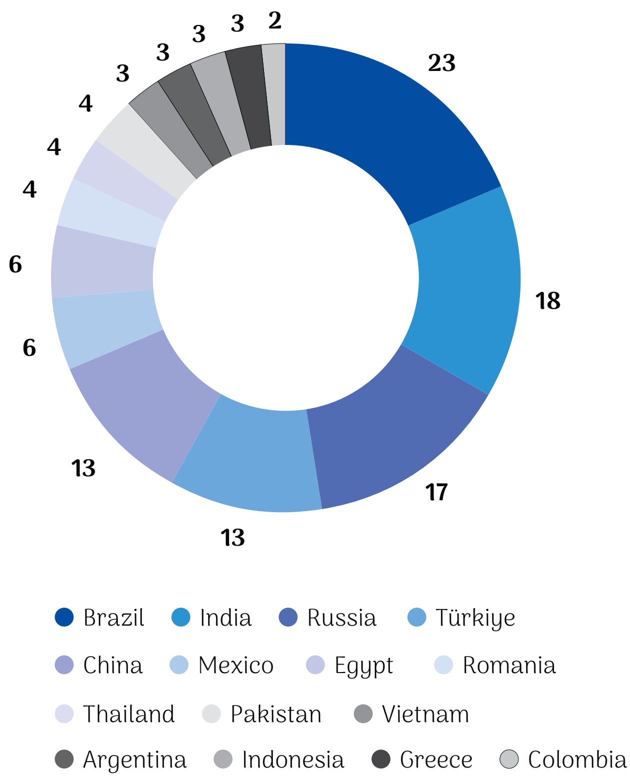
Most therapy areas are expected to grow more slowly in the next five years. The biggest contributors to the growth in the next five years are oncology, immunology, diabetes, and obesity drugs. The growth is a result of a continuous influx of innovative products and in some cases offset by exclusivity losses. Lipid regulators are expected to witness growth both from volume-driven growth of older generics and newer therapies.

Exhibit 20: High growth developed and Pharmerging markets spending and growth, constant US$, 2015-2030

High growth developed markets, growth 2026-2030 $ 155.1 Bn



High growth developed markets, growth 2026-2030 $ 155.1 Bn



Source: IQVIA Market Prognosis, Sep 2025; IQVIA Institute, Dec 2025.

The Gulf States, particularly Saudi Arabia and the United Arab Emirates (UAE), are emerging as growth markets, supported by national health transformation programmes and an expanding willingness to invest in access to innovative therapies. In China, volume growth is moderating due to government's stringent pricing policy.

The policy landscape in the international pharmaceutical market is becoming increasingly complex, as the industry navigates Inflation Reduction Act (IRA) implementation, Most Favoured Nation pricing frameworks, executive programmes affecting drug pricing, and pharmacy benefit manager (PBM) reform.

The Company's International business continued to grow steadily, supported by robust demand for branded generics and expansion in select geographies. The focus remains on scaling presence in key markets and strengthening distribution. The Company also continued to optimize its product portfolio and geographic mix, leveraging selected US products across other regulated and semi-regulated international markets to improve portfolio monetization and reduce concentration risk.

3.4 Biotech (Biologics and Biosimilars)

Biologics, having completely revolutionized diagnosis, treatment, and prevention of autoimmune conditions, cancers, and other diseases, are increasingly gaining traction owing to huge potential to offer reduced side-effects and targeted therapies. Biosimilars, which are cost-effective alternatives for high cost of biologics, offer and improved treatment option and expand access, due to lower cost. With sharp rise in burden of various chronic and life-threatening diseases, the demand, for both biologics and biosimilars, is witnessing substantial growth. The global biologics and biosimilars market is estimated at USD 244.7 Billion in 2026. The market is projected to reach USD 389.5 Billion by 2035, at 5.3% CAGR.

(Source: https://www.businessresearchinsights.com/market-reports/biologics-and-biosimilars-market-100693)

Biosimilars or generics pose significant threat to certain drugs. In 2027, a number of backbone therapies will face generic and biosimilar competition. Small molecules, palbociclib in breast cancer, enzalutamide in prostate cancer, and olaparib in a range of solid tumours, will all lose exclusivity in 2027. The PD-1 inhibitors pembrolizumab and nivolumab, are expected to face biosimilar competition starting 2028, with majority of impact on growth in 2029. This lower growth as the result of losses of exclusivity will be offset by continued uptake of novel modalities, including ADCs, bispecific antibodies, and cell and gene therapies.

Enzene represents the Company's strategic biologics platform, combining biosimilars, Bio-CDMO and advanced continuous manufacturing capabilities. The business is positioned to participate in the growing global demand for cost-efficient biologics development and manufacturing solutions while also building a differentiated biosimilars portfolio across regulated and emerging markets.

3.5 MedTech:

The MedTech sector is witnessing steady growth, supported by rising demand for diagnostics and medical devices, increased focus on preventive healthcare and expanding healthcare infrastructure. The sector is also benefiting from technological advancements and greater integration of digital solutions.

The global MedTech industry continues to expand on the back of demographic aging, rising chronic disease burden, technology-led innovation in implants, devices and digital health, and a structural shift toward elective and minimally invasive procedures. The global medical devices market is currently estimated at approximately USD 680 Billion, with orthopedic and cardiovascular together representing a meaningful share of the overall opportunity.

India's MedTech market, valued at approximately USD 16 Billion, remains amongst the fastest-growing market globally. Growth is being supported by

- Expansion of insurance coverage: The government initiative PM-JAY covers all senior citizens aged 70+ regardless of income, alongside continued growth in private insurance penetration;
- Production-Linked Incentive (PLI) schemes for medical devices and the National Medical Devices Policy 2023 strengthening domestic manufacturing;
- Rising per capita healthcare spend and a younger urban population driving early adoption of elective procedures.

MedTech in India has significant headroom for growth being an underpenetrated market with per capita consumption at USD 7 when compared to USD 50 for China, and USD 40 for Brazil. Substantial technology advances are leading to proliferation of in-use cases across disease areas. With low competitive intensity, the market presents significant growth opportunity to players with technological know-how. India holds the potential to become a giant global supplier with cost effective localized manufacturing.

The Orthopedic implants market in India is currently estimated at approximately ₹ 4,000 Crore within a global opportunity of ₹ 4,40,000 Crore. The Indian Cardiovascular devices market is approximately ₹ 7,000 Crore within a global opportunity of ₹ 8,10,300 Crore. Interventional cardiology and structural heart segments are among the most dynamic sub-segments globally.

Alkem MedTech represents a strategic adjacency with the potential to create a differentiated, high-entry-barrier healthcare platform spanning musculoskeletal and cardiovascular segments. The proposed Occlutech acquisition significantly accelerates this ambition by providing access to global regulatory approvals, clinical credibility, advanced structural heart technologies and established international distribution infrastructure.

Source: Internal estimate.

4. Business Performance

Sales by Key Markets (FY 2025-26)

Business Segment	Sales (₹ Million)	Contribution to Total Sales (%)	Y-o-Y Growth (%)
Domestic Business	₹98,514	67.8%	9.7%
US Business	₹29,845	20.5%	20.3%
Other International Markets	₹16.964	11.7%	26.7%

India Business

The India business remained the largest contributor to revenues. The Indian pharmaceutical market (IPM) registered strong growth of 9% in FY 2025-26. The Company grew marginally faster at 9.2% in the same period, with domestic sales of ₹ 8,832 Crore (IQVIA SSA MAT March 2026).

Key Highlights:

- ₹ 98,514 Million Crore sales from domestic business
- 9.7% Y-o-Y growth
- 17 brands in the IPM Top 300
- #1 in anti-infectives in India for 15+ consecutive years
- #2 in Vitamins/Minerals/Nutrients (VMN)
- #3 in Pain and Analgesics
- #4 in Gastrointestinal therapies
- #3 most-prescribed company in the IPM (SMSRC MAT Feb'26)

In India, Alkem has established strong foothold in several acute therapy areas. The Company is among IPM's top six players, with an overall market share of 4.1%. It continues to demonstrate leadership and outperform in its top four therapy areas. The Company continues to outperform the market in its key focus therapies such as anti-diabetic, respiratory, dermatology, urology, and ophthalmology.

Power Brands Driving Growth

- 17 brands crossed ₹ 100 Crore in annual sales
- These brands contributed 52% of total domestic revenue
- Collectively, they grew at 7.8% Y-o-Y, outpacing the IPM average

Building market-leading brands remains central to the Company's India strategy. During FY 2025-26, several mega brands have seen robust performance with 35 brands featured among the top three ranks in their covered markets. Alkem is a leading player in the trade generics segment. The Company's three largest brands now feature among the top 12 in the IPM.

Notable brand performances include:

- PAN: Remained in the top five brands in the IPM, growing 14.6% Y-o-Y
- PAN-D: Ranked 12th
- Clavam: Rose two ranks to rank 9, growing 12.3%

Beyond legacy brands, new launches remain a critical driver of the Company's growth. Alkem is ranked among the top four companies in terms of sales contribution from new introductions. The Company has effectively capitalized on recent loss of exclusivity (LoE) opportunities in the anti-diabetic segment, including Empagliflozin—where it ranks among the top four post LoE generics with revenues exceeding ₹ 25 Crore. Additionally, the Company launched Semaglutide injectables on Day-1 across both indications including diabetes and obesity management.

The Company further continues to focus on chronic therapies—including anti-diabetes, dermatology, urology and inhaled chronic respiratory, where it is outpacing market growth and gaining market share. This year, the Company continued to build on past momentum by adding manpower for better geo-penetration and launching differentiated products in our portfolios.

The overall strength of the brands is underpinned by the prescriber confidence in safety, efficacy and quality. Performance was supported by a sustained focus on execution excellence, a field force of over 14,000+ marketing representatives and science-led engagement that deepens relationships with healthcare professionals.

Supported by continued investments in R&D, operational excellence, disciplined supply-chain management and an experienced leadership team, the Company is well placed to deepen its domestic franchise and pursue the next phase of growth in India's pharmaceutical market.

Alkem commands leadership position (#5 in value terms) in the Indian Pharmaceutical Market (IPM). This growth has been driven by strong growth in chronic therapies, continued traction in key brands and improvement in field force productivity. The Company remains committed to further strengthen its position in high-growth therapy areas, leveraging its strong brand equity and physician trust.

Performance of New Product Launches

BRAND	MOLECULE	LAUNCH	MAT VALUE MARCH 2026
PAN RFT	ALGINIC ACID SODIUM	202410	15.4
CLAVAM	AMOXICILLIN+CLAVULANIC ACID (New Brand Ext)	202407	11.7
ALSITA-E / EMPANORM DUO	EMPAGLIFLOZIN+SITAGLIPTIN	202503	10.1
VONZAI	VONOPRAZAN	202410	9.3
PENTANERV GRDS	GABAPENTIN	202411	8.7
A TO Z CV	COQ10+UBIQUINOL+IDEBENONE	202504	8.2
KOJIGLO SERUM	DEMELANIZING AGENTS	202502	7.6
EMPANORM L	EMPAGLIFLOZIN+LINAGLIPTIN	202503	7.0
PULMOSMART G	BUDES. + FORMOT.+ GLYCOP	202410	6.5
XONE ES	CEFTRIAXONE+SULBACTAM+DISODIUM EDETATE	202501	5.1
FAMELIAL-F / FAMELIAL-M	SUPPLEMENTS FOR MALE & FEMALE HEALTH	202411	4.7
EMPANORM	EMPAGLIFLOZIN	202503	4.2
TAXIM-OFZ	OFLOXACIN+ORNIDAZOL.SOL	202506	4.2
NERVMAX-XT	PALMITOYLETHANOLAMIDE COMB.	202411	4.0
ENDOGOLIX	ELAGOLIX	202501	2.9

Source: IQVIA SSA Data March 2026

Alkem's performance in key therapeutic segments

Therapy Area	Company Rank	Contribution (%)	Market share (%)	Company growth (% Y-o-Y)	Industry growth (% Y-o-Y)
Anti-Infectives	1	32	13.2	4.4	4.0
Gastro Intestinal	4	21	7.9	8.3	5.7
Pain / Analgesics	3	10	5.4	11.6	7.2
Vitamins/Minerals/Nutrients	2	13	6.7	18.4	9.2
Anti Diabetic	15	5	2.2	14.2	11.5
Neuro / CNS	8	4	2.4	8.6	9.8
Gynaecology	8	4	3.6	5.7	7.8
Respiratory	15	3	1.6	16.2	11.3
Derma	18	3	1.5	11.2	6.1
Cardiac	28	2	0.7	10.3	13.8

Source: IQVIA SSA Data March 2026

Performance of Alkem's Top 10 Brands

Brand	Molecule	Rank in molecule category	Brand sales ₹ Crore in FY 2025-26	Market share (in %)
PAN	Pantaprazole	1	733.3	41.7
PAN-D	Domperidone+Pantoprazole	1	599.7	35.5
CLAVAM	Amoxicillin+Clavulanic Acid	2	649.2	17.1
TAXIM-O	Cefixime	1 (+1)	316.7	26.0
A TO Z NS	Ascorbic Acid+Copper+Manganese+Nicotinamide+Pantothenic Acid+Pyridoxine+Retinol+Riboflavin+Vitamin E+Zinc	1 (+1)	353.9	16.9
XONE	Ceftriaxone	2	224.6	15.5
UPRISE-D3	Colecalciferol	1	274.4	24.1
PIPZO	Piperacillin+Tazobactam	1	218.58	30.5
TAXIM	Cefotaxime	1	155.4	83.8
GEMCAL	Calcitriol+Calcium & Combination	1	171.9	19.6

Source: IQVIA SSA Data March 2026

United States Business

During the year, the US business, a strategic growth pillar, exhibited improved stability. In FY 2025-26, the Company generated ₹ 29,845 Million (Includes revenue from Enzene CDMO business) in sales from the US market, up 20.3% Y-o-Y. The strong growth was mainly on account of continued growth traction in new launches and volume increase.

Key Highlights:

- ₹ 29,845 Million sales from the US business
- 20.5% share of total Company revenue
- 20.3% Y-o-Y growth
- 194 cumulative ANDAs filed (192 ANDAs + 2 NDAs approved)
- 167 cumulative ANDAs approved, including tentative approvals, of these;
  - 148 final ANDAs approvals
  - 19 tentative approvals
- 01 BLA filed

During the year, the Company launched Sacubitril/Valsartan. The Company revamped US portfolio targeting complex generics in injectables and oncology segments to tackle intense competitive pressure. In addition, the Company is looking to leverage existing US portfolio to other geographies like ROW, LATAM & Canada markets. The Company remains committed to expanding markets access to Middle east via JVs & Partnerships. During the year, the Company signed a deal with a partner for GLP-1 project for the global markets.

The Company aims to strengthen its US, AU, and Chile portfolio via in-licensing & leveraging its US portfolio. Also, it is exploring newer geographies via out-licensing model. The Company is expanding in-house capabilities via strategic capital investment.

As of 31 March, 2026 total of 192 Abbreviated New Drug Applications (ANDAs), 2 New Drug Applications (NDAs) and 01 BLA has been filed with USFDA; alongside 11 ANDSs filed with Health Canada.

As of 31 March, 2026 167 ANDAs; 02 NDAs were approved for USFDA and 05 ANDSs were approved for Health Canada.

The robust nature of the business is reflected in steady growth amidst continued geopolitical situation causing tremendous pressure on supply chain and product supply. To ease this pressure, the Company undertook proactive agile management of vendors, and CMO partners to remove any obstacles upfront before they become bottlenecks for commercial supply. The year also witnessed pricing pressure on generics, tariffs, complex geopolitical situation disrupting supply chain and MFN (Most Favoured National) pricing structure impacting business margins. The retail business for generics continued downward spiral due to increased competition and uncertain supply logistics.

During the year, US FDA streamlined regulatory & clinical pathway for biosimilars development, which will significantly alter the strategy by eliminating phase 3 requirement subject to satisfactory analytical characterization studied thereby reducing overall cost & development timelines for biosimilars. This presents a Multi-Billion-Dollar opportunity for biosimilar players in the coming decade eventually turning into Golden decade of biosimilars.

Alkem's US ANDAs Filings and Approvals

Year	Total filed (cumulative) *	Total approved (cumulative)*#
2013-14	49	15
2014-15	63	19
2015-16	77	31
2016-17	91	39
2017-18	108	50
2018-19	127	70
2019-20	144	89
2020-21	152	110
2021-22	163	123
2022-23	175	134
2023-24	178	147
2024-25	185	156
2025-26	194	169#

**includes NDA*
#includes tentative approvals

The US market is gradually shifting to innovation / speciality products. Keeping pace with the evolving trends, the Company is scouting for opportunities that aligns with Alkem's strategic priorities for US market. Future strategic priorities include focus on innovative products like complex generics including oral oncology and injectable products. Additional focus areas include biosimilars.

Update on US FDA Inspections

Facility	Capability	Inspection Date	Regulatory Status
Baddi (India)	Formulations	Mar-24	EIR Received in June 2024
Daman (India)	Formulations	Apr-26	Response submitted – EIR awaited
Taloja R&D (India)	Bioequivalence Centre	Apr-26	EIR Awaited - No observation received.
Ankleshwar (India)	API	Apr-23	EIR Received in July 2023
Mandva (India)	API	Dec-23	EIR Received in Mar 2024
California (USA)	API	Sep-25	EIR Awaited - No observation received.

In FY FY2025-26, the Company underwent USFDA inspections at its Daman and Taloja R&D manufacturing facilities.

Other International Business

The Company international footprint spans across 40 international markets, apart from India and the US. Its key markets include LatAm, Australia, Europe (UK, Germany) and RoW markets (Philippines, Kazakhstan, South Africa, East Africa, etc.). The International business delivered consistent growth, driven by branded generics and strategic geographic expansion. This segment continues to offer long-term growth potential.

Alkem's International Markets ANDAs Filings and Approvals

Markets	FY 2025		FY 2026	
	Filed	Approved	Filed	Approved
Australia	83	77	82	79
Europe	54	37	51	37
UK	44	34	48	41
New Zealand			12	6
Chile*	227	224	235	222
China	10	2	7	5
South Africa	196	144	206	165
Kazakhstan	33	33	101	46
Philippines	28	28	137	97
Brazil	2	2	2	2
Mexico	48	16	51	17

**2 products are discontinued*

Key highlights:

- Sales grew by 26.7% Y-o-Y to ₹ 16,964 Million
- Sales contribution stood at 11.7% to total sales

The emerging markets continued to be a key contributor to the Company's international portfolio in FY 2025-26, spanning Africa, CIS, Southeast Asia, the Middle East, and select other emerging markets. These regions offer long term growth opportunities in branded generics, supported by favourable demographics, improving healthcare infrastructure, and sustained demand for affordable, quality medicines.

Emerging markets continued to operate in a dynamic environment influenced by currency volatility, pricing controls, tender driven demand, and varying regulatory timelines. Demand for branded generics remained resilient across most markets particularly in acute, hospital and high-volume segments while regulatory expectations continued to intensify across several geographies.

Regulatory & Portfolio Pipeline

Strengthening the regulatory and portfolio foundation remained a strategic priority during the year. Approximately 200+ dossiers were filed in FY 2025-26, enabling near term launches across priority emerging markets. To support sustained multi-year growth, around 1,675 in-house product dossiers have been shortlisted for filing during FY 2025-26 to FY 2027-28, providing strong visibility for future portfolio expansion.

In parallel, the Company plans to expand operations across ~29 new countries, including selective entry into B2C (direct to consumer) branded generics businesses in identified markets. This initiative is aimed at enhancing market reach, brand visibility, and margin profile. Presence will also be strengthened in 12 existing markets through increased portfolio depth and improved execution capabilities.

Challenges and Mitigation

Key challenges that emerged included regulatory approval delays in select markets, pricing pressure, currency fluctuations, and heightened competitive intensity in parts of South-east Asia. These were addressed through portfolio prioritization, calibrated pricing actions, disciplined working capital management, improved regulatory planning, and closer engagement with local partners and regulatory authorities.

Strategic Priorities and Outlook

Going forward, the strategy remains focused on profitable and sustainable growth. Key priorities include:

- Replicating successful execution models from CIS and the Middle East across scalable markets
- Strengthening growth momentum in Africa
- Restoring performance in Southeast Asia through improved regulatory sequencing and focused launches
- Expanding selectively into B2C businesses across new geographies
- Continuing investments in regulatory, quality, and operational capabilities

With a diversified geographic footprint, a robust regulatory pipeline, expanding B2C opportunities, and strong local partnerships, the Company is well positioned to build a resilient and scalable Emerging Markets platform over the medium term.

The Company continues to invest in areas that are at a relatively early stage but are expected to contribute to growth over the medium to long term.

Enzene Biosciences

Enzene Biosciences Limited, a subsidiary of Alkem, operates across the complete biologics value chain, research, development, and Good Manufacturing Practice (GMP) manufacturing. Its integrated 'clone-to-vial' capability covers cell line development, upstream and downstream processing, advanced analytical and bioanalytical characterization, and drug product development.

Enzene operates two business platforms in parallel: (i) a commercial biosimilars business serving the Indian market, with select pipeline assets out-licensed to global partners; and (ii) a CDMO business, serving domestic and international clients through its India facilities and its US subsidiary Enzene Inc. FY 2025-26 marked the year in which both platforms moved decisively from investment into execution, with the commissioning of US commercial operations, the launch of Pertuzumab in India, and the receipt of the first European regulatory approval for Denosumab.

Key Milestones

FY 2025-26 was a year of significant operational, regulatory, and commercial achievement across both Enzene's biosimilars and CDMO businesses:

- US biomanufacturing facility commissioned: Enzene Inc.'s 80,000 sq ft facility in Hopewell, New Jersey — representing a $50 Million investment — was officially inaugurated in September 2025, establishing Enzene's first commercial manufacturing presence in the United States and significantly strengthening the company's ability to serve North American clients.
- EnzeneX™ 2.0 deployed at US facility: the next-generation EnzeneX™ 2.0 platform — the world's first fully-connected continuous manufacturing (FCCM™) technology validated for commercial biologics supply — was deployed at the Hopewell site. The platform achieves up to 10 times the yield of conventional biomanufacturing methods, at a significantly lower cost of goods and carbon footprint.
- Industry recognition for manufacturing innovation: Enzene's EnzeneX™ 2.0 platform was awarded the CPHI Pharma Award for Manufacturing Excellence (October 2025), recognised by an independent panel of pharmaceutical industry experts as the most advanced biologics manufacturing technology, acknowledging its role in advancing bioprocessing and driving down the cost of biologic medicines.
- Pertuzumab commercially launched in India: Enzene's biosimilar for HER2-positive metastatic breast cancer was brought to market in India, expanding the oncology biosimilar portfolio to eight commercialised products and broadening patient access to HER2-targeted therapy.
- Denosumab receives EMA Marketing Authorisation: Enzene received regulatory approval from the European Medicines Agency (EMA) for its Denosumab biosimilar — a treatment for osteoporosis and bone health indications. This marks Enzene's first approval in a major regulated international market, enabling commercial supply to European patients and validating the quality and regulatory capability of the Chakan (Pune) manufacturing facility.
- Out-licensing agreements expanded: Enzene executed development and manufacturing out-licensing arrangements for select biosimilar pipeline assets in international markets, with the company responsible for development and supply while partners manage in-country registration and commercialisation. This model generates milestone and royalty revenue streams without requiring direct commercial investment in each geography.
- CDMO pipeline continued to grow: Enzene expanded its portfolio of CDMO contracts across both the India and US facilities, with clients spanning a range of therapeutic areas and geographies. The Hopewell facility began reserving capacity for North American clients under both continuous and fed-batch manufacturing arrangements.
- Enzene stands out through a combination of strong technical capabilities and a rapidly growing global clientele spanning human and animal health, with pharma partnerships across the US, Europe, and India, also positioning the company to address rising global demand for advanced animal health solutions.
- As of 31 March, 2026, Enzene's total R&D headcount stood at 196.

Manufacturing capabilities

Enzene operates a dual-continent, integrated biomanufacturing network designed to serve global clients across clinical and commercial biologics needs. Both facilities are built to international GMP standards and are subject to regular audits by global clients and regulatory bodies.

Parameter	India — Chakan, Pune	USA — Hopewell, New Jersey (Enzene Inc.)
Operating Entity	Enzene Biosciences Limited	Enzene Inc.
Facility Type	Commercial-scale biologics manufacturing; R&D hub	Clinical and commercial biologics CDMO; EnzeneX™ 2.0 continuous manufacturing flagship
Facility Size	Multi-unit bioreactor suite (20L–2,000L); fill-finish line	80,000 sq ft; drug substance manufacturing suites, laboratories, storage, dispensing, and warehousing
Technology Platform	EnzeneX™ continuous manufacturing + traditional fed-batch	EnzeneX™ 2.0 (FCCM™) + fed-batch;
Key Capabilities	mAb manufacturing; upstream and downstream processing; advanced analytics and bioanalytical characterisation; fill-finish	Locally compliant US biologics manufacturing; North American CDMO; continuous and fed-batch drug substance production
Regulatory Certifications	EU GMP certified (both Pune facilities); EMA-approved supply of Denosumab to Europe; audited by multiple global clients and regulatory bodies	GMP operational; facility inaugurated September 2025;
FY 2025-26 Key Development	Pertuzumab commercially launched; Denosumab EMA approval received; CDMO contract base expanded; European supply initiated	80,000 sq ft facility inaugurated; EnzeneX™ 2.0 deployed; CDMO capacity reservation commenced

Product portfolio

Enzene has built a robust commercial presence in the Indian biosimilars market, with eight products now available across oncology, immunology, and chronic disease management.

The addition of Pertuzumab during FY 2025-26 brought the total commercialized portfolio to eight products, all developed, manufactured, and launched within a period of approximately four years.

Product / Category	Therapy Area	Market	Status
Seven biosimilars (previously commercialised)	Oncology, immunology, and chronic care	India	Commercially available
Pertuzumab biosimilar	Oncology — HER2-positive metastatic breast cancer	India	Commercially launched — FY 2025-26
Denosumab biosimilar	Bone health / osteoporosis	Europe (Global)	EMA Marketing Authorisation received; European commercial supply initiated
Select pipeline biosimilars (out-licensed)	Bone health and other indications	International markets	Development and manufacturing by Enzene; registration and commercialisation by regional partners
Early-stage pipeline candidates	Oncology and immunology	India and global	Under development; evaluation of near-term patent expiry opportunities ongoing

Enzene has made substantial progress in building its international biosimilars business through regulatory submissions and a structured out-licensing model. The EMA Marketing Authorisation received for Denosumab during FY 2025-26 is a landmark milestone — Enzene's first approval in a major regulated international market — and validates the company's end-to-end regulatory capability from development through to GMP manufacturing.

In parallel, out-licensing arrangements have been executed for select biosimilar pipeline assets in international markets. These agreements structure Enzene as development and manufacturing partner, with commercial partners managing in-country registration and distribution. This capital-efficient model generates milestone and royalty revenue streams while extending Enzene's commercial reach across regulated and semi-regulated geographies without requiring direct market infrastructure.

EnzeneX™ 2.0 — Fully-Connected Continuous Manufacturing Platform

Enzene's patented EnzeneX™ platform is the world's first fully-connected continuous manufacturing (FCCM) technology validated for commercial biologics supply. During FY 2025-26, the next-generation EnzeneX 2.0 was deployed at the Hopewell, New Jersey facility, and the platform received the CPHI Pharma Award for Manufacturing Excellence — recognition from an independent industry panel of its contribution to advancing bioprocessing and reducing the cost of biologic medicines globally.

The platform harnesses intensified perfusion using alternate tangential flow (ATF) and automated multi-column chromatography to achieve continuous, uninterrupted biologics production. Its modular and scalable design enables clients to adapt production volumes without changing core equipment, reducing both capital requirements and time-to-scale.

Feature	Continuous Manufacturing (EnzeneX™ 2.0)	Fed-Batch Manufacturing (Traditional)
Input / Output	Continuous feed; continuous product harvest; steady-state 24/7 operation	Intermittent feed at intervals; discrete batch
Productivity	~10x higher upstream productivity; 25–50% improvement in downstream processing	Moderate — constrained by batch cycle time and turnaround intervals
Cost of Goods	Target: below $40 per gram for mAbs	Typically significantly higher cost per gram
Capital Expenditure	Lower — smaller footprint achieves equivalent or superior output	Higher — larger, more capital-intensive facility required
Environmental Footprint	50–60% lower carbon footprint than conventional biomanufacturing	Higher energy and material consumption per production cycle
Scalability	Modular scale-on and scale-out; output adjusted by varying flow rates within existing equipment	Scaled by increasing bioreactor number or size; requires additional capital investment

The EnzeneX platform is a core differentiator in Enzene's CDMO and biosimilar offering. Its deployment at both the Chakan (Pune) and Hopewell (New Jersey) facilities provides clients in India, North America, and Europe with access to manufacturing technology that delivers superior yield, lower cost of goods, and a materially reduced environmental footprint compared to conventional approaches. The CPHI Manufacturing Excellence Award received in FY 2025-26 provides independent third-party validation of the platform's industry-leading capabilities.

Plant Locations

Entity	Location	Capability	Regulatory Status
Enzene Biosciences Limited	Chakan Industrial Area, Pune, Maharashtra, India	20L to 200L capacity Drug substance and drug product manufacturing; CDMO; R&D	EU GMP certified (both Pune facilities); EMA-approved supply; global client and regulatory body audits completed
Enzene Inc.	Princeton West Innovation Campus, Hopewell, New Jersey, USA	Clinical and commercial biologics CDMO; EnzeneX™ 2.0 continuous manufacturing;	80,000 sq ft facility inaugurated September 2025; GMP operational;

R&D capabilities

Enzene's R&D capabilities are integrated within its Chakan (Pune) manufacturing campus and aligned with Alkem's broader R&D ecosystem. The R&D function covers the full spectrum of biologics development, including:

- Cell line development and clone selection.
- Upstream and downstream bioprocess development and optimisation.
- Advanced analytical and bioanalytical characterisation of drug substance and drug product.
- Drug product formulation development and fill-finish process development.
- Clinical and regulatory documentation to support multi-market dossier submissions (India CDSCO, European EMA, and other regulated markets).

Medtech

FY 2025-26 marked a defining year for Alkem MedTech Pvt Ltd, a wholly owned subsidiary of Alkem Laboratories, as the Company transitioned from a developmental-stage entity into an integrated, multi-segment medical devices platform. Business reach is spread across both India and global reach.

The Company executed a series of decisive strategic moves including:

- Completing the integration and merger of Bombay Ortho into Alkem MedTech
- Announcing the proposed acquisition of a controlling stake in Occlutech (Germany) to enter the structural heart cardiovascular segment
- Launching new orthopedic products, and initiating its Rest-of-World (RoW) regulatory and commercial strategy.

These strategies are aimed at achieving the ambition of becoming a leading Indian-origin medical devices company in two priority segments, namely, musculoskeletal and cardiovascular, anchored on the pillars of 'Innovative, Affordable, Accessible'.

Key Strategic Actions in FY 2025-26

1. Integration and Merger of Bombay Ortho into Alkem MedTech

During the year, the Company completed the operational integration and statutory merger of Bombay Ortho, a Rajkot-based orthopedic implants manufacturing entity, acquired in FY 2024-25, into Alkem MedTech Pvt Ltd. The merger consolidates manufacturing, product development, regulatory ownership, intellectual property and commercial operations under a single entity, simplifying governance and unlocking operational synergies.

2. Foray into Cardiovascular: Proposed Acquisition of a Majority Stake in Occlutech

Alkem MedTech announced the proposed acquisition of a 55% controlling stake in Occlutech, a Germany-headquartered structural heart implants company, founded in 2003 and present across 20+ developed markets. Occlutech is the #2 player in Europe in the Atrial Septal Defect (ASD) and Patent Foramen Ovale (PFO) Occluder categories, with CE and US FDA approvals on flagship products and a clinical legacy of over 200,000 implants. The transaction provides Alkem MedTech with an immediate, credible entry into the global cardiovascular segment, specifically structural heart, a category characterized by long approval timelines, deep clinical evidence requirements and a high entry barrier. Occlutech has direct presence and approvals in the United States, European Union, Japan, Canada and broader RoW markets where greenfield entry would otherwise take 7–10 years and significant clinical investment. The brand has established a strong equity among global KOLs with two decades of clinical evidence, peer-reviewed publications and surgeon advocacy.

Structural heart is a high-growth, underpenetrated sub-segment. The global structural heart closure devices market is currently estimated at approximately USD 2.2 Billion with Occluders accounting for around 30%.

Occlutech's manufacturing, regulatory and clinical infrastructure forms a launch pad for adjacent structural heart and interventional cardiology categories, including TAVI, IVL and stents, either through internal R&D, licensing or further M&A.

Occlutech's portfolio (ASD, PFO, AFR) is currently not available in India. The transaction provides Alkem MedTech with a defined path to introduce these products into India through CDSCO registration and to optimize global landed cost via partial India-localization of manufacturing.

3. New Product Launches in the Orthopedic Portfolio

In line with the FY 2024-25 commitment to evolve from foundational build to active market participation, the Company launched the several new products during FY 2025-26, including:

- Modular Tibial Base Plate (MTBP): A modular knee platform offering enhanced intra-operative flexibility for surgeons in revision and complex primary cases.
- TiNiBn-coated Knee System: A total knee implant featuring a Titanium-Niobium-Nitride surface coating, intended to address clinical needs in younger and metal-sensitive patient cohorts and to expand the Company's product range across the knee category.

- Primary Uncemented Hip System: Adding to the Company's primary Knee portfolio, the primary uncemented hip system aligns with global usage trends where uncemented constructs already account for the majority of primary total hip replacements.

4. Initiation of the RoW Strategy for Ortho

During the year, the Company initiated a structured Rest-of-World (RoW) regulatory and commercial entry strategy, with prioritized selected markets including the key approval like EU-MDR registration applications for the Knee and Hip implant systems are in process, alongside dossier preparation. USFDA establishment registrations have already been completed for the Continuum-of-Care surgical products SafeLavage and SafeTrion. The RoW pathway has been chosen to balance time-to-revenue with regulatory complexity.

5. Quality, Compliance and Manufacturing Excellence

FY 2025-26 was a year of significant uplift in the Company's quality, compliance and manufacturing architecture

- Awarded ISO 13485:2016 certification for medical devices Quality Management System, validating end-to-end design, manufacturing and post-market processes against the global benchmark.
- Strengthened QMS at the Rajkot manufacturing plant with reinforced design history file (DHF) discipline, CAPA closure rigor, supplier qualification protocols, and audit readiness for CDSCO, EU MDR and other key regulatory bodies.
- Enhanced supplier ecosystem with onboarding of additional indigenous and international suppliers across instrumentation, raw materials and sterile packaging — reducing single-source risk, improving lead times.
- Commissioning of high-end CNC machines from Germany and Japan, enabling tighter tolerances and improved throughput on complex implant geometries;
- Induction of ultrasonic cleaning systems for surgical-grade finishing, supporting compliance with EU MDR and USFDA expectations on bioburden and particulate control;
- Progression of automation across robotic grinding, polishing and finishing lines, reducing manual intervention and improving consistency;
- Completed implementation of SAP across core manufacturing and quality processes at Rajkot plant.
- Installed capacity remains aligned with the projected demand for Knee and Hip implants over the medium term, with modular blueprints in place to scale capacity meaningfully as Indian and global volumes ramp.

6. Medical Education and Launch of the Alkem MedTech Learning Lab

Recognizing that safe and effective use of medical devices is enabled through structured, science-led professional education, the Company launched the 'Alkem MedTech Learning Lab' during the year as a dedicated medical education platform. The Learning Lab is built on three pillars:

- Skill development for safe and effective device use: Structured cadaveric workshops, hands-on simulation modules and procedural training programmes for orthopedic specialists, focused on appropriate technique, patient selection and complication management.
- Training of allied healthcare professionals: Certificate-led modules for operating-room nurses, biomedical and bio-engineering staff and technicians, supporting the broader continuum of safe device handling, instrument processing and post-operative care.
- Physician education on disease management: Clinical evidence updates, disease awareness sessions and CME-style scientific exchange covering osteoarthritis, joint preservation strategies and emerging treatment pathways.

During the year, the Alkem MedTech maintained an active scientific presence across all major orthopedic conferences in India, including national and regional academic congresses and speciality associations. The participation focused on scientific exchange, sponsored academic sessions and showcasing the launched portfolio comprising MTBP, the TiNiBn Knee and the Primary Uncemented Hip. The Company also progressed clinical collaboration discussions with leading multi-specialty hospitals for Real-World Evidence (RWE) and Post-Market Clinical Follow-up (PMS) studies on its implant portfolio.

FY 2025-26 was a year of strategic compounding for Alkem MedTech with the Bombay Ortho integration consolidating the Indian Orthopedic platform, the proposed Occlutech transaction opening a credible global cardiovascular trajectory, new product launches strengthening the clinical bag, and quality, regulatory and manufacturing systems reaching global benchmark standards. The Company is now well-positioned to scale into its next phase, from a foundational MedTech entrant to a globally relevant, India-anchored medical devices platform across musculoskeletal and cardiovascular. The Company remains committed to its purpose of 'Advancing Medical Technology Solutions for a better Tomorrow'.

GLP-1 Injectable

The Company launched semaglutide injection in India under the brand names “Semasize”, Obesema” and “Hepaglide”. Semaglutide pre-filled disposable injection pen with price starting ₹ 1,800 for monthly dosage provides affordable pricing. This is likely to lower barriers to initiation and expand access to this therapy in India. Apart from disposable pen, Alkem is offering reusable injection pen for semaglutide administration for higher maintenance doses. The reusable pen enables patients to replace only the medication cartridge rather than purchasing a new disposable pen each time, thereby reducing cost and helping better patient adherence to treatment. Alkem has received approval from the Drug Controller General of India (DCGI) for manufacturing and marketing semaglutide for type 2 diabetes mellitus and chronic weight management as an adjunct to diet and exercise, subsequent to a review of its Phase 3 clinical trials conducted in India.

Alkem ActivLife

Alkem ActivLife represents the Company's strategic entry into the rapidly expanding consumer health and wellness segment, with a clear ambition to build a scaled, future-ready preventive healthcare business. Anchored in the strong equity of the 'A to Z' franchise, the division is focused on addressing the rising consumer need for daily health management, energy, immunity, and lifestyle-led wellness solutions. As India witnesses a structural shift towards preventive and self-care health, Active Life is uniquely positioned to leverage Alkem's medical credibility, distribution strength, and brand trust to build a differentiated play in this high-growth category.

The division is guided by a clear ambition to significantly scale the business over the next 3–5 years, with a focus on building leadership in the wellness segment.

Key strategic pillars include:

- Building a scaled wellness franchise: Strengthening the core multivitamin business while expanding into high-growth adjacencies such as cardiovascular health, women's wellness, and vitality solutions.
- Premiumization & innovation: Introducing advanced formulations with targeted delivery and differentiated delivery formats to drive category upgrade and consumer preference.
- Doctor to consumer continuum: Leveraging strong prescription equity to drive consumer adoption, and bridging Rx credibility with OTC scale.
- Omnichannel expansion: Expanding presence across modern trade, e-commerce, and general trade, supported by focused trade marketing initiatives.
- Brand modernization: Repositioning legacy brands to connect with younger, health-conscious consumers while retaining trust among existing users.

Brand portfolio: The Active Life portfolio comprises a diversified range of science-backed nutritional supplements, catering to multiple health needs:

- A to Z Tablets: Flagship multivitamin brand with strong prescription heritage.
- A to Z Syrup & Drops: Leading pediatric nutrition solutions with strong growth momentum.
- A to Z Gold: Focused on early diagnosed diabetes and cardiovascular health.
- A to Z CV: Focused on advanced cardiovascular nutrition.
- A to Z Woman: Targeted solution addressing women's health and nutritional needs.
- A to Z Amino: Positioned in the energy and recovery space, witnessing strong traction.

Key developments during FY 2025-26 include:

- The A to Z portfolio surpassed the leading competitor in IQVIA, marking a significant milestone in market leadership.
- Achieved #1 position in the Syrup & Drop segment.
- Secured top position in prescription generation (SMSRC) across 3 SKUs, reflecting strong doctor endorsement.
- Strengthened portfolio with new launches and upgraded formulations, including A to Z CV and reformulated Drops.
- Expanded trade marketing footprint across key metros and emerging towns.
- Set-up e-commerce channel across marketplace, Q-comm, and social media presence.
- Launched A to Z Daily and developed an hinglish rap film that mirrors everyday hustle through an AI-led visual narrative. The film garnered 10 Million impressions in its launch stage.
- A host of new products are set to be launched under A to Z Expert range for precision nutrition like Smart Sprinkle for Kids and Adults, Omega Triple Strength, Triple complex Magnesium, Vit D+B12, Iron Chewables, A to Z Sure, etc.

The ActivLife division is well-positioned to capitalize on the strong tailwinds in India's wellness market, driven by increasing consumer awareness, lifestyle changes and a shift towards preventive healthcare. The division aspires to scale significantly over the next 3–5 years, with a long-term ambition to build a leading wellness franchise of meaningful size and market leadership. This growth will be driven by expansion into new categories and formats, strengthening both Rx & OTC acquisition funnel, increased investments in brand building and digital engagement and continued focus on innovation and differentiated offerings.

With a strong foundation and clear strategic direction, Alkem ActivLife is poised to become a key growth driver for the Company and a leading player in India's evolving wellness landscape.

API – Alkem Activa

Alkem Activa is the API Division of Alkem, representing a pivotal step in strengthening Alkem's global API presence. Rooted in a legacy of pharmaceutical excellence, Alkem Activa focuses on delivering innovative, reliable, and sustainable healthcare solutions through high-quality APIs backed by green chemistry and continuous manufacturing to drive next-gen healthcare solution. Alkem Activa maintains a diverse portfolio of APIs, categorized by their market potential and regulatory acceptance. Key products and categories include controlled substance and psychostimulants which are the primary contributors to sales value.

With 3 USFDA-approved sites, a talent pool of 70+ scientists, and a manufacturing capacity of 500KL reaction volume, Alkem Activa stands as a trusted partner for pharmaceutical companies worldwide. Alkem Activa's expanding portfolio includes a diverse range of APIs across multiple therapeutic categories—including cardiovascular, CNS, gastrointestinal, and more.

Alkem Activa's growth strategy centers on several key pillars:

- Backward integration for captive formulation: Leveraging its strong R&D and API manufacturing capabilities for captive requirements, to strengthen new formulation launches and acts as a risk mitigation strategy.
- Global regulatory compliance: A primary focus is the simultaneous development of all APIs for global regulatory standards, specifically targeting USDMF, ASMF, CEP, CADIFA filings
- International footprint: There is a strong emphasis on driving third-party sales momentum by acquiring new customers and expanding market presence in regulated market such as USA, Europe, Latin America and more.
- Manufacturing capability in USA for schedule I and II API provide an advantage to Alkem Activa's growth strategy in the USA market
- Initial steps have been to build CDMO pipeline, including engaging with customers and aligning internal teams across R&D and manufacturing

Key Developments:

- Total API sales including captive reached ₹ 100 Crore in FY26, up 26% Y-o-Y
- Third-party sales grew from ₹ 23.67 Crore to ₹ 32 Crore
- Regulatory filing: Received CEP approvals for 4 APIs and filed 2 USDMFs
- Customer Acquisition: Added 74 customers. Drug Master Files (DMFs) provided to 39 customers and samples seeded to 35 customers globally. Key customers added in Brazil, Europe, India, South Korea and more.

Outlook

The growth outlook for Alkem Activa is highly positive, with several priorities set for the upcoming fiscal years through product expansion, increased regulatory filing, and deeper engagement with global customer. Alkem Activa has partnered with key global pharmaceutical companies for their upcoming launches. The R&D roadmap includes the development of complex molecules and also support development of New Chemical Entities under CDMO model, slated for launch over the next several years. Alkem Activa has set ambitious goals including achieving process optimization, strengthening execution across manufacturing, regulatory, supply chain & logistics function in order to achieve steady future growth. With clear strategic direction and strong foundational capabilities, Alkem Activa aims to be a major player and trusted partner in APIs globally.

5. Research and Development:

Clinical Research

The Company's state-of-the-art clinical research facility not only focuses on bioequivalence and bioavailability studies but is also licensed to conduct first-in-human and early-phase (Phase I) studies. Leading regulatory agencies, including the USFDA, UK MHRA, EMA, ANVISA, NPRA-Malaysia and CDSCO have inspected the facility. In March 2025, the facility successfully cleared the Bioresearch Monitoring (BIMO) inspection conducted by the USFDA, with no Form 483 issued, underscoring Alkem's commitment to global compliance and data integrity.

Advancing Global Clinical Development Capabilities

The Company has a proven track record in conducting scientifically robust clinical trials across all phases (Phase 1 to Phase 4) and in a variety of therapeutic areas including infectious disease, oncology, endocrinology, neurology, cardiology, hematology, rheumatology, ophthalmology and gastroenterology. The team possesses deep expertise in conducting clinical studies involving both small and large molecules, including stem cell-based products, supporting regulatory submission to domestic as well as major regulated markets such as the US and EU.

These studies are executed in strict compliance with ICH-GCP and international guidelines and regulations, with a core focus on addressing unmet healthcare needs and generating high-quality data to support the development of safe and effective novel therapies.

The team has an ability to integrate scientific excellence with operational agility while adhering to robust regulatory standard, adoption of innovative trial design which enhance efficiency and improve patient access and generate high-quality data. Patient centricity and innovation driven approach remains at the core during clinical development, incorporating patient insights in to study design, improving diversity, reducing patient burden and enhancing trial participation.

Driving Global Innovation & Research Partnerships

In addition to these collaborations, Alkem is also driving innovation internally across a range of therapeutic areas. Many of these development programmes have successfully advanced to Phase I and Phase II clinical trials. Alkem has established strong and robust intellectual property (IP) around these innovations, further strengthening its position as a leader in novel and differentiated drug development.

Alkem's innovation journey started by strategically collaborating with leading academic institutions in the US and India. Globally, the Company collaborates with esteemed organizations such as Harvard University, Johns Hopkins University, National Institutes of Health (NIH), USA and Karolinska Institute (Sweden). In India, Alkem partners with top-tier institutes, including IIT Bombay, IIT Kanpur, IISc Bangalore and Tata Memorial Hospital.

The objective is to foster innovation by supporting cutting-edge research through strategic partnership in areas of significant clinical unmet need. Eventually, these strategic R&D partnerships lead to the identification of novel therapeutics targeting cancer, peripheral diabetic neuropathy, vascular ischemia and others.

Alixer Nexgen Therapeutics Ltd, a wholly owned subsidiary of Alkem, is focused to develop these novel assets through global regulatory development, with the goal of advancing them to IND submissions and early human proof-of-concept studies. The product pipeline includes novel biologics currently undergoing IND-enabling studies, with various regulatory interactions being initiated with the US FDA. We have also progressed a novel, globally patented product developed indigenously, into the mid-clinical stage for the treatment of allergic rhinitis.

This innovation portfolio is protected by a robust intellectual property strategy, comprising 6 granted patents and 55 pending patent applications globally.

Innovation Pipeline

Program	Modality	Therapeutic Indication	Development Stage
ALDP001	Novel Small Molecule	Seasonal & Perennial allergic rhinitis	Phase-2
ALDP021	Novel Small Molecule	Seasonal & Perennial allergic rhinitis	Preclinical (IND Studies)
ALK-201	Novel Biologics	Colorectal Cancer	Preclinical (IND Studies)
ALK-202	Novel Biologics	Vascular Ischemia of lower extremity in diabetic patients	Preclinical (IND Studies

Ensuring Patient Safety & Risk Management

The Company has a robust and well-established pharmacovigilance system to continuously monitor, assess, and review the safety profile of its medicines throughout their entire lifecycle, including both clinical development and post-marketing phases. This framework supports the timely detection, evaluation, understanding, and prevention of adverse events and other product-related risks, ensuring that patient safety remains a core priority at all times.

The Company continuously evaluates the benefit-risk profile of its marketed products to confirm that the therapeutic benefits outweigh any potential risks. It is also committed to maintaining transparency in communicating relevant safety information, benefits, and risks to patients, healthcare professionals, and regulatory authorities, reflecting its dedication to responsible healthcare practices and regulatory compliance.

Bridging Science, Evidence & Growth

The Company's science-led growth is driven on evidence-based product adoption, advancing medical education, and strengthening stakeholder engagement. During the year, key product introductions, included semaglutide, pertuzumab, and other advanced therapies across metabolic and priority disease areas, through robust scientific positioning, targeted educational initiatives, and post-launch evidence generation through the Company's scientific pillar, medical affairs.

All activities are executed in strict alignment with applicable regulatory requirements and the Uniform Code of Pharmaceutical Marketing Practices (UCPMP), ensuring ethical, transparent, and compliant scientific exchange across the product lifecycle.

6. Operations

Operational initiatives during the year supported cost control and consistent product supply.

Manufacturing efficiency

The Company operates 20 state-of-the-art manufacturing facilities across India and the United States of which 5 are USFDA approved. All facilities are regularly audited and approved by global regulatory bodies including the US FDA, WHO, MHRA (UK), TGA (Australia), ANVISA (Brazil) and SAHPRA (South Africa).

The Company has:

- Filed 192 ANDAs, 2 NDAs and 1 BLA with the US FDA
- Received approvals for 167 ANDAs (including 19 tentative approvals) and 2 NDAs
- Registered 1,100+ products across various international markets

The Company has three advanced R&D centers with 595+ scientists focused on differentiated, first-to-market products. To support its manufacturing capabilities, the Company has built a strong supply and distribution network comprising 11 central warehouses, 73 sales depots and CFAs and 8,800+ stockists.

Quality focus

The organization successfully underwent multiple regulatory inspections and audits during the reporting period. Two EU regulatory audits were conducted, and clearance certificates were received, confirming compliance with EU GMP requirements. These outcomes reflect a robust quality management system, sustained inspection readiness, and strong cross functional collaboration. In addition, internal and external audits were executed as per plan, with observations addressed through timely and effective CAPA implementation.

Quality function focused on strengthening compliance, enhancing operational excellence, and embedding a culture of continuous improvement across manufacturing and quality systems. Key initiatives included reinforcement of investigation quality, risk-based decision making, and enhanced oversight of critical quality events such as deviations, OOS, CAPA, and market complaints.

Significant improvements were implemented across quality systems and processes to enhance efficiency, control, and data reliability. Procedures related to deviation management, OOS investigations, CAPA effectiveness checks, change management, and document control were reviewed and strengthened. Digital tools and structured trackers were leveraged to improve real time monitoring of quality metrics, reduce turnaround times, and increase transparency and accountability.

To further strengthen quality performance and regulatory compliance, the following key initiatives were implemented during the year:

- **Quality Improvement Plan (QIP):** A structured QIP was rolled out to reduce recurring deviations and OOS events and to improve CAPA effectiveness. Key risk areas were identified through trend analysis, and targeted action plans were implemented with defined timelines, owners, and governance.
- **Process and System Strengthening:** Investigation practices, change management, and document control were enhanced to improve right first-time performance, strengthen compliance, and reduce cycle times.
- **Digitalization and Process Simplification:** Progress continued toward digitization of quality systems to strengthen data integrity, traceability, and real time tracking of quality events, including:
- **Digitalization of in process checks:** Extended for imprinting, coating, and laser drilling stages to improve process accuracy and traceability.
- **Validation lifecycle management:** Extended for facility qualification, server qualification, and QC instrument qualification modules to improve traceability and digitization.
- **Backup solution:** Image based backup system implemented to support business continuity and data security.
- People centric initiatives such as the Buddy Programme supported smooth onboarding and capability building for new joiners, while the Idea Bank and Kaizen initiatives encouraged innovation and employee participation. These programmes contributed to waste reduction, improved efficiency, and sustained regulatory compliance.
- **Training and Capability Building:** Focused training programmes on regulatory expectations, enhanced cGMP practices, and data integrity were conducted to strengthen employee competency and compliance awareness. A new Learning Management System (LMS) was implemented to strengthen training governance and improve training compliance.

These initiatives have contributed to improved compliance status, enhanced inspection outcomes, reduced quality risks, and strengthened confidence of regulatory authorities and stakeholders. The organization remains committed to continuous quality improvement and sustaining global regulatory standards.

Regulatory compliance

All manufacturing facilities are in accordance with a broad spectrum of international Good Manufacturing Practices (GMP), including but not limited to:

- Schedule M (India)
- 21 CFR (United States)
- Eudralex Volumes (European Union)
- WHO-GMP (World Health Organisation)
- Orange Book (UK MHRA)
- TGA GMP guidance (Australia)

All developed, manufactured, and distributed products strictly adhere to the legal and quality requirements of target markets in accordance to the QMS framework.

Supply chain reliability

Global geopolitical instability has led to significant supply chain disruptions with high volatility in oil pricing, increased cross border shipping lead times and increased transportation costs etc. The Company is undertaking appropriate measures, on ongoing basis, to ensure market relevance and competitiveness.

Advance planning: To ensure uninterrupted supply of goods or services the Company ensure advance strategic planning. Planning plays a crucial role especially amidst global uncertainty leading to shortage of goods. The Company is striving tirelessly to forecast, plan in advance and work in close association with its partners to secure adequate manufacturing slots.

Inventory: Basis the potential market price movements inventory levels are handled across the value chain at one of the following:

- Raw Material level inventory
- Finished goods level inventory
- Inventory by Suppliers

Strategic purchase: The Company has adopted a strategic approach in securing supplies rather than undertaking tactical purchases. Strategic Supplier Relationship Management (SRM) programme is adopted on an ongoing basis.

Risk Mitigation: A well-established formal process of quarterly material risk mitigation programme is in place. In addition, the Company has also adopted supplier risk mitigation programme with a help of an established external agency to be able to predict potential risks at supplier end.

Digitalisation: The Company has robust ERP tools and bidding tools such as SAP HANA and SAP Ariba. In addition, the Company has also introduced a bidding tool for Direct materials, during the year. This AI enabled tool is user friendly for partners, further enabling their decision making process.

IT & Digitization

The IT function supported Alkem's growth and operational priorities by strengthening the enterprise digital foundation, standardizing core platforms, enhancing cybersecurity and compliance, and expanding data-led decision-making across functions and geographies.

Key milestones included

- 2The successful completion and stabilization of Project EKAM, which migrated all field and non-field users onto a single Microsoft 365 environment to create a unified, secure and scalable digital workplace.
- Project EKAM also continued the progress towards a unified SAP HANA platform to enhance end-to-end visibility, strengthen controls and standardize processes across the value chain in both domestic and international operations.
- Project Aspire strengthened enterprise visualisation and analytics capabilities, supporting faster and more consistent decision-making across functions.
- Strengthened its digital manufacturing landscape through targeted Level-2 (L2) system integration initiatives, aligned to compliance, data integrity, patient safety and smart manufacturing principles.

Digital manufacturing, analytics and employee enablement agenda were further advanced through compliance-driven integrations, smart-factory capabilities and early AI-led initiatives, reinforcing long-term resilience and scalability.

Key outcomes from project EKAM included:

- Onboarded ~22,000 employees (field and office) onto a common platform, enabling a consistent sign-in experience across enterprise applications.
- Enabled secure mobile access to corporate applications through Intune Mobile Application Management (MAM), strengthening mobility with appropriate security and compliance controls.
- Centralized access to enterprise applications via MyApps, supporting single sign-on and uninterrupted cross-system usage.
- Standardized identity and access management to improve governance, enhance security posture and simplify IT operations.

With a unified digital workplace in place, Alkem is better positioned to scale collaboration and productivity, and to adopt future capabilities such as Microsoft Copilot, enterprise automation and modern digital workflows.

Key milestones of unified SAP HANA platform include:

- Onboarded Pharmacor Australia, Ascend Chile, and Ascend USA and Norac USA entities onto a unified SAP instance, enabling consistent processes and reporting structures.
- Harmonized master data, workflows and control frameworks to improve efficiency and governance.
- Improved transparency across finance, supply chain operations and compliance reporting to support timely decision-making.

This initiative is an important step towards a scalable, globally integrated ERP landscape.

Key developments in Project Aspire include:

- Additional dashboards were enabled for the subsidiaries such as Alkem Wellness and Adroit
- Dashboards and automated mailers with key insights for actions

Collectively, these capabilities enhanced cross-functional visibility, improved sales planning and review and drove a data-driven culture.

Key focus areas of targeted Level-2 (L2) system integration initiatives include:

- Strengthened compliance aligned with 21 CFR Part 11 and ERES, including access controls, data security, backups and periodic GAP assessments.
- Integrated manufacturing systems with enterprise platforms to enable centralized monitoring, L2-to-L3 data flow and audit-ready data integrity.
- Enabled IoT-based predictive maintenance and energy optimization, along with AI-enabled QMS and R&D workflows.

- Upgraded infrastructure and operating systems, improved network performance and backup capabilities, and deployed smart racks to strengthen reliability and safety.

These initiatives enhanced compliance readiness, improved operational visibility and strengthened manufacturing resilience.

AI initiatives: Building foundations for quality excellence

Alkem initiated select AI-led use cases focused on quality excellence and continuous improvement. The intent is to identify patterns, enable proactive monitoring and build a scalable foundation for advanced analytics-led insights aligned with regulatory expectations.

GCC enablement: Strengthening onboarding and employee experience

Alkem advanced Global Capability Center (GCC) enablement with a focus on employee onboarding and lifecycle readiness. Process improvements, targeted automation and system integration helped accelerate onboarding, enhance employee experience and strengthen governance across the employee lifecycle.

Priorities ahead

Looking ahead, Alkem will continue to strengthen core technology platforms while scaling digital capabilities that support security, compliance, productivity and operational excellence.

- Ensure the benefits of the technology investments are fully realized and user adoption is further enhanced
- Focus on reskilling and making our employees AI ready
- Centralized ERP and supply chain optimization: Build on the unified ERP foundation to enhance supply chain planning, improve processes and support planned technology upgrades.
- Expansion of AI-led initiatives: Scale AI initiatives across quality, manufacturing and supply chain to enable predictive insights, automation and faster decision-making.
- Cybersecurity and OT security: Continue to enhance enterprise cybersecurity, with emphasis on Operational Technology (OT) security across manufacturing environments through governance, monitoring and awareness programmes.

7. Financial Performance:

The financial performance for the year reflects:

- Growth in revenues across key segments
- Improvement in margins, supported by product mix and cost measures
- Stable cash flow generation

The Company continues to focus on maintaining financial discipline and improving capital efficiency.

Key Profit and Loss Statement Highlights

Particulars	FY 2025-26	FY 2024-25	YoY Change	Comments
Revenue from operations	147,123	129,645	13.5%	Domestic business grew by 9.7%. The US business grew by 20.3% YoY. The strong growth was mainly on account of continued growth traction in new launches and volume increase and also including revenue from Enzene CDMO business. Other International Markets registered strong growth of 26.7% led by key markets of Europe, Australia and LATAM.
Gross Profit	96,195	82,003	17.3%	
Gross Profit %	65.4%	63.3%		Gross margin was improved mainly due to lower API prices and better product mix across geographies.
EBITDA	30,052	25,122	19.6%	
EBITDA %	20.4%	19.4%		
PBT before exceptional item	30,457	25,270	20.5%	
Exceptional Item	(1,748)	-	-	There was an exceptional item of ₹ 1,748 million mainly due to amendment in the labour laws.
PBT after exceptional item	28,708.9	25,270.3	13.6%	
PBT margin	19.5%	19.5%		
PAT (After Minority Interest)	23,018	21,655	6.3%	
PAT margin	15.6%	16.7%		

Key Ratios

Ratio	Formula used	FY 2025-26	FY 2024-25
Debtors Turnover Ratio	Sale of products/Trade receivables	4.88	5.19
Inventory Turnover Ratio	COGS/Inventory	1.53	1.63
Interest Coverage Ratio	EBIT/Finance Cost	16.32	17.71
Current Ratio	Current Assets/Current Liabilities	2.55	2.73
Debt to Equity Ratio	Net Debt/Total Equity	0.10	0.06
Operating Profit Margin (EBITDA Margin)	EBITDA/Revenue from Operations	20.4%	19.4%
Net Profit Margin	PAT/Revenue from Operations	15.6%	16.7%

Adherence to Accounting Standards:

The Company continues to adhere to standard accounting policies under the Indian Accounting Standards ("Ind AS"), applicable since 01 April, 2016. IND AS 116 pertaining to Leases was the sole addition under Section 133 of the Companies Act, 2013. These policies are to be read along with the relevant applicable rules and accounting principles. Changes in policies, if any, are approved by the Audit Committee.

8. Risks and Concerns

The Company's robust Enterprise Risk Management (ERM) framework is equipped to successfully identify, assess, and mitigate both internal and external risks arising due to diversified operations across geographies. Timely and proactive risk management enables to the Company take appropriate decisions and thus preserve long-term value for stakeholders.

The Risk Management Committee, constituted by the Board of Directors, is responsible for strategic oversight and governance of risk management activities. This Committee ensures that key business, financial, operational, strategic, regulatory, and cyber-related risks are systematically identified and mitigated through structured response plans.

With a view to foster a risk-aware culture, the ERM function collaborates closely with business and functional leaders. Emerging threats are attempted to be recognized by closely monitoring internal and external developments continuously.

Key elements of Alkem's risk management approach include:

- Regular risk assessments and reviews
- Integration of risk considerations into strategic planning and operations
- Real-time monitoring of key risk indicators (KRIs)
- Periodic reporting to the Risk Management Committee and the Board

The table below summarizes key risk categories along with corresponding mitigation strategies:

Risk Category	Potential Impact	Mitigation Strategy
India Pricing and DPCO Risk	Expansion of price-controlled medicines under DPCO could impact revenue and margins across parts of the domestic portfolio.	Diversification towards chronic, specialty and OTC products, stronger branded positioning, and active engagement with industry associations to address regulatory developments.
US Generic Pricing Pressure	Sustained pricing erosion in the US generics market may compress margins on established products.	Focus on complex and differentiated generics, niche molecules, and first-to-file/first-to-market opportunities to improve product competitiveness.
Regulatory and cGMP Compliance	Non-compliance with global regulatory standards could result in import alerts, warning letters, product recalls, or restricted market access.	Robust quality systems, regular self-inspections, digital quality management platforms, and sustained compliance across manufacturing facilities.
Occlutech M&A Integration	Integration challenges relating to operations, governance, culture, and regulations could affect value realisation from the acquisition.	Dedicated integration leadership, Board oversight, milestone-based integration plan, management continuity, and prudent capital structure.
Climate Change and Environmental Risk	Climate events, evolving regulations, and sustainability expectations could disrupt operations, increase compliance costs, and affect market access	Enterprise-wide EHSS framework, renewable energy adoption, resource efficiency initiatives, emissions tracking, and strengthened sustainability disclosures.
Biosimilar Regulatory Timeline	Regulatory approvals, technology transfer, and client execution timelines could impact commercialisation of biosimilars and CDMO projects.	Early regulatory preparedness, diversified development pipeline, flexible out-licensing strategy, and investments in biologics manufacturing capabilities.
Supply Chain Concentration and Seismic Risk	Operational disruptions at key manufacturing sites due to natural disasters or supply chain interruptions could affect business continuity.	Inventory buffers, alternate manufacturing arrangements, emergency response systems, infrastructure resilience, and business continuity planning.

Risk Category	Potential Impact	Mitigation Strategy
Cyber Security and Data Integrity	Cyberattacks or IT system failures could disrupt operations, compromise regulatory submissions, and impact business continuity.	24/7 security monitoring, network protection, access controls, employee awareness programmes, ISO 27001 implementation, and periodic security assessments.
Geo-political and Trade Policy Risk	Trade restrictions, tariffs, sanctions, and changing geopolitical conditions could increase costs and disrupt global supply chains.	Diversified manufacturing footprint, backward integration for critical APIs, active monitoring of trade developments, and multi-market registration strategy.

9. Outlook:

According to IQVIA data, the Company outperformed IPM in seven therapies, which is anti-infective by 1.1X, Gastro-intestinal by 1.5x, Vitamins and minerals by 2x, pain/analgesics by 1.6x, antidiabetic by 1.2x, respiratory by 1.4x and derma by 1.8x. This outperformance underscores the Company's strong market position in the IPM. The Company remains well placed to leverage its strong fundamentals to tap the opportunities ahead, supported by expanding portfolio, upcoming launches and investments in the new growth areas. The Company continues to navigate the evolving operating environment with agility and resilience.

In the international market, the Company is strengthening its grip by expanding into newer geographies and gradually expanding product portfolio. The Company is continuously monitoring the US business and remains committed to improve performance. Enzene is steadily gathering global relevance, and Alkem MedTech presents a solid platform to compete globally.

The Company remains dedicated to steadily building future growth engines across MedTech, biologics, injectables and specialized healthcare platforms. Alkem will continue to invest selectively in growth areas, undertake prudent cost management and remain agile amidst challenging macro environment. The Company is closely monitoring the fluctuations in raw material and freight costs, and is undertaking appropriate and timely action to manage costs prudently. The overall outlook remains stable, supported by a diversified business model and continued focus on execution.

Cautionary Statement

This document contains certain statements that are or may be deemed to be "forward-looking statements" within the meaning of applicable securities laws and regulations. These statements include, but are not limited to, projections, estimates, expectations, plans, objectives, and assumptions regarding the Company's future performance, business strategies, operational initiatives, and industry conditions.

Such forward-looking statements are based on current assumptions, anticipated developments, and other factors that are subject to known and unknown risks, uncertainties, and other factors beyond the Company's control. These may cause actual results, performance, or achievements to differ materially from those expressed or implied in the statements.

Key factors that could affect performance include, but are not limited to: global and domestic macroeconomic conditions, regulatory changes, evolving competitive landscapes, technological advancements, successful execution of business strategies and growth plans, R&D outcomes, changes in customer and supplier dynamics, and developments in the pharmaceutical and MedTech industries.

The Company undertakes no obligation to update, revise, or amend any forward-looking statements to reflect events or circumstances arising after the date of this report, except as required under applicable law.

Directors' Report

Dear Members,
Alkem Laboratories Limited

Your Directors are pleased to present their 52nd Annual Report on the business and operations together with the Audited Financial Statements of the Company for financial year ended 31 March, 2026. Consolidated performance of the Company and its subsidiaries has been referred to, wherever required

FINANCIAL PERFORMANCE

(₹ in Million)

Particulars	Standalone		Consolidated	
	Year ended 31 March, 2026	Year ended 31 March, 2025	Year ended 31 March, 2026	Year ended 31 March, 2025
Revenue from continuing operations	96,639.1	88,134.4	147,122.7	129,645.2
Other Income	5,551.7	5,070.6	5,833.5	4,937.4
Total Income from continuing operations	**102,190.8**	**93,205.0**	**152,956.2**	**134,582.6**
Profit before Exceptional items, Interest, Depreciation and Tax	29,795.6	26,632.6	35,885.6	30,058.9
Less: Exceptional items	1,430.9	-	1,748.3	-
Less: Interest	572.9	761.1	1,607.8	1,217.0
Less: Depreciation	2,565.6	2,836.1	3,820.6	3,571.6
Profit before Tax from continuing operations	25,226.2	23,035.4	28,708.9	25,270.3
Less: Provision for Taxation (net) from continuing operations	3,375.0	2,138.2	5,177.6	3,110.3
Less: Share in loss after tax of associates (net)	-	-	19.7	6.2
Profit after Tax and before Non-Controlling Interest from continuing operations	21,851.2	20,897.2	23,511.6	22,153.8
Less: Non-Controlling Interest	-	-	493.6	499.0
Profit for the year from continuing operations	**21,851.2**	**20,897.2**	**23,018.0**	**21,654.8**
Profit before Tax from discontinued operations	1,490.5	2,938.5	-	-
Tax expense of discontinued operations	520.8	1,026.8	-	-
Profit from discontinued operations (after Tax)	**969.7**	**1,911.7**	**-**	**-**
Profit for the year	**22,820.9**	**22,808.9**	**23,018.0**	**21,654.8**
Other Comprehensive Income	46.2	(115.0)	1,823.8	207.5
Other Comprehensive Income attributable to Non-Controlling Interest	-	-	14.1	(10.3)
Total Comprehensive Income attributable to owners of the Company	**22,867.1**	**22,693.9**	**24,841.8**	**21,862.3**
Balance of other Equity as of 01.04.2025	122,979.2	105,307.0	119,609.6	102,881.5
Dividend on Equity Shares	(6,097.8)	(5,021.7)	(6,097.8)	(5,021.7)
Recognition of put option liability during the year	-	-	(370.3)	(278.6)
Employee compensation expense for the year	-	-	48.7	166.1
Employee stock option exercised	-	-	(42.8)	-
Changes in proportion held by non-controlling interest	-	-	(27.3)	-
Balance of other Equity as of 31.03.2026	**139,748.5**	**122,979.2**	**137,961.9**	**119,609.6**

OVERVIEW OF FINANCIAL PERFORMANCE

During financial year ended 31 March, 2026, the Company's total revenue including other income was ₹ 102,190.8 Million on Standalone basis as against ₹ 93,205.0 Million achieved in the previous year, registering a growth of 9.6 %.

The export turnover of the Company during financial year 2025-26 was ₹ 26,405 Million as against ₹ 24,908.3 Million achieved in the previous year, registering a growth of 6.0 %.

During financial year ended 31 March, 2026, the Company and its subsidiaries achieved a total revenue including other income of ₹ 152,956.2 Million on Consolidated basis, as against a turnover of ₹ 134,582.6 Million achieved in the previous year, registering a growth of 13.7 %.

During financial year ended 31 March, 2026, Standalone Profit before exceptional items, interest, depreciation and tax from continuing operations increased by 11.9 % at ₹ 29,795.6 Million as against ₹ 26,632.6 Million in the previous year, whereas Consolidated Profit before exceptional items, interest, depreciation and tax increased by 19.4 % at ₹ 35,885.6 Million as against ₹ 30,058.9 Million in the previous year. As a result, Standalone Profit before tax increased by 9.5 % over the previous year to ₹ 25,226.2 Million and Consolidated Profit before tax was ₹ 28,708.9 Million, which grew by 13.6 % over the previous year.

The Standalone Net Profit after tax for financial year ended 31 March, 2026 increased by 4.6 % to ₹ 21,851.2 Million over the previous year while the Consolidated Net Profit after tax increased by 6.3% over the previous year to ₹ 23,018.0 Million.

DIVIDEND

During financial year 2025-26, the Board of Directors on 13 February, 2026, declared and paid an interim dividend of ₹ 43/- (Rupees Forty Three only) per equity share of ₹ 2/- (Rupees Two only) each, being 2150% of paid up share capital of the Company. In addition, your Directors are pleased to recommend payment of ₹ 10/- (Rupees Ten only) per equity share of ₹ 2/- (Rupees Two only) each as final dividend for financial year 2025-26, for the approval of the Members at the ensuing Annual General Meeting (AGM) of the Company. If approved, the total dividend (interim and final) for financial year 2025-26 will be ₹ 53/- (Rupees Fifty Three only) per equity share of ₹ 2/- (Rupees Two only) each as against the total dividend of ₹ 45/- (Rupees Forty Five only) per equity share of ₹ 2/- (Rupees Two only) each paid for the previous financial year.

In compliance with the requirement of Regulation 43A of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI LODR Regulations"), the Company has formulated its Dividend Distribution Policy, which is available on the Company's website at https://admin.alkemlabs.com/uploads/977928327_Dividend_distribution_policy_6b026313dc.pdf

The said Policy is also annexed to this Report as Annexure A.

TRANSFER TO RESERVES

The Board does not propose to transfer any amount to the General Reserve for financial year 2025-26.

SHARE CAPITAL

The paid up equity share capital of the Company as on 31 March, 2026 was ₹ 239.1 Million. The Company has neither issued shares with differential rights as to dividend, voting or otherwise nor issued shares to the Employees or Directors of the Company, under any scheme (including sweat equity shares).

DEPOSITS

The Company has not accepted any deposits from the public/ members during the year under review and accordingly no amount on account of principal or interest on public deposits was outstanding as on 31 March, 2026.

SUBSIDIARIES

As on 31 March, 2026, the Company has a total of 33 subsidiaries and 2 associate companies within the meaning of Sections 2(87) and 2(6) of the Companies Act, 2013 (hereinafter referred to as "the Act") respectively. The Company does not have any joint venture company(ies).

During the year under review:

- Acquired 100% stake of M/s. Bombay Ortho Industries Private Limited through M/s. Alkem Medtech Private Limited, thereby making it a Wholly-owned step-down subsidiary of the Company w.e.f. 16 April, 2025. Subsequently, the name of M/s. Bombay Ortho Industries Private Limited was changed to 'Alkem MedTech Ortho Private Limited' w.e.f. 9 June, 2025;
- Acquired 100% stake of M/s. Adroit Biomed Limited, thereby making it a Wholly-owned subsidiary of the Company w.e.f. 23 April, 2025;
- M/s. Alkem Pharmaceuticals Scientific Office FZ-LLC was incorporated as a Wholly-owned subsidiary of the Company in Dubai, on 04 February, 2026;
- M/s. Alkem Pharma Trading FZCO was incorporated as a Wholly-owned subsidiary of the Company in Dubai, on 27 March, 2026.

and none of the companies ceased to be a subsidiary of the Company.

Pursuant to the first proviso to Section 129(3) of the Act and Rule 5 and Rule 8(1) of the Companies (Accounts) Rules, 2014, the salient features of financial statements, performance and financial position of each subsidiary is given in Form AOC-1 as Annexure B to this Report.

The Audited Financial Statements of the subsidiaries are available on the Company's website at https://www.alkemlabs.com/investors/subsidiary-accounts pursuant to Section 136 of the Act.

SCHEME OF MERGER

The Board of Directors of the Company has at its meeting held on 13 February, 2026 approved the amalgamation of Adroit Biomed Limited ("Transferor Company"), a wholly-owned subsidiary of the Company with and into the Company by way of a scheme of arrangement pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (including the rules thereunder) ("Scheme"), and in compliance with the provisions of the Income Tax Act.

The Scheme is, inter alia, subject to the sanction of the Mumbai bench of the National Company Law Tribunal ("NCLT") and requisite approvals of the shareholders and/or creditors of the Company, if so directed by the NCLT, and subject to compliance with applicable laws or other approvals, if required.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed report on the Management Discussion and Analysis is provided as a separate section forming part of this Report.

CORPORATE GOVERNANCE

In compliance with Regulation 34 read with Schedule V of the SEBI LODR Regulations, a Report on Corporate Governance for the year under review is provided as a separate section along with a certificate from the Statutory Auditors conforming the Company's compliance with the conditions of Corporate Governance, forming part of this Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In compliance with Regulation 34 of SEBI LODR Regulations, the Business Responsibility and Sustainability Report, describing the initiatives taken by the Company from an environmental, social and governance perspective, is provided as a separate section forming part of this Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company undertakes CSR activities in accordance with the Company's CSR Policy. The CSR programme aims to address the immediate and long term needs of the community and focus on where the major impact on marginalized sections of the society can be made. The Company's CSR strategy involves a multi-sectoral inclusive approach to focus on community needs. It strives to improve the well-being of communities by focusing on key thematic areas of healthcare, education, rural development, environment and sports. The Company implements these activities directly or through reliable partnerships with various NGOs. During financial year 2025-26, the Company has addressed the requirements of local communities in the vicinity of its head office, manufacturing facilities and R&D centers through focused projects in the said thematic areas.

Details about the Company's CSR Policy and initiatives undertaken by the Company during financial year 2025-26 are outlined in the Report on CSR activities annexed to this Report as Annexure C.

The CSR Policy is posted on Company's website: https://admin.alkemlabs.com/uploads/csr_policy_e0e5ec8d61.pdf

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointments:

The details of the appointments during the year under review are as follows:

Appointment of Mr. Ranjal Laxmana Shenoy as an Independent Director of the Company w.e.f. 13 July, 2025.

Considering the experience, expertise, proficiency and high standards of integrity possessed by Mr. Ranjal Laxmana Shenoy (DIN: 00074761), the Board of Directors of the Company based on recommendation of the Nomination and Remuneration Committee and subject to approval of the Members of the Company, approved the appointment of Mr. Ranjal Laxmana Shenoy (DIN: 00074761) as an Additional Director designated as an Independent Director of the Company.

Thereafter, the Members of the Company through Postal Ballot on 12 July,2025 approved the said appointment of Mr. Ranjal Laxmana Shenoy as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years w.e.f. 13 July, 2025 upto 12 July, 2030.

Appointment of Ms. Neela Bhattacherjee as an Independent Director of the Company w.e.f. 13 July, 2025.

Considering the experience, expertise, proficiency and high standards of integrity possessed by Ms. Neela Bhattacherjee (DIN: 01912483), the Board of Directors of the Company based on recommendation of the Nomination and Remuneration Committee and subject to approval of the Members of the Company, approved the appointment of Ms. Neela Bhattacherjee (DIN: 01912483) as an Additional Director designated as an Independent Director of the Company.

Thereafter, the Members of the Company through Postal Ballot on 12 July, 2025 approved the said appointment of Ms. Neela Bhattacherjee as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years w.e.f. 13 July, 2025 upto 12 July, 2030.

Appointment of Mr. Diwakar Gupta as an Independent Director of the Company w.e.f. 13 July, 2025.

Considering the experience, expertise, proficiency and high standards of integrity possessed by Mr. Diwakar Gupta (DIN: 01274552), the Board of Directors of the Company based on recommendation of the Nomination and Remuneration

Committee and subject to approval of the Members of the Company, approved the appointment of Mr. Diwakar Gupta (DIN: 01274552) as an Additional Director designated as an Independent Director of the Company.

The Members of the Company through Postal Ballot on 02 August, 2025 approved the said appointment of Mr. Diwakar Gupta as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years w.e.f. 13 July, 2025 upto 12 July, 2030.

Re-appointment:

Re-appointment of Mrs. Madhurima Singh, Executive Director of the Company.

The Board of Directors of the Company based on the recommendation of the Nomination and Remuneration Committee and Audit Committee and pursuant to the relevant provisions of SEBI LODR Regulations, Sections 196, 197 and 198 read with Schedule V and other applicable provisions of the Act, the Articles of Association of the Company and considering her contribution towards the growth of the Company, approved the re-appointment of Mrs. Madhurima Singh as an Executive Director of the Company for a term of 5 (five) consecutive years commencing from 20 December, 2026 upto 19 December, 2031 subject to the approval of the Members of the Company.

Completion of tenure

Tenure Completion

Mr. Arun Kumar Purwar, Ms. Sangeeta Singh and Ms. Sudha Ravi retired from the Board of Directors of the Company after the close of business hours on 12 July, 2025, upon completion of their second term as Independent Directors of the Company. The Directors place on record their appreciation on the contribution made by the above Directors in the growth of the Company during their tenure.

Directors liable to retire by rotation

Mr. Sandeep Singh (DIN: 01277984) and Mr. Sarvesh Singh (DIN: 01278229) are liable to retire by rotation at the ensuing AGM of the Company pursuant to the provisions of Section 152 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of the Company and being eligible they have offered themselves for re-appointment, on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company.

Particulars in pursuance of Regulation 36 of the SEBI LODR Regulations read with Secretarial Standard – 2 on General Meetings relating to Mr. Sandeep Singh and Mr. Sarvesh Singh are given in the Notice of AGM.

Key Managerial Personnel

In accordance with the provisions of Section 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the following are the Key Managerial Personnel of the Company as on 31 March, 2026:

- Mr. Sandeep Singh - Managing Director;
- Dr. Vikas Gupta - Chief Executive Officer (upto 30 June, 2026);
- Mr. Nitin Agrawal - President and Chief Financial Officer; and
- Mr. Manish Narang, President - Legal, Company Secretary and Compliance Office

Resignation

Dr. Vikas Gupta Chief Executive Officer and Key managerial personnel of the Company, resigned w.e.f. 30 June, 2026 to pursue new professional opportunities. The Directors placed on record appreciation for the valuable contribution made by Dr. Vikas Gupta during his tenure as a Chief Executive Officer and Key managerial personnel in the Company.

Independent Directors

The Independent Directors hold office for a term of 5 (five) years and are not liable to retire by rotation. The Independent Directors of the Company fulfill the conditions specified in the Act and SEBI LODR Regulations and are independent of the management.

Declaration of independence from Independent Directors

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of the Act, read with the schedules and rules issued thereunder, as well as Regulation 16(1)(b) of the SEBI LODR Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force). In terms of Regulation 25(8) of the SEBI LODR Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

The terms and conditions of appointment of the Independent Directors are posted on Company's website: https://admin.alkemlabs.com/uploads/Terms_of_appointment_Independent_Directors_2a82f9dd72.pdf

Familiarisation Programme

In compliance with the requirements of SEBI LODR Regulations, the Company has put in place a framework for Directors' Familiarisation Programme to familiarize them with their roles, rights and responsibilities as Directors, the working of the Company, nature of the industry in which the Company operates, business model, etc. The details of the Familiarisation Programme conducted during financial year under review are explained in the Corporate Governance

Report. The same is also available on the Company's website at https://www.alkemlabs.com/investors/details-familiarization-program .

Annual Evaluation of Board's Performance

The details of the annual evaluation of the Individual Directors, Board as a whole and all the Committees of the Board have been provided in the Corporate Governance Report, which forms part of this Report.

The Independent Directors, at a separate meeting held on 26 March, 2026 evaluated performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairperson of the Company.

The evaluation of the Independent Directors was carried out by the entire Board of Directors without the participation of the respective Independent Director.

The Company follows a policy for selection and appointment of Directors, Senior Management and their remuneration, which is available on the Company's website at https://admin.alkemlabs.com/uploads/1378936118_Nomination_and_Remuneration_Policy_modified_27052016_307d64b304.pdf. The said Policy is annexed to this Report as Annexure D.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as Annexure E.

Further, a statement showing the names and other particulars of top ten employees in terms of remuneration drawn and of employees drawing remuneration in excess of the limits required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. However, in terms of first proviso to Section 136(1) of the Act, the Annual Report and Annual Financial Statements are being sent by email to the Members and others entitled thereto, excluding the aforesaid information. The said information shall be provided electronically to any Member on a written request to the Company Secretary to obtain a copy of the same.

NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met 7 (seven) times during financial year 2025-26. The details of the Board meetings and the attendance of Directors thereat are provided in the Corporate Governance Report, which forms part of this Report.

COMMITTEES OF THE BOARD

Audit Committee

As on 01 April, 2025, the Audit Committee comprised of Mr. Arun Kumar Purwar as Chairperson and Mr. Sandeep Singh, Mr. Mritunjay Kumar Singh, Ms. Sangeeta Singh, Mr. Narendra Kumar Aneja and Ms. Sudha Ravi as Members.

Thereafter, the Board at its meeting held on 18 June, 2025, reconstituted the Audit Committee with effect from 13 July, 2025, comprising of Mr. Narendra Kumar Aneja as Chairperson and Mr. Sandeep Singh, Mr. Mritunjay Kumar Singh, Mr. R. L. Shenoy, Mr. Rajeev Kher and Mr. Diwakar Gupta as Members.

The brief terms of reference of the Audit Committee and the particulars of meetings held and attendance thereat are mentioned in the Corporate Governance Report which forms part of this Report.

Nomination and Remuneration Committee

As on 01 April, 2025, the Nomination and Remuneration Committee comprised of Mr. Arun Kumar Purwar as Chairperson and Mr. Basudeo N. Singh, Ms. Sudha Ravi and Mr. Narendra Kumar Aneja as Members.

Thereafter, the Board at its meeting held on 18 June, 2025 reconstituted the Nomination and Remuneration Committee with effect from 13 July, 2025, comprising of Mr. R. L. Shenoy as Chairperson and Mr. Basudeo N. Singh, Mr. Sujjain Talwar, and Ms. Neela Bhattacherjee as Members.

The brief terms of reference of the Nomination and Remuneration Committee and the particulars of meetings held and attendance thereat are mentioned in the Corporate Governance Report which forms part of this Report.

Corporate Social Responsibility and Sustainability Committee

As on 01 April, 2025, the Corporate Social Responsibility and Sustainability Committee comprised of Mrs. Madhurima Singh as Chairperson and Mr. Sandeep Singh, Mr. Srinivas Singh, Ms. Sangeeta Singh and Ms. Sudha Ravi as Members.

Thereafter, the Board at its meeting held on 18 June, 2025 reconstituted the Corporate Social Responsibility and Sustainability Committee with effect from 13 July, 2025, comprising of Mrs. Madhurima Singh as Chairperson and Mr. Srinivas Singh, Mr. Sarvesh Singh, Mr. Narendra Kumar Aneja and Mr. Rajeev Kher as Members.

The brief terms of reference of the Corporate Social Responsibility and Sustainability Committee and the particulars of meetings held and attendance thereat are mentioned in the Corporate Governance Report which forms part of this Report.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee comprises of Mr. Sujjain Talwar as Chairperson and Mr. Mritunjay Kumar Singh, Mrs. Madhurima Singh and Mr. Srinivas Singh as Members.

The brief terms of reference of the Stakeholders' Relationship Committee and the particulars of meetings held and attendance thereat are mentioned in the Corporate Governance Report which forms part of this Report.

Risk Management Committee

As on 01 April, 2025, the Risk Management Committee comprised of Mr. Mritunjay Kumar Singh as Chairperson and Mr. Sandeep Singh, Mr. Srinivas Singh, Ms. Sudha Ravi, Mr. Narendra Kumar Aneja and Mr. Sujjain Talwar as Members.

Thereafter, the Board at its meeting held on 18 June, 2025 reconstituted the Risk Management Committee with effect from 13 July, 2025, comprising of Mr. Mritunjay Kumar Singh as Chairperson and Mr. Sandeep Singh, Mr. Srinivas Singh, Ms. Neela Bhattacherjee, Mr. Diwakar Gupta and Mr. R. L. Shenoy as Members.

The brief terms of reference of the Risk Management Committee and the particulars of meeting held and attendance thereat are mentioned in the Corporate Governance Report which forms part of this Report.

RISK MANAGEMENT

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has a Board approved Risk Management Policy. The Board of Directors has constituted a Risk Management Committee which is delegated with the responsibility of overseeing various strategic, operational and financial risks that the organization faces, along with assessment of risks, their management and mitigation procedures. A detailed analysis of the business risks and opportunities is given under Management Discussion and Analysis Report forming part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief, your Directors confirm that:

(a) in the preparation of the annual accounts for financial year ended 31 March, 2026, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

(b) they have selected such accounting policies and applied them consistently and made judgements 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 at 31 March, 2026 and of the profit of the Company for the year ended on that date;

(c) they 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) they have prepared the annual financial statements on a going concern basis;

(e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and

(f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

SECRETARIAL STANDARDS

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

Pursuant to the provisions of Section 139 of the Act and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. Deloitte Haskins & Sells LLP (Firm Registration No. 117366W/W-100018), Chartered Accountants, the Statutory Auditors of the Company, were appointed pursuant to the resolution passed by the Shareholders at the 50th AGM of the Company held on 30 August, 2024, for a term of 5 (five) consecutive years from the conclusion of 50th AGM of the Company until the conclusion of the 55th AGM to be held in year 2029.

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of the Company have confirmed that they are not disqualified from continuing as the Auditors of the Company for financial year 2026-27.

The Auditors' Report for financial year ended 31 March, 2026, is an unmodified one. However, pursuant to CARO report, following adverse remark stated in the Auditor's report:

Delay in respect of remittance of Provident Fund and Profession tax: The delay in remittance of Provident Fund ("PF") is attributable to the earlier process of initiating PF settlements only after receipt of the completed Full & Final (F&F) Clearance Form. To address this, the process has been revised with effect from January 2026, whereby PF remittances have been initiated immediately upon an employee's separation from the Company. This has strengthened statutory compliance, mitigated the risk of interest and penal liabilities, and ensured timely remittance of dues going forward.There has been no delay in respect of remittance of Profession tax.

Cost Auditor

The Company is required to maintain cost records for certain products as specified by the Central Government under Section 148(1) of the Act and accordingly such accounts and records are made and maintained in the prescribed manner.

Pursuant to the provisions of Section 148 of the Act and the rules made thereunder read with notifications/ circulars issued by the Ministry of Corporate Affairs from time-to-time and as per the recommendation of the Audit Committee, the Board of Directors at its meeting held on 29 May, 2025, had re-appointed Mr. Suresh D. Shenoy, Cost Accountant (Membership No. 8318), as the Cost Auditor of the Company for financial year 2025-26 to conduct the audit of the cost records of the Company. A resolution for ratification of the fees payable to the Cost Auditor is included in the Notice of AGM for seeking approval of Members. The Cost Audit Report will be filed within the period stipulated under the Act.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s. Manish Ghia & Associates, Practicing Company Secretaries, (Membership No. F6252, COP No. 3531) to conduct the Secretarial Audit of the Company for a term of 5 (five) consecutive years to hold office w.e.f. 01 April, 2025 upto 31 March, 2030, on such fees as may be decided by the Board of Directors of the Company and the Secretarial Auditors. The said appointment was then approved by the Shareholders at the 51st Annual General Meeting of the Company held on 25 August, 2025.

The Secretarial Audit Report received from M/s. Manish Ghia & Associates, Secretarial Auditors of the Company, for financial year ended 31 March, 2026 is annexed to this Report as Annexure F. The said Report does not contain any qualification, reservation or adverse remark.

ANNUAL RETURN

The Annual Return of the Company in prescribed Form MGT-7 is available on the website of the Company at https://www.alkemlabs.com/investors/annual-returns

RELATED PARTY TRANSACTIONS

All the Related Party Transactions entered into during financial year 2025-26 by the Company, were at arm's length basis and in compliance with the applicable provisions of the Act and the SEBI LODR Regulations and are in conformity with the Company's Policy on Related Party Transactions.

The disclosure of material related party transactions entered into by the Company during financial year 2025-26, as required under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is annexed to this Report as Annexure G. The Policy on Related Party Transactions as approved by the Board of Directors is posted on the Company's website at https://admin.alkemlabs.com/uploads/Related_Party_Transactions_Policy_1e79a77a4a.pdf

PARTICULARS OF LOANS/ GUARANTEES GIVEN/ INVESTMENTS MADE AND SECURITIES PROVIDED

The particulars of loans, guarantees, investments and securities provided covered under the provisions of Section 186 of the Act have been disclosed in the notes to the financial statements forming part of the Annual Report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to the provisions of Section 177(9) of the Act, the Board of Directors of the Company have framed the Vigil Mechanism / Whistle Blower Policy for employees and/ or volunteers of the Company. The said Policy encourages to report any action or suspected action taken within the Company that is illegal, fraudulent or in violation of any adopted policy of the Company including reporting of instances of leak or suspected leak of unpublished price sensitive information. The Policy also provides access to the Chairperson of the Audit Committee under certain circumstances. The Whistle Blower Policy is posted on the website of the Company at https://admin.alkemlabs.com/uploads/Whistle_Blower_Policy_new_5d094b8491.pdf

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has adopted a policy fully in compliance with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder.

Internal Complaints Committees have been set up at the head office of the Company as well as at all the Company's plants, depots and R&D centers to redress complaints received on sexual harassment. The details of complaints received during financial year 2025-26 are as under:

a. number of complaints of sexual harassment received in the year: 2

b. number of complaints disposed off during the year: 2

c. number of cases pending for more than ninety days : Nil

DISCLOSURES UNDER THE ACT

Change in Nature of Business, if any:

During financial year 2025-26, there has been no change in the nature of business of the Company.

Material Changes and Commitments affecting the financial position of the Company:

There are no material changes and commitments, which have occurred between the end of financial year and the date of the Report which have affected the financial position of the Company.

Significant and Material Orders:

The Company has not received any significant or material orders passed by any regulatory authority, court or tribunal which may impact the going concern status and Company's operations in future.

Reporting of Frauds by Auditors:

During the year under review, there were no frauds reported by Auditors under Section 143(12) of the Act.

Details on Insolvency and Bankruptcy Code:

During the year under review, no application has been made by the Company under the Insolvency and Bankruptcy Code and accordingly the requirement of disclosing the following details are not applicable to the Company:

(i) the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year alongwith their status as at the end of the financial year; and

(ii) the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

DETAILS ON INTERNAL FINANCIAL CONTROLS RELATED TO FINANCIAL STATEMENTS

The Company has established and implemented a robust, process-driven framework for Internal Financial Controls (IFC) in compliance with the requirements of the Companies Act. The Company's policies, standard operating procedures, and control mechanisms are designed to ensure appropriate checks and balances, thereby enabling that all transactions are duly authorised, accurately recorded, and properly reported.

During the year under review, the Internal Auditors with external audit consultants evaluated the adequacy and operating effectiveness of the Company's IFC framework. Based on their assessment, the Board is of the opinion that the Internal Financial Controls were adequate and operating effectively throughout the financial year.

COMPLIANCE TO THE PROVISIONS RELATING TO THE MATERNITY BENEFITS ACT, 1961.

During the year under review, the Company confirms that it has duly complied with the provisions of the Maternity Benefit Act, 1961. All eligible women employees have been extended the statutory benefits prescribed under the Act. The Company remains committed to fostering an inclusive and supportive work environment that upholds the rights and welfare of its women employees in accordance with applicable laws.

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 and the Rules framed thereunder is annexed herewith as Annexure H to this Report.

ACKNOWLEDGEMENT

Your Directors would like to express sincere gratitude to all valuable stakeholders of the Company viz., the Central and State Government Departments, organizations, agencies, our customers, shareholders, dealers, vendors, banks, medical fraternity, patients and other business associates for their excellent support and co-operation extended by them during the financial year under review.

The Board of Directors also places on record its appreciation for the significant contribution made by the employees of the Company through their dedication, hard work and unstinted commitment.

For and on behalf of the Board
Alkem Laboratories Limited

Basudeo N. Singh
Executive Chairman
DIN: 00760310
Mumbai, 28 May, 2026

Annexure A

DIVIDEND DISTRIBUTION POLICY OF ALKEM LABORATORIES LIMITED

PREAMBLE

As per Regulation 43A of SEBI (LODR) Regulations, 2015, the top five hundred listed entities based on market capitalisation (calculated as on 31 March of every financial year) shall formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites. Alkem Laboratories being one of the top five hundred listed companies as per the market capitalisation, frames this policy to comply with the SEBI (LODR) Regulations, 2015.

OBJECTIVE

The objective of the policy is to broadly specify the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend.

PHILOSOPHY

The Company is deeply committed to driving superior value creation for all its stakeholders. The Company believes that driving growth creates maximum shareholder value and thus it would first like to deploy its profits to fund its working capital requirements, capital expenditure requirements, reducing debt, allocate reserves for inorganic growth opportunities and thereafter distribute the surplus profits in the form of dividend to the shareholders.

DEFINITIONS

- **'Company'** means Alkem Laboratories Limited
- **'Board' or 'Board of Directors'** means Board of Directors of the Company
- **'Dividend'** means Dividend as defined under Companies Act, 2013
- **'Policy or this Policy'** means the Dividend Distribution Policy
- **'SEBI (LODR) Regulations'** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with the circulars issued thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force
- **'Subsidiary'** shall mean Subsidiary of the Company as defined under the Companies Act, 2013

PARAMETERS FOR DECLARATION OF DIVIDEND

Internal Factors / Financial Parameters

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

- The Board of Directors of the Company shall declare dividend depending on the consolidated net profit after tax earned by it during the financial year
- The Board of Directors of the Company would consider its working capital requirements, R&D expenditure and capital expenditure requirements for future growth before declaring the dividend
- The Board of Directors of the Company shall take into account resources required to fund acquisitions and / or new businesses and additional investment required in its subsidiaries/associates of the Company
- The dividend declaration would also depend upon the liquidity position of the Company, Outstanding borrowings and the cash flow required to meet contingencies
- The Board of Directors of the Company shall also take into account past dividend trends of the Company

External Factors

- Dividend declared would be in compliance with prevailing legal requirements, regulatory conditions or restrictions laid down under the Applicable Laws including tax laws
- The Board of Directors of the Company would consider dividend pay-out ratios of companies in the same industry

Circumstances under which the shareholders may or may not expect Dividend

The Company shall not recommend dividend if it is of the opinion that it is financially not prudent to do so. The shareholders of the Company may not expect Dividend under the following circumstances:

- In case the Company is undertaking significant expansion which would require higher allocation of resources
- If the Company requires significant amount of working capital to fund its future growth
- In case the Company proposes to utilise surplus cash for buy-back of securities

- In the event of inadequacy of profits or whenever the Company has incurred losses

The Company may declare dividend out of the profits of the Company for the year or out of the profits for any previous year or years or out of the free reserves available for distribution of Dividend, after having due regard to the parameters laid down in this Policy.

Modification of the Policy

The Board is authorised to change/amend this policy from time to time at its sole discretion and/or in pursuance of any amendments made in the Companies Act, 2013, the Regulations, etc.

Disclosure

The Company shall make appropriate disclosures as required under the SEBI Regulations.

For and on behalf of the Board
Alkem Laboratories Limited

Basudeo N. Singh
Executive Chairman
DIN: 00760310

Annexure B

Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries

Part "A": Subsidiaries

(₹ in Million)

Sr. No.	Name of Subsidiary	Date of incorporation / acquisition of subsidiary	Reporting period of the subsidiary (if different from the holding company's reporting period)	Reporting Currency	Exchange Rate as on the last date of relevant financial year	Share Capital	Other Equity	Total Assets	Total Liabilities	Investments	Turnover	Profit Before Tax	Provision For Tax	Profit After Tax	Proposed Dividend	Extent Of Shareholding (in %) ^
1	Pharmacor Pty Limited	30.06.2009	N.A.	AUD	65.0225	88.1	1,246.1	2,386.4	1,052.3	1.0	3,880.9	445.0	133.0	312.0	-	100.0%
2	Cachet Pharmaceuticals Private Limited	27.03.2015	N.A.	INR	N.A.	1.8	1,661.4	3,104.8	1,441.5	231.4	4,807.8	605.6	189.4	416.3	-	60.63%
3	Ascend Laboratories SpA	19.07.2011	N.A.	CLP	0.1011	281.0	1,045.5	4,285.5	2,959.0	53.9	4,337.2	211.7	54.1	157.5	-	100.0%
4	Enzene Biosciences Ltd.	04.11.2011	N.A.	INR	N.A.	584.0	8,926.7	18,315.3	8,804.6	3,737.1	4,295.7	(122.7)	(102.7)	(20.0)	-	99.55%
5	Ascend GmbH	10.11.2008	N.A.	EUR	108.9950	61.6	27.7	2,227.5	2,138.2	-	2,502.2	99.8	-	99.8	-	100.0%
6	Indchemie Health Specialities Private Limited	30.03.2015	N.A.	INR	N.A.	2.5	5,466.3	7,894.6	2,425.8	2,238.6	7,583.8	1,017.1	330.3	686.8	80.0	51.0%
7	The PharmaNetwork, LLP	14.08.2012	N.A.	KZT	0.1952	157.6	(177.7)	919.1	939.2	-	796.9	(169.5)	(7.8)	(161.6)	-	100.0%
8	Alkem Laboratories Korea Inc$	07.08.2012	N.A.	KRW	0.0622	0.1	(2.5)	0.1	2.5	-	-	(0.1)	-	(0.1)	-	100.0%
9	Ascend Laboratories SDN BHD$	13.12.2010	N.A.	MYR	23.5450	0.0	(1.2)	2.0	3.2	-	-	0.1	-	0.1	-	100.0%
10	S & B Holdings S.a.r.l **	17.06.2009	N.A.	EUR	108.9950	3,539.4	(1,447.4)	2,092.9	0.9	2,053.5	-	1.3	-	1.3	-	100.0%
11	Pharmacor Limited	15.05.2012	N.A.	KES	0.7304	0.1	64.0	257.0	193.0	-	295.2	3.9	3.5	0.4	-	100.0%
12	Alkem Laboratories Corporation	07.11.2008	N.A.	PHP	1.5453	717.4	(728.2)	259.4	270.2	-	226.3	(109.3)	(4.2)	(105.1)	-	100.0%
13	Ascend Laboratories (Pty) Limited	26.05.2008	N.A.	ZAR	5.5225	68.8	82.0	261.7	110.9	-	180.2	13.1	3.6	9.6	-	100.0%
14	ThePharmaNetwork, LLC #	15.07.2010	N.A.	USD	94.8350	8,161.9	(2,238.0)	11,411.9	5,488.1	11,411.9	412.6	338.3	-	338.3	-	100.0%
15	Ascend Laboratories LLC #	15.07.2010	N.A.	USD	94.8350	703.1	12,694.6	25,680.3	12,282.6	753.2	27,672.6	827.0	478.2	348.9	-	100.0%
16	S&B Pharma LLC #	08.04.2020	N.A.	USD	94.8350	0.1	590.9	2,054.8	1,463.8	-	1,232.3	3.8	-	3.8	-	100.0%
17	Ascend Laboratories (UK) Limited	06.08.2014	N.A.	GBP	125.5100	9.9	130.9	452.2	311.5	-	997.0	26.3	6.6	19.7	-	100.0%
18	Alkem Foundation	14.12.2017	N.A.	INR	N.A.	0.1	(0.1)	0.6	0.7	-	309.3	0.4	-	0.4	-	100.0%
19	Ascend Laboratories Limited$	07.09.2017	N.A.	CAD	68.1500	47.3	(16.5)	42.3	11.5	-	-	(9.5)	-	(9.5)	-	100.0%
20	Pharma Network SpA	27.03.2018	N.A.	CLP	0.1011	12.3	149.7	417.0	255.0	-	1,153.9	150.2	41.1	109.1	-	100.0%
21	Ascend Laboratories SAS	04.06.2019	N.A.	COP	0.0253	28.9	105.9	563.7	428.9	-	588.4	63.8	12.4	51.4	-	100.0%
22	Connect 2 Clinic Private Limited	12.06.2020	N.A.	INR	N.A.	15.0	21.5	38.7	2.3	-	66.1	3.4	1.6	1.8	-	100.0%
23	Ascend Laboratories S.A. DE C.V.	02.09.2021	N.A.	MXN	5.2092	38.9	8.4	349.1	301.7	-	277.2	5.3	3.3	2.0	-	100.0%
24	Enzene Inc	26.05.2022	N.A.	USD	94.8350	0.0	1,941.4	10,018.1	8,076.6	-	627.5	(1,485.4)	-	(1,485.4)	-	99.55%

(₹ in Million)

Sr. No.	Name of Subsidiary	Date of incorporation / acquisition of subsidiary	Reporting period of the subsidiary (if different from the holding company's reporting period)	Reporting Currency	Exchange Rate as on the last date of relevant financial year	Share Capital	Other Equity	Total Assets	Total Liabilities	Investments	Turnover	Profit Before Tax	Provision For Tax	Profit After Tax	Proposed Dividend	Extent Of Shareholding (in %) ^
25	Pharmacor Limited$	01.06.2022	N.A.	NZD	51.8948	-	2.7	2.9	0.3	-	-	(0.6)	-	(0.6)	-	100.0%
26	Alkem Medtech Private Limited	27.03.2024	N.A.	INR	N.A.	3,803.8	516.7	5,513.3	1,192.9	2,722.8	151.3	(160.0)	-	(160.0)	-	100.0%
27	Alkem MedTech Ortho Private Limited (formerly known as Bombay Ortho Industries Private Limited)	16.04.2025	N.A.	INR	N.A.	68.6	628.7	1,093.8	396.6	-	137.8	(267.1)	-	(267.1)	-	100.0%
28	Alixer Nexgen Therapeutics Limited	12.07.2024	N.A.	INR	N.A.	252.0	(148.5)	212.7	109.2	-	-	(138.6)	-	(138.6)	-	100.0%
29	Alkem Wellness Limited	16.09.2024	N.A.	INR	N.A.	6,550.0	1,219.8	14,525.6	6,755.8	-	19,781.7	3,160.8	421.8	2,739.0	-	100.0%
30	Pharmacor SpA, Chile	22.11.2024	N.A.	CLP	0.1011	1.0	(72.8)	437.1	508.9	-	678.6	(81.6)	(19.0)	(62.6)	-	100.0%
31	Adroit Biomed Limited	23.04.2025	N.A.	INR	N.A.	4.4	98.2	214.8	112.2	12.4	536.6	(11.6)	7.5	(19.1)	-	100.0%
32	Alkem Pharmaceuticals Scientific Office FZ LLC$	04.02.2026	N.A.	AED												100.0%
33	Alkem Pharma Trading FZCO$	27.03.2026	N.A.	AED												100.0%

$ Subsidiary yet to commence operations

** Previously known as S&B Holdings B.V with principle place of business based at Netherlands redomiciled to Luxembourg w.e.f 16 October 2023

Alkem Laboratories Limited owns 47% of the membership units of ThePharmaNetwork, LLC, while S&B Holdings S.r.l. owns the remaining 53%. Accordingly, Alkem Laboratories Limited indirectly holds full ownership of ThePharmaNetwork, LLC and its wholly-owned subsidiaries, Ascend Laboratories LLC and S&B Pharma LLC.

^ Denotes equity shareholding

Amounts mentioned as 0.0 are less than rupess one lakh.

Part "B": Associates and Joint Ventures

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

Name of the Associate Companies	HAYSTACKANALYTICS PRIVATE LIMITED	SUNSURE SOLARPARK TWENTY TWO PRIVATE LIMITED
1. Latest Audited Balance Sheet date	31 March, 2026	31 March, 2025
2. Date on which the Associate Company was associated or acquired	10 January, 2025	29 January, 2025
3. Shares of Associate Company held by the Company on the year end		
Number of shares	Equity shares : 1666 and Compulsorily Convertible Preference Shares: 16654	Equity shares : 7405
Amount of Investment in Associate Company	₹ 374.0 Million	₹ 9.4 Million
Extent of Holding (in percentage)	7.62%	21.46%
4. Description of how there is significant influence	Affirmative vote matter right on key issues.	Refer note 1 below
5. Reason why the Associate Company is not consolidated	Not applicable	Refer note 1 below
6. Net worth attributable to shareholding as per latest Audited Balance Sheet	₹ 53.7 Million	Refer note 1 below
7. Profit or Loss for the year		
i. considered in consolidation	₹ (19.7) Million	Not applicable
ii. not considered in consolidation	Not applicable	Refer note 1 below

Notes:

1. In accordance with Ind AS 28, it has been determined that the Group does not have significant influence over M/s. Sunsure Solarpark Twenty Two Pvt Ltd. Consequently, this entity has not been consolidated into the financial statements of the Company.

2. Enzene Biosciences Limited, a subsidiary of Alkem Laboratories Limited has also invested ₹ 10.1 Million (8055 shares with 23.5% holding) in M/s. Sunsure Solarpark Twenty Two Pvt Ltd.

For and on behalf of the Board of Directors of Alkem Laboratories Limited
CIN: L00305MH1973PLC174201

B.N. Singh
Executive Chairman
DIN. 00760310

Sandeep Singh
Managing Director
DIN. 01277984

M.K. Singh
Executive Director
DIN. 00881412

Dr. Vikas Gupta
Chief Executive Officer

Nitin Agrawal
President - Finance &
Chief Financial Officer

Manish Narang
President - Legal &
Company Secretary
Membership No - F4365

Mumbai, 28 May, 2026

Annexure C
ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company:

The Company is a deeply committed corporate citizen with its strategies, policies and actions aligned with wider social concerns, through initiatives in areas like education, health and other socially relevant areas. The Company believes in making a holistic impact on the communities in which it operates.

With an endeavour to achieve the above and to be a socially responsible corporate citizen, the Company has developed a CSR Policy wherein it has identified some areas which are in line with its overall social objectives and which are covered within the broad frame work of Schedule VII of the Companies Act, 2013 and also as per the regulatory guidelines given by the Government from time to time.

The CSR Policy of the Company outlines the framework guiding the Company's CSR activities. It sets out the CSR vision statement, guiding principles, implementation process, CSR governance structure and monitoring/ reporting mechanism.

2. Composition of Corporate Social Responsibility and Sustainability (CSRS) Committee:

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSRS Committee held during the year	Number of meetings of CSRS Committee attended during the year
1.	Mrs. Madhurima Singh	Chairperson	2	2
2.	*Mr. Sandeep Singh	Member	2	0
3.	Mr. Srinivas Singh	Member	2	2
4.	*Ms. Sangeeta Singh	Member	2	1
5.	*Ms. Sudha Ravi	Member	2	1
6.	#Mr. Sarvesh Singh	Member	2	1
7.	#Mr. Narendra Kumar Aneja	Member	2	1
8.	#Mr. Rajeev Kher	Member	2	1

*Members upto 12 July, 2025

#Members w.e.f. 13 July, 2025

3. Provide the web-link(s) where composition of Corporate Social Responsibility and Sustainability Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

Composition of the Committee: https://www.alkemlabs.com/investors/committees

CSR Policy: https://admin.alkemlabs.com/uploads/csr_policy_e0e5ec8d61.pdf

CSR Projects: https://www.alkemlabs.com/sustainability/csr#action-plan

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

The Company has undertaken impact assessment for the following CSR Projects in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014:

(i) Support for establishment of smart classes in 240 government schools;

(ii) Mass plantation drive of fruit-bearing plants for supporting farmers; and

(iii) Promotion of Sports and Games towards the training of athletes supported by OGQ for Olympic Games

The details of the said impact assessment have been uploaded on the website of the Company and can be accessed at https://www.alkemlabs.com/sustainability/csr.

5. (a) **Average net profit of the Company as per Section 135(5):** ₹ 19,249.81 Million

(b) **Two percent of average net profit of the Company as per Section 135(5):** ₹ 385.00 Million

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

(d) **Amount required to be set off for financial year, if any:** ₹ 44.16 Million

(e) **Total CSR obligation for financial year (b+c-d):** ₹ 340.84 Million

6. (a) **Amount spent on CSR Projects (both Ongoing and other than Ongoing Project):** ₹ 271.75 Million

(b) **Amount spent in Administrative Overheads:** ₹ 8.33 Million

(c) **Amount spent on Impact Assessment, if applicable:** ₹ 1.32 Million

(d) **Total amount spent for financial year (a+b+c):** ₹ 281.4 Million

(e) **CSR amount spent or unspent for financial year**

Total amount spent for financial year (₹ in Million)	Amount Unspent (₹ in Million)				
	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
281.4	41.00	29/04/2026	NA		
	18.85	30/04/2026			
	59.85				

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

Sr. No.	Particulars	Amount (₹ in Million)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per Section 135(5)	340.84
(ii)	Total amount spent for financial year	281.4
(iii)	Excess amount spent for financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

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

(₹ in Million)

(1) Sr. No.	(2) Preceding financial year	(3) Amount transferred to Unspent CSR Account under Section 135(6)	(4) Balance amount in Unspent CSR Account under Section 135(6)	(5) Amount spent in the reporting financial year	(6) Amount transferred to any fund specified under Schedule VII as per Section 135(5), if any		(7) Amount remaining to be spent in succeeding financial years	(8) Deficiency, if any
					Amount	Date of transfer		
1.	2024-25	2.18	2.18	1.87	NA		0.31	NA
2.	2023-24	4.25	-	-	NA		Nil	NA
3.	2022-23	206.3	1.27	0.87	0.40	30.04.2026	Nil	NA

8. Whether any capital assets have been created or acquired through CSR amount spent in financial year: No

Details relating to such asset(s) so created or acquired through CSR amount spent in financial year:

(1) Sr. No.	(2) Short particulars of the property or asset(s) [including complete address and location of the property]	(3) Pin code of the property or asset(s)	(4) Date of creation	(5) Amount of CSR amount spent	(6) Details of entity/ authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
NA							

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5): N.A.

Note: The Company has unspent amounts pertaining to ongoing CSR projects, which have been duly transferred to the Unspent CSR Account and shall be utilised in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.

Mr. Sandeep Singh
Managing Director

Mrs. Madhurima Singh
Chairperson of CSRS Committee

Mumbai, 28 May, 2026

Annexure D

POLICY FOR NOMINATION & REMUNERATION COMMITTEE OF ALKEM LABORATORIES LIMITED

Alkem Laboratories Limited ("Company") has constituted a Nomination and Remuneration Committee ("Committee") in its Board meeting held on 30 January, 2015 as per the terms and conditions provided in Section 178 of the Companies Act, 2013 and other applicable provisions. As per the provisions, the Company is required to frame a policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company.

1. OBJECTIVE OF THE POLICY

The policy is framed with the objective(s):

1. That based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies in the Industry, the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and talented managerial personnel of the quality required to run the Company successfully and to ensure long term sustainability and create competitive advantage.

2. That the remuneration to Directors, Key Managerial Personnel (KMP) and other employees of the Company involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

2. FUNCTIONS OF THE NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee shall, inter-alia, perform the following functions:

1. Identify persons who are qualified to become Directors and employees who may be appointed in key managerial position, senior management in accordance with the criteria laid down, recommend to the Board their appointment, remuneration and removal, including succession planning.

2. Ensure that the Board comprises of a balanced combination of Executive Directors and Non-Executive Directors and also the Independent Directors, including Board diversity.

3. Devise framework to ensure that Directors are inducted through suitable familiarisation process alongwith criteria for evaluation of Independent Directors and the Board and to provide for reward(s) linked directly to their effort, performance.

4. Decide / approve details of fixed components and performance linked incentives along with the performance criteria.

5. Such other functions as may be decided in accordance with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

The Chairman of the Nomination and Remuneration committee could be present at the Annual General Meeting, to answer the shareholders' queries. However, it would be up to the Chairman to decide who should answer the queries.

3. APPLICABILITY

This Policy is applicable to:

1. Directors viz. Executive, Non-executive and Independent

2. Key Managerial Personnel ("KMP")

3. Senior Management Personnel

4. Other Employees of the Company

4. MATTERS RELATING TO THE REMUNERATION, PERQUISITES FOR THE WHOLE-TIME / EXECUTIVE / MANAGING DIRECTOR

1. The remuneration / compensation / profit-linked commission etc. to the Whole-time /Executive/ Managing Directors will be recommended by the Committee and approved by the Board. The remuneration / compensation / profit-linked commission etc. shall be in accordance with the percentage / slabs / conditions laid in the Companies Act, 2013 and shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required.

2. If in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole Time Director(s) in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to

comply with such provisions, then with the prior approval of the Central Government.

3. Increments to the Whole Time Director(s) should be within the slabs approved by the shareholders. Increments will be effective 01 April in respect of a Whole Time Director as well as in respect of other employees of the Company, unless otherwise decided.

5. REMOVAL

The Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or one level below KMP subject to the provisions of the Companies Act, 2013, and all other applicable Acts, Rules and Regulations, if any.

6. RETIREMENT

The Director, KMP and one level below the KMP shall retire as per the applicable provisions of the Regulations and the prevailing policy of the Company. Employment of the services of the Director, KMP, Senior Management Personnel as consultants after their retirement would be at the sole discretion of the Board.

7. REMUNERATION TO NON-EXECUTIVE / INDEPENDENT DIRECTOR

7.1. Sitting Fees

The Resident Non-Executive Independent Directors of the Company shall be paid sitting fees as per the applicable Regulations and no sitting fee is to be paid to Non-resident Non-Executive Directors. The quantum of sitting fees will be determined as per the recommendation of the Nomination and Remuneration Committee and approved by the Board of Directors of the Company.

7.2. Profit-linked Commission

The profit-linked Commission shall be paid within the monetary limit approved by the shareholders of the Company subject to the same not exceeding 2% of the net profits of the Company computed as per the applicable provisions of the Regulations.

7.3. Stock Options

An Independent Director shall not be entitled to any stock option of the Company.

8. REMUNERATION TO KMP, SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES

The KMP, Senior Management Personnel and other employees of the Company shall be paid monthly remuneration as per the Company's HR policies and / or as may approved by the Committee. The break-up of the pay scale and quantum of perquisites including, employer's contribution to PF, pension scheme, medical expenses, club fees etc. shall be as per the Company's HR policies.

The Chief Executive Officer of the Company will make organisation-wide annual presentation(s) before the Committee which would have requisite details setting out the proposed performance bonus payouts for the current financial year as well as the proposed increments for the next financial year. The Committee shall peruse and approve the same unless required under relevant regulations, to refer the same to the Board of Directors and / or Shareholders of the Company.

If the remuneration of KMPs or any other officer is to be specifically approved by the Committee and / or the Board of Directors under any Regulations, then such approval will be accordingly sought.

This Remuneration Policy shall apply to all future / continuing employment / engagement(s) with the Company. In other respects, the Remuneration Policy shall be of guidance for the Board. Any departure from the policy shall be recorded and reasoned in the Committee and Board meeting minutes. The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever.

For and on behalf of the Board
Alkem Laboratories Limited

Basudeo N. Singh
Executive Chairman
DIN: 00760310

Annexure E

STATEMENT OF PARTICULARS AS PER SECTION 197(12) READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

a. Directors

(₹ in Million)

Sr. No.	Name of the Director and Designation	% increase in the remuneration in the financial year ended 31 March, 2026	Ratio of the remuneration of each Director to the median remuneration of the employees
Independent Directors			
1.	%Mr. Arun Kumar Purwar	-73.0%	2.2
2.	%Ms. Sudha Ravi	-70.1%	2.2
3.	%Ms. Sangeeta Singh	-70.3%	2.1
4.	$ Mr. R.L Shenoy	NA	5.3
5.	$ Ms. Neela Bhattacherjee	NA	4.7
6.	$ Mr. Diwakar Gupta	NA	5.3
7.	Mr. Narendra Aneja	-1.0%	7.4
8.	Mr. Sujjain Talwar	-2.5%	6.8
9.	#Mr. Rajeev Kher	95.5%	7.1
Executive Directors			
10	Mr. Basudeo N. Singh	1.2%	425.1
11.	*Mr. Sandeep Singh	-3.6%	334.7
12.	Mr. Mritunjay Kumar Singh	-5.4%	228.9
13.	Mr. Sarvesh Singh	-3.1%	92.6
14.	Mrs. Madhurima Singh	0.6%	218.2
15.	Mr. Srinivas Singh	1.0%	209.9

% Resigned w.e.f. 12 July, 2025

$ Appointed w.e.f. 13 July, 2025

Appointed w.e.f. 09 August, 2024

* Part remuneration paid from M/s. The PharmaNetwork, LLC, a subsidiary of the Company in USA

b. KMP

(₹ in Million)

Sl. No.	Name of the Key Managerial Personnel and Designation	% of remuneration increase in the financial year ended 31 March, 2026
1	Dr. Vikas Gupta, Chief Executive Officer	32.0%
2	Mr. Nitin Agrawal, Chief Financial Officer	10.3%
3	Mr. Manish Narang, Company Secretary	14.1%

i. During financial year ended 31 March, 2026, the median remuneration of employees increased by 6.1 %.

ii. As on 31 March, 2026, the Company had 19,253 permanent employees on its rolls.

iii. During financial year 2025-26, there was an average 4.50% increase in the salaries of employees (excluding KMP) other than the managerial personnel as against increase in managerial remuneration by 4.27%, such increase was in line with the industry pay levels.

iv. The remuneration paid is as per the Remuneration Policy of the Company.

For and on behalf of the Board
Alkem Laboratories Limited

Basudeo N. Singh
Executive Chairman
DIN: 00760310
Mumbai, 28 May, 2026

Annexure F

FORM NO. MR3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Alkem Laboratories Limited
Mumbai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Alkem Laboratories Limited** (CIN: L00305MH1973PLC174201) and having its registered office at Alkem House, Senapati Bapat Marg, Lower Parel, Mumbai - 400013 (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31 March, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

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

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

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to the Company during the audit period);

  (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable to the Company during the audit period);

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the Company during the audit period);

  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the audit period); and

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

(vi) Drugs & Cosmetics Act, 1940; Food Safety & Standards Act, 2006; Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954; The Narcotic Drugs and Psychotropic Substances Act, 1985; The Poisons Act, 1919; The Sales Promotion Employees (Condition of Service) Act, 1976; including the rules and regulations made under these Acts; Essential Commodities Act, 1955 and the Drugs (Prices Control) Order, 2013 issued thereunder; National Pharmaceutical Pricing Policy, 2012 being the laws that are specifically applicable to the Company based on their sector/industry.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Standards, Guidelines etc. mentioned above and in respect of laws specifically applicable to the company based on their sector/ industry, in so far as requirement relating to licencing, submission of returns etc.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except for two meetings which were held on shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any are captured and recorded as part of the minutes. However, in the minutes of board meetings for the period under review, no dissents were noted and hence we have no reason to believe that decisions by the Board were not approved by all the directors present.

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, guidelines and standards.

We further report that during the audit period:

1. the Board of Directors at its meeting held on 02 April, 2025 approved an additional investment of ₹ 4.03 Crore (approx.) by way of subscription to Series B Compulsorily Convertible Preference Shares of Eyestem Research Private Limited;

2. the Board of Directors at its meeting held on 29 May, 2025 approved further investment in the equity share capital in the following wholly-owned subsidiaries of the Company in India:

   i. Adroit Biomed Limited – an amount upto ₹ 5,00,00,000/- (Rupees Five Crore only); and

   ii. Alixer Nexgen Therapeutics Limited – an amount upto ₹ 25,00,00,000/- (Rupees Twenty-Five Crore only);

3. pursuant to approval of the shareholders through Postal Ballot on April 05, 2024 for reclassification of certain members from 'Promoter Group' category to 'Public' category, the Stock Exchanges granted approval for such reclassification on 15 July, 2025;

4. the Board of Directors at its meeting held on 12 August, 2025 approved investment of CAD 1.36 Million in the equity share capital of M/s. Ascend Laboratories Limited, wholly-owned subsidiary of the Company in Canada;

5. the Board of Directors at its meeting held on 12 August, 2025 approved setting up of a Joint Venture in Saudi Arabia and subsequently, at its meeting held on 13 November, 2025, approved investment of an amount upto USD 3.7 Million, equivalent to SAR 13.88 Million, in the Equity Share Capital of M/s. Alkem Pharma, proposed subsidiary (Joint Venture) of the Company;

6. The Board of Directors at its meeting held on 13 November, 2025 approved/noted the following matters:

   i. investment in the following entities:

      a. Alkem Pharmaceuticals Scientific Office FZ LLC – investment upto AED 36,70,000 (UAE Dirham Thirty-Six Lakhs Seventy Thousand only) in the equity share capital. Accordingly, Alkem Pharmaceuticals Scientific Office FZ LLC became a wholly-owned subsidiary of the Company w.e.f. 4 February, 2026 in Dubai Healthcare City, UAE; and

      b. Alkem Pharma Trading FZCO – investment upto AED 36,70,000 (UAE Dirham Thirty-Six Lakhs Seventy Thousand only) in the equity share capital. Accordingly, Alkem Pharma Trading FZCO became a wholly-owned subsidiary of the Company w.e.f. 27 March, 2026 in Dubai, UAE;

   ii. investment upto ₹ 5,33,00,00,000/- (Rupees Five Hundred Thirty-Three Crore only) towards establishment of a new manufacturing plant at Ujjain; and

   iii. further investment upto ₹ 2,40,00,000/- (Rupees Two Crore Forty Lakhs only) in the share capital of M/s. Haystack Analytics Private Limited, Associate Company of the Company;

7. the Board of Directors at its meeting held on 28 November, 2025 approved further investment upto ₹ 3,00,00,00,000/- (Rupees Three Hundred Crore only) in Enzene Biosciences Limited, subsidiary of the Company in India, by way of contribution towards the Equity Share Capital;

8. the Board of Directors at its meeting held on 13 February, 2026:

   i declared an interim dividend of ₹ 43/- (Rupees Forty-three only) per equity share of ₹ 2/- (Rupees Two only) each amounting to ₹ 5,14,12,95,000/

(Rupees Five Hundred Fourteen Crore Twelve Lakh Ninety-Five Thousand Only);

ii approved investment upto ₹ 11,00,00,00,000/- (Rupees One Thousand One Hundred Crore only) in Alkem Medtech Private Limited for acquisition of at least 51% and upto 55% stake in Occlutech Holding AG and additional investment of approximately ₹ 2,00,00,00,000/- (Rupees Two Hundred Crore only) in Alkem Medtech Private Limited towards funding requirements of Occlutech Holding AG; and

iii approved the Scheme of Amalgamation between Adroit Biomed Limited, a wholly-owned subsidiary and the Company.

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

For Manish Ghia & Associates
Company Secretaries

CS Mannish L. Ghia
Partner
M. No. FCS 6252, C.P. No. 3531
Peer Review No.: - PR 6759/2025
(FRN/Unique ID: P2006MH007100)

Place: Mumbai
Date: 28 May, 2026
UDIN: F006252H000458924

'Annexure A'

To,
The Members,
Alkem Laboratories Limited
Mumbai

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on 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, provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Where ever 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, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Manish Ghia & Associates
Company Secretaries

CS Mannish L. Ghia
Partner
M. No. FCS 6252, C.P. No. 3531
Peer Review No.: - PR 6759/2025
(FRN/Unique ID: P2006MH007100)

Place: Mumbai
Date: 28 May, 2026
UDIN: F006252H000458924

Annexure G

FORM NO. AOC.2

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

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

1. **Details of contracts or arrangements or transactions not at arm's length basis:** Nil (All contracts or arrangements or transactions with related parties were at arm's length basis)
   (a) Name(s) of the related party
   (b) Nature of relationship
   (c) Nature of contracts/arrangements/transactions
   (d) Duration of the contracts/arrangements/transactions
   (e) Salient terms of the contracts or arrangements or transactions including actual/ expected contractual amount.
   (f) Justification for entering into such contracts or arrangements or transactions
   (g) Date of approval by the Board
   (h) Amount paid as advances, if any
   (i) Date on which the resolution was passed in general meeting as required under first proviso to section 188
   (j) SRN of MGT-14

2. **Details of material contracts or arrangement or transactions at arm's length basis:**
   (a) Name of the related party- M/s. Ascend Laboratories LLC, USA,
   (b) Nature of relationship - A wholly-owned step-down subsidiary of the Company ("Ascend")
   (c) Nature of contracts/arrangements/transactions - Sale of finished goods
   (d) Duration of the contracts/arrangements/transactions - Ongoing
   (e) Salient terms of the contracts or arrangements or transactions including the value, if any:- Based on transfer pricing guidelines, value of transactions with Ascend amounted to ₹ 15,715.13 Million during financial year 2025-26.
   (f) Date of approval by the Board, if any – The transactions being with a step-down subsidiary of the Company did not require approval of the Board. The same were however approved by the Audit Committee of the Company.
   (g) Amount paid as advances, if any – NIL

For and on behalf of the Board
Alkem Laboratories Limited

Basudeo N. Singh
Executive Chairman
DIN: 00760310
Mumbai, 28 May, 2026

Annexure H

INFORMATION ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE DETAILS

[pursuant to the Companies (Accounts) Rules, 2014]

(A) CONSERVATION OF ENERGY:

1. Energy Conservation Measures taken:

Energy Conservation continues to receive priority within the Company. The continuous monitoring of the energy consumptions across the Company's locations, has resulted in improvement in maintenance systems and reduction in distribution losses.

Steps taken for Energy Conservation during financial year 2025-26 are as follows:

(i) Enhanced ETP capacity from 200 KLD to 350 KLD at the Sikkim plant for wastewater recycling and zero liquid discharge.

(ii) Installed dew point-based purge optimizer systems for compressed air dryers at the Mandva plant to reduce power consumption.

(iii) Replaced conventional lighting with LED and energy-efficient highway lights at the Sikkim, Baddi and Taloja.

(iv) Installed energy-efficient chiller pumps at the Daman plant.

(v) Installed VFDs at the Sikkim and Mandva plants for energy optimisation.

(vi) Installed the Effi-Max automated boiler management system at the Mandva plant.

(vii) Installed a PHE-based hot water system at the Mandva plant to optimize steam consumption.

(viii) Installed a Multi-Grade Filter (MGF) in the Daman plant pre-treatment water system.

(ix) Installed energy monitoring systems across major consumption points at the Taloja plant.

(x) Upgradation from inefficient IE2 motors to IE3 energy-efficient motors at Baddi plant.

2. Steps taken by the Company for utilizing the alternate sources of energy:

During financial year 2025-26, Company has installed Solar power system at the Sikkim plant to support renewable energy adoption, used Biomass fuel for steam generation in Sikkim plant, thus avoiding non-renewable fuels and continuing the utilization of already adopted alternate sources of energy.

3. The capital investment on Energy Conservation equipment:

(₹ in Million)

Sr. No.	Particulars	Amount
1.	Enhancement of ETP capacity	7.5
2.	Replacement of inefficient pumps and motors with energy efficient pumps and motors in AHU	5.0
3.	Commissioning of Solar Power Panels	4.3
4.	Integration of purge optimizer with Air dryer	1.8
5.	Installation of energy efficient lighting	1.6
6.	Installation of MGF and PHE based hot water system	1.5
7.	Installation of Energy monitoring system	1.1
8.	Installation of Effi-Max automated boiler management system	0.9
9.	Others	0.3
	Total	**24.0**

(B) TECHNOLOGY ABSORPTION:

1. Efforts, in brief, made towards technology absorption:

(i) Microsphere technology for long-acting injectable formulations:

The Company strengthened its capability in long-acting injectable drug delivery through the development of microsphere-based formulation technology. In this platform, the active pharmaceutical ingredient is incorporated within biodegradable polymeric matrices, generally in the size range of 1–1000 µm, to enable controlled and sustained drug release over an extended period. Coacervation is an important process for microsphere formation, wherein phase separation generates a polymer-rich coacervate phase that entrains the drug substance and is subsequently hardened through solvent extraction and solidification. To improve process robustness, containment, and batch reproducibility, Agitated Nutsche Filter Dryers (ANFDs) are used for final isolation and drying stages. The overall manufacturing technology and equipments commands closed and controlled processing, improved solvent handling, and greater operational consistency, thereby strengthening internal development and manufacturing capability for complex long-acting injectable formulations.

(ii) Bead Milling Technology for Nanosuspension Formulations:

Bead milling is a top-down wet milling technology used to reduce particle size of poorly water-soluble drugs in the nanosize range, thereby improving surface area, dissolution rate, and bioavailability. Its scalability and ability to achieve controlled particle-size distribution make it suitable for pharmaceutical development and commercial application, particularly for BCS Class II and IV compounds. The nanosized formulations have wider applicability and various benefits across the dosage forms ranging from bioavailability enhancement to controlled release of drug over the period of time.

The process involves dispersing the API in a suitable liquid medium with stabilizers, followed by particle-size reduction using high-density grinding beads under controlled agitation. Key parameters such as bead size, bead loading, agitator speed, milling time, temperature, and formulation composition are optimized to obtain the desired particle characteristics and physical stability.

2. Benefits derived as a result of the above efforts:

Benefits derived through adoption of above technologies include strengthened product development capability across multiple dosage forms, providing controlled drug release over the period, improved performance of poorly soluble drug substances and reduced reliance on external technology platforms. These efforts contribute to capability building in advanced drug-delivery systems such as development of complex long-acting injectable products, thereby supporting import substitution over time.

3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

i) Flash Chromatography

(a) the details of technology imported:

The Company imported the said instrument from Switzerland, a purification technique designed for rapid separation by using air pressure. Flash chromatography columns are typically prepacked plastic cartridges with silica gel particle sizes between 40-60 mm. Automated flash chromatography systems are composed of parts normally found on HPLC (high performance liquid chromatography) systems such as a gradient pump, injection ports, UV detector and a fraction collector to gather the eluent. The use of the said technology has been cost efficient and saves time for impurity synthesis, thereby resulting in faster product development.

(b) the year of import: 2023-24;

(c) whether the technology been fully absorbed: YES;

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A.

ii) Hot melt extrusion (HME)

(a) the details of technology imported:

The Company has imported the said instrument from Germany which is a pharmaceutical technology that uses thermal and mechanical energy to melt and mix APIs with excipients. It involves melting a drug and a suitable polymer, then forcing the mixture through a dye, which results in a solid, amorphous dispersion. During the process, the drug is transformed into its amorphous state, increasing its solubility and dissolution rate. HME has been demonstrated as a robust, novel technique to make solid dispersions in order to provide time controlled, modified, extended, and targeted drug delivery resulting in improved bioavailability as well as taste masking of bitter active pharmaceutical ingredients (APIs).

(b) the year of import: 2024-25;

(c) whether the technology been fully absorbed:Yes;

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A.

iii) Ion Chromatograph (IC)

(a) the details of technology imported:

The Company has imported this instrument from Switzerland. The setup contains Metrohm Ion Chromatograph. The instrument is mainly used for identification and estimation of cations and anions in the raw materials and drug products and it helps to estimate the total sodium content, total sulfate content, total chloride content, magnesium content, potassium content, nitrate and nitrite content from the drug product, drug substances and excipients. This instrument is also used for analytical test methods like assay, dissolution, UOD, DPDM for certain drug products. The safety of the patients is ensured by using the validated methods of this technology. The acquisition of this technology is cost effective.

(b) the year of import:2024-25;

(c) whether the technology been fully absorbed: Yes;

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A.

iv) Zeta Potential Analyzer (Zeta Sizer)

a) the details of technology imported:

The Company has imported this instrument from UK. The Malvern zeta sizer instrument is used for measurement of zeta potential and particle size distribution of various dosage forms. This is a critical parameter for assessing physical stability of colloidal and nanotechnology-based formulations. It uses light scattering techniques to measure particle size (0.3nm to 15µm), zeta potential (surface charge/stability), and molecular weight, making it essential for product development to meet the quality and regulatory requirements.

b) the year of import: 2025-2026;

c) whether the technology been fully absorbed: Yes;

d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A.

v) Polarograph Instrument

a) the details of technology imported:

The Company has imported this instrument from Switzerland. The Metrohm electroanalytical instrument used for polarographic studies, enables quantitative determination of electroactive substances via current-voltage measurements. Polarography is a highly sensitive electroanalytical technique which can be used to monitor the purity of electroactive substances due to its ability to distinguish between two closely related ions in a sample with different reduction potentials, without needing to separate them beforehand for example ferric and ferrous ions in a sample can be distinctly measured in a sample population. This technique can also be used to detect trace metallic impurities and monitor degradation.

b) the year of import: 2025-2026;

c) whether the technology been fully absorbed: Yes;

d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A.

vi) Bead mill

a) the details of technology imported:

The Company imported a bead mill from WAB (Willy A. Bachofen), Switzerland and established in-house milling capability for nanosuspension drug product development. The technology supports generation of stable crystalline nanosuspensions across the dosage forms and is established and known for its scale-up potential based on laboratory process optimization. Bead milling is a top-down wet milling technology used to reduce particle size of poorly water-soluble drugs in nanosize range, thereby improving surface area, dissolution rate, and bioavailability. Nanosizing has wide application area across dosage forms resulting into improved performance of a drug product.

b) the year of import: 2025-2026;

c) whether the technology been fully absorbed: Yes;

d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A.

4. Expenditure on R & D:

(₹ in Million)

Sr. No.	Particulars	2025-26	2024-25
(i)	Capital	298.96	630.2
(ii)	Recurring	5,480 (excluding depreciation of 218.9 Million)	4,505.6 (excluding depreciation of 227.4 Million)
Total		**5,778.96**	**5,135.8**
Total R & D expenditure as percentage to total turnover		5.98% (percentage to revenue from continuing operations)	5.83% (percentage to revenue from continuing operations)

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

(₹ in Million equivalent of various foreign currencies)

	2025-26	2024-25
Foreign Exchange earned	26,586.0	25,398.7
Foreign Exchange outgo	3,027.1	3,548.1

For and on behalf of the Board
Alkem Laboratories Limited

Basudeo N. Singh
Executive Chairman
DIN: 00760310
Mumbai, 28 May, 2026

Corporate Governance Report

(1) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company is committed to the principles of good Corporate Governance and believes that adherence to these principles is essential for achieving long-term corporate objectives and enhancing stakeholder value. The Company respects the rights of its shareholders to receive timely and accurate information regarding the Company's performance and operations. The Company further believes that robust board practices, transparent disclosures and effective shareholder engagement are fundamental to maximizing the long-term value while safeguarding the interests of all stakeholders.

The Company places significant emphasis on the integrity and empowerment of its employees, the safety of its workforce and the communities surrounding its operations, transparency in decision making and fair & ethical conduct in all its dealings. The Company views strong governance not merely as a compliance requirement but as a strategic enabler of sustainable growth and long-term trust.

The Corporate Governance Report set out herein signifies the Company's adherence to all the applicable and mandatory requirements prescribed under Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI LODR Regulations") and there have been no instances of non-compliance with the requirements of the Corporate Governance Report as specified under sub-paras (2) to (10) of Part C of Schedule V of the SEBI LODR Regulations.

(2) BOARD OF DIRECTORS

The Board of Directors of the Company ("Board") has a balanced mix of Executive Directors and Non- Executive Directors with 1 (one) woman Executive Director and 1 (one) woman Independent Director having rich experience and expertise.

As on the year ended 31 March, 2026, the strength of the Board was 12 (twelve) and the composition thereof was in conformity with Regulation 17 of SEBI LODR Regulations read with Section 149 of the Companies Act, 2013 ("Act").

The brief details with respect to the Board composition during financial year 2025-26 are as follows:

Category	Name of Directors	Inter-se relationship between Directors
Promoter Executive Directors	Mr. Basudeo N. Singh (Executive Chairman)	Father of Mr. Mritunjay Kumar Singh
	Mr. Sandeep Singh (Managing Director)	Brother of Mr. Sarvesh Singh
	Mr. Mritunjay Kumar Singh (Executive Director)	Son of Mr. Basudeo N. Singh
	Mrs. Madhurima Singh (Executive Director)	Daughter in Law of Mr. Basudeo N. Singh
	Mr. Sarvesh Singh (Executive Director)	Brother of Mr. Sandeep Singh
	Mr. Srinivas Singh (Executive Director)	N.A.
Non-Executive Independent Directors	*Mr. Arun Kumar Purwar	N.A.
	Mr. Narendra Kumar Aneja	N.A.
	*Ms. Sangeeta Singh	N.A.
	*Ms. Sudha Ravi	N.A.
	Mr. Sujjain Talwar	N.A.
	Mr. Rajeev Kher	N. A.
	#Mr. R. L. Shenoy	N.A.
	#Ms. Neela Bhattacherjee	N.A.
	#Mr. Diwakar Gupta	N. A.

* Completion of term after the close of business hours on 12 July, 2025

#Appointed w.e.f. 13 July, 2025

Core Skills / Expertise / Competence for the Board of Directors

Detailed below are the core skills / expertise / competencies required for the effective functioning of the Company alongwith specific expertise of the Board Members:

Name of Director	Areas of Core Skills/ Expertise/ Competence							
	Financial Skills/ Controls	Pharma Domestic and International Marketing Strategy	Legal and Regulatory Compliance and Governance	Risk Management	Plant Management	Human Resource/ Leadership	M&A	Supply Chain
Mr. Basudeo N. Singh, Executive Chairman	√	√	√	√	√	√	√	√
Mr. Sandeep Singh, Managing Director	√	√	√	√	√	√	√	√
Mr. Mritunjay Kumar Singh, Executive Director	√	√		√	√			√
Mrs. Madhurima Singh, Executive Director	√	√	√		√	√		√
Mr. Sarvesh Singh, Executive Director	√	√						
Mr. Srinivas Singh, Executive Director		√		√				
Mr. Narendra Kumar Aneja, Independent Director	√		√	√				
Mr. Sujjain Talwar, Independent Director			√	√			√	
Mr. Rajeev Kher, Independent Director		√	√	√		√		√
Mr. R. L. Shenoy, Independent Director	√		√	√				√
Ms. Neela Bhattacherjee, Independent Director	√			√		√	√	
Mr. Diwakar Gupta, Independent Director	√		√	√		√		

The Board of Directors of the Company collectively possesses the requisite skills, expertise and competencies necessary to effectively oversee and guide the Company's operations. The annotations provided against the names of the respective Board Members indicate their specific areas of expertise and specialization, demonstrating the diversity of skills and experience that strengthens the Company's governance framework and supports its strategic direction.

Non-Executive / Independent Directors

None of the Non-Executive/ Independent Directors held any equity shares of the Company as on 31 March, 2026.

In the opinion of the Board, Independent Directors of the Company fulfill the conditions specified in the Act and SEBI LODR Regulations and are independent of the management.

During the year under review, the following changes occurred in the Board of Directors of the Company:

(i) Mr. Arun Kumar Purwar, Ms. Sangeeta Singh and Ms. Sudha Ravi retired from the Board of Directors of the Company after the close of business hours on 12 July, 2025, upon completion of their second term as Independent Directors of the Company.

(ii) Mr. Ranjal Laxmana Shenoy, Ms. Neela Bhattacherjee and Mr. Diwakar Gupta were appointed as Independent Directors on the Board of Directors of the Company for a term of 5 (five) consecutive years w.e.f. 13 July, 2025 upto 12 July, 2030.

Board Meetings

During financial year 2025-26, a total of 7 (seven) Board meetings dated 02 April, 2025, 29 May, 2025, 18 June, 2025, 12 August, 2025, 13 November, 2025, 28 November, 2025 and 13 February, 2026 were held.

The details of attendance of each Director at the Board meetings and Annual General Meeting held during the financial year 2025-26; and the details of directorships and committee positions (Chairmanships/ Memberships) held by of each Director as on 31 March, 2026 are as follows

Name of Director	Attendance			*No. of other Committee Memberships / Chairpersonships		Directorships in other Companies		
	Number of Board meetings held during the Director's tenure	Number of Board meetings attended	Last AGM held on 25 August, 2025 through video conferencing	#Committee Memberships	#Committee Chairpersonships	*Other Directorships	Names of other listed entities where person is Director	Category of Director ship in the listed entities
Mr. Basudeo N. Singh	7	7	Yes	0	0	1	NA	NA
Mr. Sandeep Singh	7	6	Yes	1	0	3	NA	NA
Mr. Mritunjay Kumar Singh	7	7	Yes	1	0	2	NA	NA
Mrs. Madhurima Singh	7	7	No	0	0	2	NA	NA
Mr. Sarvesh Singh	7	6	Yes	0	0	0	NA	NA
Mr. Srinivas Singh	7	7	Yes	0	0	2	NA	NA
@Mr. Arun Kumar Purwar	3	3	NA	NA	NA	NA	NA	NA
Mr. Narendra Kumar Aneja	7	7	Yes	0	0	1	NA	NA
@Ms. Sangeeta Singh	3	3	NA	NA	NA	NA	NA	NA
@Ms. Sudha Ravi	3	3	NA	NA	NA	NA	NA	NA
Mr. Sujjain Talwar	7	7	Yes	3	1	2	1. Carborundum Universal Limited 2. Elantas Beck India Limited	Independent Director
Mr. Rajeev Kher	7	7	Yes	2	0	2	1. Star Health and Allied Insurance Company Limited	Independent Director
%Mr. R. L. Shenoy	4	4	Yes	1	0	1	NA	NA
%Ms. Neela Bhattacherjee	4	3	Yes	2	0	2	1. S H Kelkar and Company Ltd.	Independent Director
%Mr. Diwakar Gupta	4	4	Yes	4	2	7	1. Mahindra Holidays & Resorts India Limited 2. Mahindra & Mahindra Financial Services Limited	Independent Director

@ Completion of term after the close of business hours on 12 July, 2025

%Appointed w.e.f. 13 July, 2025

*The list does not include Directorships, Committee Memberships and Committee Chairpersonships in Private Limited, Foreign and Section 8 Companies.

#The Committee Memberships and Chairpersonships in other companies include Memberships and Chairpersonships of Audit and Stakeholders' Relationship Committees of public companies only.

Note: The necessary quorum was present for all the meetings.

Compliance under Regulation 17(3) of SEBI LODR Regulations

The Board periodically reviews the compliance reports pertaining to all applicable laws prepared by the Company as well as steps taken by the Company to rectify instances of non-compliance, if any.

Familiarisation Programme

At the time of appointment, Independent Directors are apprised of their roles, rights and responsibilities through a formal letter of appointment, which also stipulates the terms and conditions of their engagement. They are also briefed about the Company's activities, plants, operations and products, etc. In terms of Regulation 46(2)(b) of SEBI LODR Regulations, the terms and conditions of appointment of Independent Directors of the Company have been uploaded on the Company's website and can be accessed at https://admin.alkemlabs.com/uploads/Terms_of_appointment_Independent_Directors_2a82f9dd72.pdf

The Independent Directors of the Company are provided with an overview of the Company's operations through interactions with the senior management and the Executive Directors of the Company. At the Board and Committee meetings, Independent Directors are, on a regular basis, familiarized with the Company's business model and strategies, industry and market developments, regulatory landscape and the environment in which the Company operates, as well as the functions, policies and procedures of the Company and its subsidiaries enabling them to effectively contribute to the Company's governance processes.

During financial year 2025-26, Independent Directors were briefed on important events involving changes in the regulatory scenario and global trends, future outlook, internal audit, risks and mitigation measures, performance of subsidiaries, working of manufacturing facilities, cyber security concerns, contribution to the society and business strategies of the Company. The Company had also organised a visit to its R&D facility at Taloja to provide an overview of its research capabilities, achievements, and future direction, in addition to its business operations. The details of the Familiarisation Programme imparted by the Company to the Independent Directors during financial year 2025-26 have been uploaded on the Company's website and can be accessed at https://www.alkemlabs.com/investors/details-familiarization-program

(3) CODE OF CONDUCT

All the Directors and Senior Management Personnel have affirmed compliance to the Code of Conduct as approved by the Board and a declaration to that effect, signed by the Managing Director of the Company has been annexed to the Corporate Governance Report. The Code of Conduct has been uploaded on the Company's website and can be accessed at https://admin.alkemlabs.com/uploads/824596594993521810_CODE_OF_BUSINESS_CONDUCT_AND_ETHICS_FOR_SENIOR_MANAGEMENT_eca6236412.pdf

(4) CODE FOR PREVENTION OF INSIDER TRADING

As per the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has adopted Codes of Fair Disclosures and Conduct for Insider Trading ("Code") to prevent insider trading in the securities of the Company based on unpublished price sensitive information. The trading window is closed during the time of declaration of financial results and occurrence of any material event as per the said Code for such duration as may be decided by the Compliance Officer. The Board has appointed Mr. Manish Narang, President - Legal, Company Secretary & Compliance Officer, who is responsible for setting forth procedures and implementation of the said Code for trading in the Company's securities.

(5) AUDIT COMMITTEE

The constitution of the Audit Committee is in compliance with the provisions of Section 177 of the Act and Regulation 18 of the SEBI LODR Regulations.

Composition of the Audit Committee

As on 01 April, 2025, the Audit Committee comprised of Mr. Arun Kumar Purwar as Chairperson and Mr. Sandeep Singh, Mr. Mritunjay Kumar Singh, Ms. Sangeeta Singh, Mr. Narendra Kumar Aneja and Ms. Sudha Ravi as Members.

Thereafter, the Board at its meeting held on 18 June, 2025, reconstituted the Audit Committee with effect from 13 July, 2025, comprising of Mr. Narendra Kumar Aneja as Chairperson and Mr. Sandeep Singh, Mr. Mritunjay Kumar Singh, Mr. R. L. Shenoy, Mr. Rajeev Kher and Mr. Diwakar Gupta as Members.

Details of Audit Committee Meetings

During financial year 2025-26, a total of 6 (six) Audit Committee meetings dated 28 May, 2025, 11 August, 2025, 12 November, 2025, 13 November, 2025, 28 November, 2025 and 12 February, 2026 were held. The intervening gap between two consecutive meetings was not more than one hundred and twenty days.

Attendance of Members at the Audit Committee Meetings

Details with respect to attendance of Members at the Audit Committee meetings held during financial year under review were as follows:

Name of the Director	Designation in the Committee	No. of meetings held during the Member's tenure	No. of meetings attended
[*]Mr. Narendra Kumar Aneja	Chairperson/ Member	6	6
[@]Mr. Arun Kumar Purwar	Chairperson	1	1
Mr. Sandeep Singh	Member	6	4
Mr. Mritunjay Kumar Singh	Member	6	6
[$]Ms. Sangeeta Singh	Member	1	1
[$]Ms. Sudha Ravi	Member	1	1
[#]Mr. R. L. Shenoy	Member	5	5
[#]Mr. Rajeev Kher	Member	5	5
[#]Mr. Diwakar Gupta	Member	5	5

[*]Member upto 12 July, 2025 and designated as Chairperson w.e.f. 13 July, 2025

[@]Chairperson upto 12 July, 2025

[$]Members upto 12 July, 2025

[#]Members w.e.f. from 13 July, 2025

Mr. Manish Narang, President - Legal, Company Secretary and Compliance Officer is the Secretary of the Audit Committee.

Note: The necessary quorum was present for all the meetings.

Terms of reference of the Audit Committee

1. Oversight of the company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. Providing recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors of the company and the fixation of audit fee;

3. Review and monitor the statutory auditor's independence and performance and effectiveness of audit process;

4. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

5. Reviewing, with the management, the annual financial statements, including auditors' report, before submission to the board for approval, with particular reference to:

    i. 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, as amended;

    ii. Changes, if any, in accounting policies and practices and reasons for the same;

    iii. Major accounting entries involving estimates based on the exercise of judgment by management;

    iv. Significant adjustments made in the financial statements arising out of audit findings;

    v. Compliance with listing and other legal requirements relating to financial statements;

    vi. Disclosure of any related party transactions; and

    vii. Qualifications in the draft audit report.

6. Reviewing, with the management, the quarterly and half-yearly financial statements before submission to the Board for approval;

7. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

8. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;

9. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

10. Discussion with internal auditors any significant findings and follow up there on;

11. 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;

12. 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;

13. Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

14. Review the functioning of the whistle blower mechanism;

15. Approval of appointment of the chief financial officer (i.e., the whole time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate;

16. To investigate any activity within its terms of reference;

17. To seek information from any employee;

18. To obtain outside legal or other professional advice;

19. To secure attendance of outsiders with relevant expertise, if it considers necessary;

20. Approval or any subsequent modification of transactions of the company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;

21. Scrutiny of inter-corporate loans and investments;
22. Valuation of undertakings or assets of the company, wherever it is necessary;
23. Evaluation of internal financial controls and risk management systems;
24. To provide recommendation to the Board of Directors of the Company for declaration of Interim Dividend to be paid to the shareholders of the Company;
25. Reviewing the utilization of loans and/or advances from/ investment to the subsidiaries exceeding Rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments;
26. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholder; and
27. Carry out any other function as mentioned in the terms of reference of the Audit Committee.

The Audit Committee mandatorily reviews the following:

1. Management's discussion and analysis of financial condition and results of operations;
2. Management letters / letters of internal control weaknesses issued by the statutory auditors;
3. Internal audit reports relating to internal control weaknesses;
4. The appointment, removal and terms of remuneration of the chief internal auditor;
5. Statement of deviations:
   (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
   (b) annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

(6) NOMINATION AND REMUNERATION COMMITTEE

The constitution of the Nomination and Remuneration Committee is in compliance with the provisions of Section 178 of the Act and Regulation 19 of the SEBI LODR Regulations.

Composition of the Nomination and Remuneration Committee

As on 01 April, 2025, the Nomination and Remuneration Committee comprised of Mr. Arun Kumar Purwar as Chairperson and Mr. Basudeo N. Singh, Ms. Sudha Ravi and Mr. Narendra Kumar Aneja as Members.

Thereafter, the Board at its meeting held on 18 June, 2025 reconstituted the Nomination and Remuneration Committee with effect from 13 July, 2025, comprising of Mr. R. L. Shenoy as Chairperson and Mr. Basudeo N. Singh, Mr. Sujjain Talwar, and Ms. Neela Bhattacherjee as Members.

Details of Nomination and Remuneration Committee meetings

During financial year 2025-26, a total of 2 (two) Nomination and Remuneration Committee meetings dated 27 May, 2025 and 18 June, 2025 were held.

Attendance of Members at the Nomination and Remuneration Committee meetings

Details with respect to attendance of Members at the Nomination and Remuneration Committee meetings held during financial year under review were as follows:

Name of the Director	Designation in the Committee	No. of meetings held during the Member's tenure	No. of meetings attended
*Mr. R. L. Shenoy	Chairperson	0	0
#Mr. Arun Kumar Purwar	Chairperson	2	2
Mr. Basudeo N. Singh	Member	2	2
#Ms. Sudha Ravi	Member	2	2
#Mr. Narendra Kumar Aneja	Member	2	2
@Mr. Sujjain Talwar	Member	0	0
@Ms. Neela Bhattacherjee	Member	0	0

*Chairperson w.e.f. 13 July, 2025

#Chairperson upto 12 July, 2025

#Members upto 12 July, 2025

@Members w.e.f. 13 July, 2025

Note: The necessary quorum was present for all the meetings.

Terms of reference of the Nomination and Remuneration Committee

(a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

(b) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

  i. use the services of an external agencies, if required;

  ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and

  iii. consider the time commitments of the candidates.

(c) Formulation of criteria for evaluation of performance of independent directors and the Board of Directors;

(d) Devising a policy on diversity of Board of Directors;

(e) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;

(f) Determining whether to extend or continue the term of appointment of the independent directors, on the basis of the report of performance evaluation of independent directors;

(g) Analysing, monitoring and reviewing various human resource and compensation matters;

(h) Determining the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

(i) Determining and recommending to the Board, all remuneration, in whatever form, payable to senior management of the Company and determining compensation levels payable to the other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;

(j) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(k) Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021;

(l) Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including [the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015] and the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003; and

(m) Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

Evaluation of Performance of Board, Committees and Directors

Pursuant to the provisions of the Act, SEBI LODR Regulations and Guidance Note issued by SEBI, the Board carried out an annual evaluation of the performance of individual Directors, Board as a whole and its Committees, based on the criteria approved by the Nomination and Remuneration Committee of the Company. The evaluation of individual Directors considered, inter alia, their overall contribution towards the growth of the Company, participation and engagement in Board deliberations, active role in monitoring the effectiveness of Company's Corporate Governance practices and adherence to the Code of Conduct. The performance of the Committees of the Board was evaluated having regard to their composition, frequency of meetings, independence of the Committees from the Board, and contribution to the effective decision-making by the Board.

In accordance with the provisions of Schedule IV of the Act and Regulation 25(3) of SEBI LODR Regulations, a separate meeting of the Independent Directors of the Company was held on 26 March, 2026, where the Independent Directors evaluated the performance of the Executive Directors, having regard to, inter alia, their contribution towards achievement of business targets, development and effective execution of the business plans, their engagement with the Board and management and their role in fostering a performance-driven culture for value creation. The Board as a whole was assessed by the Independent Directors taking into consideration factors such as its composition and diversity, frequency of meetings, mix of skills and expertise, regulatory compliances, corporate culture and values and the quality of engagement with management.

The Chairperson of the Company was evaluated by the Independent Directors, having regard to his contribution to the growth of the Company, including providing strategic direction on expansion, diversification and business planning, effective execution of business plans and his engagement with the Board and the management. Based on the outcome of the evaluation, the Company expects the Board to continue to play a constructive and meaningful role in driving sustainable value for all the stakeholders in the ensuing years.

(7) STAKEHOLDERS' RELATIONSHIP COMMITTEE

The constitution of the Stakeholders' Relationship Committee is in compliance with the provisions of Section 178 of the Act and Regulation 20 of the SEBI LODR Regulations.

Composition of the Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee comprises of Mr. Sujjain Talwar as Chairperson and Mr. Mritunjay Kumar Singh, Mrs. Madhurima Singh and Mr. Srinivas Singh as Members.

Details of Stakeholders' Relationship Committee meetings

During financial year 2025-26, a total of 2 (two) Stakeholders' Relationship Committee meetings dated 11 August, 2025 and 11 February, 2026 were held.

Attendance of Members at the Stakeholders' Relationship Committee meetings

Details with respect to attendance of Members at the Stakeholders' Relationship Committee meetings held during financial year under review were as follows:

Name of the Director	Designation in the Committee	No. of meetings held during the Member's tenure	No. of meetings attended
Mr. Sujjain Talwar	Chairperson	2	2
Mr. Mritunjay Kumar Singh	Member	2	2
Mrs. Madhurima Singh	Member	2	2
Mr. Srinivas Singh	Member	2	2

Mr. Manish Narang, President – Legal and Company Secretary was appointed as a Compliance Officer of the Company under Regulation 6 of SEBI LODR Regulations.

Note: The necessary quorum was present for all the meetings.

Terms of reference of the Stakeholders' Relationship Committee

a) Considering and resolving the grievances of security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of Annual Reports, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc. or any other documents or information to be sent by the Company to its shareholders etc.

(b) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

(c) Giving effect to all transfer/ transmission of shares and debentures, dematerialization of shares and rematerialization of shares, split and issue of duplicate/ consolidated share certificates, allotment and listing of shares, buy back of shares, compliance with all the requirements related to shares, debentures and other securities from time to time;

(d) Oversee the performance of the Registrar to an issue and Share Transfer Agent of the Company and to recommend measures for overall improvement in the quality of investor services and also to monitor the implementation and compliance of the code of conduct for prohibition of insider trading pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, and other related matters as may be assigned by the board of directors;

(e) Review of measures taken for effective exercise of voting rights by shareholders;

(f) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the company; and

(g) Carrying out any other functions as prescribed under the SEBI LODR Regulations.

Details of Investor Complaints

Complaints at the beginning of FY 2025-26	Received during the year	Resolved during the year	Complaints at the end of FY 2025-26
0	0	0	0

(8) RISK MANAGEMENT COMMITTEE

The constitution of the Risk Management Committee is in compliance with the provisions of Regulation 21 of the SEBI LODR Regulations.

Composition of the Risk Management Committee

As on 01 April, 2025, the Risk Management Committee comprised of Mr. Mritunjay Kumar Singh as Chairperson and Mr. Sandeep Singh, Mr. Srinivas Singh, Ms. Sudha Ravi, Mr. Narendra Kumar Aneja and Mr. Sujjain Talwar as Members.

Thereafter, the Board at its meeting held on 18 June, 2025 reconstituted the Risk Management Committee with effect from 13 July, 2025, comprising of Mr. Mritunjay Kumar Singh as Chairperson and Mr. Sandeep Singh, Mr. Srinivas Singh, Ms. Neela Bhattacherjee, Mr. Diwakar Gupta and Mr. R. L. Shenoy as Members.

Details of Risk Management Committee meetings

During financial year 2025-26, a total of 2 (two) Risk Management Committee meetings dated 04 August, 2025 and 27 January, 2026 were held.

Attendance of Members at the Risk Management Committee meetings

Details with respect to attendance of Members at the Risk Management Committee meetings held during financial year under review were as follows:

Name of the Director	Designation in the Committee	No. of meetings held during the Member's tenure	No. of meetings attended
Mr. Mritunjay Kumar Singh	Chairperson	2	2
Mr. Sandeep Singh	Member	2	0
Mr. Srinivas Singh	Member	2	2
*Ms. Sudha Ravi	Member	0	0
*Mr. Narendra Kumar Aneja	Member	0	0
*Mr. Sujjain Talwar	Member	0	0
#Ms. Neela Bhattacherjee	Member	2	2
#Mr. Diwakar Gupta	Member	2	2
#Mr. R. L. Shenoy	Member	2	2

*Members upto 12 July, 2025

#Members w.e.f. 13 July, 2025

Note: The necessary quorum was present for all the meetings.

Terms of reference of the Risk Management Committee

(a) Laying down risk assessment and minimization procedures and the procedures to inform Board of the same;

(b) Framing, implementing, reviewing and monitoring the risk management plan and cyber security for the Company;

(c) To formulate a detailed risk management policy which shall include:

(i) 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.

(ii) Measures for risk mitigation including systems and processes for internal control of identified risks.

(iii) Business continuity plan.

(d) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(e) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(f) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(g) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(h) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee; and

(i) Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Risk Management Committee.

(9) CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY COMMITTEE

The constitution of the Corporate Social Responsibility and Sustainability Committee is in compliance with the provisions of Section 135 of the Act.

Composition of the Corporate Social Responsibility and Sustainability Committee

As on 01 April, 2025, the Corporate Social Responsibility and Sustainability Committee comprised of Mrs. Madhurima Singh as Chairperson and Mr. Sandeep Singh, Mr. Srinivas Singh, Ms. Sangeeta Singh and Ms. Sudha Ravi as Members.

Thereafter, the Board at its meeting held on 18 June, 2025 reconstituted the Corporate Social Responsibility and Sustainability Committee with effect from 13 July, 2025, comprising of Mrs. Madhurima Singh as Chairperson and Mr. Srinivas Singh, Mr. Sarvesh Singh, Mr. Narendra Kumar Aneja and Mr. Rajeev Kher as Members.

Details of Corporate Social Responsibility and Sustainability Committee meetings

During financial year 2025-26, a total of 2 (two) Corporate Social Responsibility and Sustainability Committee meetings dated 27 May, 2025 and 12 February, 2026 were held.

Attendance of Members at the Corporate Social Responsibility and Sustainability Committee meetings

Details with respect to attendance of Members at the Corporate Social Responsibility and Sustainability Committee meetings held during financial year under review were as follows:

Name of the Director	Designation in the Committee	No. of meetings held during the Member's tenure	No. of meetings attended
Mrs. Madhurima Singh	Chairperson	2	2
*Mr. Sandeep Singh	Member	1	0
Mr. Srinivas Singh	Member	2	2
*Ms. Sangeeta Singh	Member	1	1
*Ms. Sudha Ravi	Member	1	1
#Mr. Sarvesh Singh	Member	1	1
#Mr. Narendra Kumar Aneja	Member	1	1
#Mr. Rajeev Kher	Member	1	1

*Members upto 12 July, 2025

#Members w.e.f. 13 July, 2025

Note: The necessary quorum was present for all the meetings.

Terms of reference of the Corporate Social Responsibility and Sustainability Committee *[amended by the Board of Directors w.e.f. 29 May, 2025]*

(a) Formulate and recommend to the Board of Directors, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;

(b) Formulate and recommend to the Board of Directors, a Corporate Sustainability Vision in alignment with global trends in sustainability;

(c) Review and recommend the amount of expenditures to be incurred on the activities to be undertaken by the Company under Corporate Social Responsibility and Sustainability;

(d) Monitor the 'Corporate Social Responsibility Policy' and 'Environmental, Social and Governance (ESG)/ Sustainability Policy' of the Company from time to time;

(e) Direct oversight on key matters related to Corporate Social Responsibility and Sustainability;

(f) Any other matter as the Corporate Social Responsibility and Sustainability Committee may deem appropriate after the approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

(10) Particulars of Senior Management Personnel

a) Details of Senior Management Personnel of the Company as on 31 March, 2026 (including appointments made during financial year 2025-26) are as follows:

Name	Designation
%Dr. Vikas Gupta	Chief Executive Officer
Mr. Nitin Agrawal	President & Chief Financial Officer
Mr. Manish Narang	President - Legal, Company Secretary & Compliance Officer
Mr. Satish Kumar Singh	Head Operations
Mr. Sarandhar Singh	Vice President – Marketing & Sales
Mr. Aniruddha Singh	AGM – CMD Office
Mr. Rajorshi Ganguli	President & Global HR Head
Mr. Sunil Kumar Pathak	President - Marketing & Sales, Semi Chronic Business
Dr. Akhilesh Sharma	President & Chief Medical Officer
Mr. Ashish Sehgal	President - Formulation R&D and Regulatory Affairs
Mr. Shirish Purushotham Ambulgekar	President- Global Quality Head
Mr. Sujit Shetty	Senior Vice President – Internal Audit & Risk Assurance
Mr. Duraipandi Srinivasan	President – Global Procurement and API Business & Operations
Mr. V. Hari Krishna	Senior Vice President - Marketing & Sales
Dr. Jitendra Singh Huda	Senior Vice President - Marketing & Sales
Mr. Vishal Meswani	Senior Vice President - Marketing & Sales
*Mr. Prakash Ramnani	Senior Vice President – Regulated Formulation Operations (Manufacturing)
Mr. Abhijit Basak	Vice President - Corporate Strategy & Business Development
Mr. Ramanarayana Parhi	Vice President & Chief Information Officer
Mr. Sanjay Kumar Dipak	Vice President - Marketing & Sales
#Mr. Sunil Sawant	Vice President – Global Distribution and Supply Chain
$Mr. Shamsher Kumar Deo	Vice President – Marketing & Sales
Mr. Ashish Kumar Suresh	Assistant Vice President - Head of Middle East, SEA, CIS & Africa
Ms. Charu Arya	Associate Vice President – Marketing & Sales

*Promoted as an SMP w.e.f. 05.12.2025

Promoted as an SMP w.e.f. 16.12.2025

$ Promoted as an SMP w.e.f. 27.03.2026

% Resigned on 24 April, 2026 shall continue upto 30 June, 2026

(b) Details with respect to changes (resignations / retirements) in Senior Management Personnel of the Company during financial year 2025-26 are as follows:

Name	Designation	Date of change (resignations / retirements)
Mr. Jayprakash Parihar	Senior Vice President – API and R&D	Superannuated with effect from 17 June, 2025
Mr. Amit Ghare	President - International Business	Resigned with effect from 30 September, 2025
Mr. Mukesh Tiwari	President – Marketing and Sales, Generic Business	Mr. Mukesh Tiwari has been appointed in M/s. Alkem Wellness Limited, a wholly-owned subsidiary of the Company and accordingly ceased to hold senior management position in the Company with effect from 01 October, 2025
Mr. Rakesh Tripathi	Senior Vice President – Formulation Manufacturing Head	Resigned with effect from 08 December, 2025
Mr. Vijay Shetty	Senior Vice President – Global Distribution and Supply Chain	Resigned with effect from 12 December, 2025
Mr. Ravinder Chakilam	Senior Vice President & Site Head	Superannuated with effect from 24 March, 2026

(11) REMUNERATION OF DIRECTORS

(a) Details of pecuniary relationship or transactions of Non-Executive Directors of the Company (NED's)

The NED's are paid remuneration by way of sitting fees and commission. The details of such remuneration paid to the NED's during financial year 2025-26 are as follows:

(₹ in Million)

Name	Sitting Fees	Commission	Other Perquisites	Total
*Mr. Arun Kumar Purwar	0.30	3.10	-	3.40
Mr. Narendra Kumar Aneja	0.80	2.60	-	3.40
*Ms. Sangeeta Singh	0.25	2.60	-	2.85
*Ms. Sudha Ravi	0.30	2.60	-	2.90
Mr. Sujjain Talwar	0.45	2.60	-	3.05
Mr. Rajeev Kher	0.65	1.67	-	2.32
#Mr. R L Shenoy	0.55	-	-	0.55
#Ms. Neela Bhattacherjee	0.25	-	-	0.25
#Mr. Diwakar Gupta	0.55	-	-	0.55
Total	**4.1**	**15.17**	**-**	**19.27**

*Completion of term after the close of business hours on 12 July, 2025

#Appointed w.e.f. 13 July, 2025

Note: A commission of INR 0.54 Million pertaining to FY 2023-24 was paid to Dr. Dheeraj Sharma, Independent Director of the Company (resigned w.e.f. 14 June, 2024) during FY 2025-26.

(b) Criteria for making payments to NED's

The criteria for payment of remuneration to the NED's has been placed on the Company's website and can be accessed through https://admin.alkemlabs.com/uploads/Criteria_for_payment_of_remuneration_to_Non_Executive_Directors_d375a6d252.pdf

Remuneration to NED's

Sitting Fees

The Non-Executive Independent Directors of the Company were paid a sitting fees of ₹ 50,000/- (Rupees Fifty Thousand only) for every meeting of the Board and/ or Committee thereof attended by them.

Commission

Pursuant to the resolution passed by the shareholders of the Company on 16 March, 2015, the Board is authorised to pay commission to the NED's/ Independent Directors, subject to a maximum limit of 2% of the net profits of the Company for each financial year. The said commission is decided each year by the Board and distributed amongst the NED's/ Independent Directors based on their attendance and contribution to the Board and/ or Committee meetings, as well as time spent on operational matters other than at meetings.

Apart from sitting fees and commission referred to above and reimbursement of travel and stay expenses for their attending the Board and Committee meetings, no payment by way of bonus, pension, incentives, etc. is made to any of the NED's/Independent Directors.

(c) Details of Remuneration to Executive Directors

The Executive Directors of the Company are paid remuneration in accordance with approval of the Board and shareholders and is subject to the limits prescribed under the Act and Nomination and Remuneration Policy of the Company.

The details of such remuneration paid to Executive Directors during financial year 2025-26 are as follows:

(₹ in Million)

Terms of Remuneration	Name of Directors					
	Mr. Basudeo N. Singh	*Mr. Sandeep Singh	Mr. Mritunjay Kumar Singh	Mrs. Madhurima Singh	Mr. Sarvesh Singh	Mr. Srinivas Singh
Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	197.6	34.4	102.5	101.3	41.0	98.3
Value of perquisites u/s 17(2) of the Income Tax Act, 1961	3.2	3.2	2.4	2.0	2.0	2.3

(₹ in Million)

Terms of Remuneration	Name of Directors					
	Mr. Basudeo N. Singh	*Mr. Sandeep Singh	Mr. Mritunjay Kumar Singh	Mrs. Madhurima Singh	Mr. Sarvesh Singh	Mr. Srinivas Singh
Commission	-	38.9	-	-	-	-
Bonus	-	-	-	-	-	-
Pension	-	-	-	-	-	-
Stock option	-	-	-	-	-	-
Others (Perquisites and Employer Contribution)	16.2	2.4	8.2	8.2	2.4	6.6
Performance Linked Incentive	-	-	-	-	-	-
Total	**217.0**	**78.9**	**113.1**	**111.5**	**45.4**	**107.2**

*Excludes remuneration of USD 83.78 Million paid from M/s. The PharmaNetwork, LLC, a subsidiary of the Company in USA.

Service Contracts, Notice Period and Severance Fees

The appointment and remuneration of the Executive Chairman, Managing Director and other Executive Directors are subject to the provisions of the Act and the resolutions passed by the Board of Directors and Members of the Company, as may be applicable, which cover the terms and conditions of such appointment.

There is no separate provision for payment of severance fee under the resolutions governing the appointment of Executive Chairman, Managing Director and other Executive Directors of the Company.

Employee Stock Option Scheme

The Company does not have any Employee Stock Option Scheme for its Directors and Employees.

(12) GENERAL BODY MEETINGS

(i) Location and time of the last three Annual General Meetings (AGM) held are as follows

Year	Meeting	Location/ Mode	Date	Time	Special Resolutions passed
2022-23	49th AGM	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM").	25 August, 2023	11.00 a.m.	Alteration to Articles of Association of the Company.
2023-24	50th AGM	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM").	30 August, 2024	11.00 a.m.	1. Re-appointment of Mr. Basudeo N. Singh (DIN: 00760310) as an Executive Chairman of the Company for a term of 3 (three) consecutive years with effect from 01 April, 2025 upto 31 March, 2028 2. Re-appointment of Mr. Narendra Kumar Aneja (DIN: 00124302) as an Independent Director of the Company for a term of 5 (five) consecutive years with effect from 16 March, 2025 upto 15 March, 2030.
2024-25	51st AGM	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM").	25 August, 2025	11.00 a.m.	Nil

(ii) Extraordinary General Meeting (EGM)

No Extraordinary General Meeting was held during financial year under review.

(iii) Details of Special Resolutions passed through Postal Ballot

During financial year 2025-26, the following resolutions were passed through Postal Ballot:

a) Postal Ballot Notice dated 29.05.2025 ("PB1")

Special Resolutions for appointment of Mr. Ranjal Laxmana Shenoy (DIN: 00074761) and Ms. Neela Bhattacherjee (DIN: 01912483) as Independent Directors of the Company for a term of five (5) consecutive years w.e.f. 13 July, 2025 upto 12 July, 2030. The said resolutions were duly passed on 12 July, 2025.

b) Postal Ballot Notice dated 18.06.2025 ("PB2")

Special Resolution for appointment of Mr. Diwakar Gupta (DIN: 01274552) as an Independent Director of the Company for a term of five (5) consecutive years w.e.f. 13 July, 2025 upto 12 July, 2030. The said resolution was duly passed on 02 August, 2025.

Person conducting both the Postal Ballots exercise

Mr. Manish Narang, President – Legal, Company Secretary & Compliance Officer of the Company was appointed as person responsible for the entire Postal Ballot process. CS Mannish L. Ghia, Partner of M/s. Manish Ghia & Associates, Company Secretaries was appointed as the Scrutinizer for conducting the Postal Ballot voting process in a fair and transparent manner. CS Mannish L. Ghia, Practicing Company Secretary conducted the Postal Ballot process and submitted the report to the Company.

Procedure followed for both the Postal Ballots

1. In compliance with Regulation 44 of SEBI LODR Regulations and Sections 108, 110 read with the Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended, and other applicable provisions of the Act, the Company provided electronic voting facility to all its Members, to enable them to cast their votes electronically. The Company engaged the services of Central Depository Services (India) Limited (CDSL) for the purpose of providing remote e-voting facility to the Members for voting on the proposed Special Resolutions.

2. In compliance with the Circular Nos. 14/2020 dated 08 April, 2020, No. 17/2020 dated 13 April, 2020, No. 22/2020 dated 15 June, 2020, No. 33/2020 dated 28 September, 2020, No. 39/2020 dated 31 December, 2020, No. 02/2021 dated 13 January, 2021, No. 10/2021 dated 23 June, 2021, No. 20/2021 dated 08 December, 2021, No. 03/2022 dated 05 May, 2022, No. 11/2022 dated 28 December, 2022, No. 09/2023 dated 25 September, 2023 and No. 09/2024 dated 19 September, 2024 issued by the Ministry of Corporate Affairs, the Company dispatched both the Postal Ballot Notices dated 29 May, 2025 and 18 June, 2025 respectively, containing the proposed resolutions together with the explanatory statement only through electronic mode to those Members whose mail addresses were registered with the Company/Depository Participant and whose names were recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date (as set forth below). The Company also published notices in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Act and applicable rules thereof.

3. The requisite details of Postal Ballots conducted are as follows:

Particulars	PB1	PB2
Cut-off Date	06 June, 2025	27 June, 2025
Remote E-voting facility period	From Friday, 13 June, 2025 at 09.00 a.m. to Saturday, 12 July, 2025 at 05.00 p.m.	From Friday, 04 July, 2025 at 09.00 a.m. to Saturday, 02 August, 2025 at 05.00 p.m.
Date of Scrutiniser Report	14 July, 2025	04 August, 2025
Result Declaration	14 July, 2025	04 August, 2025
Date of passing of resolution – passed with requisite majority (deemed to be passed on last date of remote e-voting)	12 July, 2025	02 August, 2025

4. Details of voting results

Sr. No.	Special Resolution	No. of Votes polled	Votes cast in favour of the Resolution (No. & %)	Votes cast against the Resolution (No. & %)
1	Appointment of Mr. Ranjal Laxmana Shenoy (DIN: 00074761) as an Independent Director of the Company for a term of five (5) consecutive years w.e.f. 13 July, 2025 upto 12 July, 2030.	11,03,60,099	11,00,61,136 (99.73%)	2,98,963 (0.27)
2.	Appointment of Ms. Neela Bhattacherjee (DIN: 01912483) as an Independent Director of the Company for a term of five (5) consecutive years w.e.f. 13 July, 2025 upto 12 July, 2030.	11,03,60,104	11,03,25,575 (99.97%)	34,529 (0.03%)
3.	Appointment of Mr. Diwakar Gupta (DIN: 01274552) as an Independent Director of the Company for a term of five (5) consecutive years w.e.f. 13 July, 2025 upto 12 July, 2030.	10,66,09,894	10,63,37,730 (99.74%)	2,72,164 (0.26%)

The Postal Ballot results were duly communicated to the Stock Exchanges, Depository and Registrar to an Issue & Share Transfer Agent and also uploaded on the Company's website, which can be accessed at:

PB-1 - https://admin.alkemlabs.com/uploads/Alkem_Reg44_Reportand_Scrutinizers_Report14072025signed_5f57c27261.pdf

PB-2- https://admin.alkemlabs.com/uploads/Alkem_Reg44_Reportand_Scrutinizers_Report04082025signedfinal_bafa82a437.pdf

(iv) Details of Special Resolution proposed to be conducted through Postal Ballot

Currently, there are no matters which are required to be passed as a Special Resolution through Postal Ballot.

(13) MEANS OF COMMUNICATION

The Company, from time to time and as may be required, communicates with its shareholders and investors through multiple channels of communications such as dissemination of information on the online portal of the Stock Exchanges, press releases, news releases, the Annual Reports and uploading relevant information on its website, etc.

(i) **Financial Results and Statements:** The unaudited quarterly results are announced within forty-five days from the end of the quarter. The audited annual results are announced within sixty days from the closure of financial year as required under SEBI LODR Regulations. The aforesaid financial results are communicated to the Stock Exchanges within stipulated timelines as stated under SEBI LODR Regulations. The results are generally published in Business Standard, national daily newspaper and in Mumbai Lakshadeep, which is a regional (Marathi) daily newspaper.

The audited financial statements forms part of the Annual Report which is sent to the Members within the statutory period and well in advance of the AGM. The Annual Report of the Company, quarterly / half yearly and yearly financial results and financial statements and press releases of the Company are also disseminated on the Company's website www.alkemlabs.com.

(ii) **Presentations, Press Releases:** The presentations on performance of the Company and press releases are placed on the Company's website immediately after these are communicated to the Stock Exchanges for the benefit of Institutional Investors and Analysts and other shareholders.

(iii) **Material Information:** The Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Schedule III of the SEBI LODR Regulations including material information having a bearing on the performance / operations of the Company or other Price Sensitive Information.

(iv) **Online filing:** All information is filed electronically on BSE's online Portal – BSE Corporate Compliance & Listing Centre (Listing Centre) and on NSE Electronic Application Processing System (NEAPS).

(v) **SCORES:** Facility has been provided by SEBI for investors to place their complaints / grievances on a centralized web-based complaints redressal system viz. SEBI Complaints Redress System (SCORES). The salient features of this system are: centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

(14) GENERAL SHAREHOLDER INFORMATION

(a) The 52nd AGM of the Members of the Company will be held on Thursday, 27 August, 2026 at 11.00 a.m. through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") to be conducted from the registered office of the Company, which shall be deemed to be the venue of the AGM.

(b) Financial Year: 01 April, 2025 to 31 March, 2026.

(c) Dividend details:

(i) Final Dividend for financial year 2024-25 was paid during financial year 2025-26 on and from 29 August, 2025.

(ii) Interim Dividend for financial year 2025-26 was paid on and from 06 March, 2026.

(iii) Record Date for the purpose of payment of Final Dividend for financial year ended 31 March, 2026 shall be 07 August, 2026.

(iv) Final Dividend on equity shares as recommended by the Board for the year ended 31 March, 2026, if approved at the AGM, will be paid on and from 01 September, 2026.

(d) Transfer of Unclaimed Dividend/ Unpaid Amounts to the Investor Education and Protection Fund (IEPF) Authority

(i) Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), as amended, mandates that companies shall transfer dividend that has remained unclaimed / unencashed for a period of seven years from the date of transfer to the unpaid dividend account to IEPF Authority account and such shares in respect of which dividend has not been claimed / encashed for seven consecutive years or more be transferred to IEPF Authority.

In order to educate the shareholders and with an intent to protect their rights, the Company sends regular notices to shareholders to claim their unclaimed dividends / shares before it is transferred to IEPF Authority and simultaneously publishes newspaper advertisement with respect to the same. Shareholders may note that both the unclaimed dividends and corresponding shares transferred to IEPF Authority, including all benefits accruing on such shares, if any, can be claimed from IEPF Authority following the procedure prescribed in the IEPF Rules. No claim shall lie in respect thereof with the Company.

(ii) The details of unclaimed dividend and their corresponding share transfer to IEPF Authority during financial year 2025-2026 are as follows:

Type of Dividend	Amount of Dividend (in ₹)	Date of transfer of Dividend Amount	No. of corresponding shares
Final Dividend for financial year 2017-18	48,468	28.10.2025	19
Interim Dividend for financial year 2018-19	47,160	10.04.2026	47*

*Out of 47 shares, 28 shares stand transferred to CDSL, and the remaining 19 shares are in the process of transfer to NSDL.

The IEPF Authority holds 416 equity shares as on 31 March, 2026. The voting rights on these shares shall remain frozen until the rightful owner claims the shares.

(iii) The details of due dates for transfer of unclaimed dividend to IEPF Authority are as follows:

Year	Type of Dividend	Dividend per share (in ₹)	Date of Declaration	Due for transfer to IEPF Authority
2018-19	Final	8	27.08.2019	01.10.2026
2019-20	Interim	22	07.02.2020	11.03.2027
2019-20	Final	3	18.08.2020	22.09.2027
2020-21	Interim	25	05.02.2021	09.03.2028
2020-21	Final	5	27.08.2021	29.09.2028
2021-22	Interim	30	04.02.2022	08.03.2029
2021-22	Final	4	25.08.2022	29.09.2029
2022-23	Interim	40	10.02.2023	15.03.2030
2022-23	Final	10	25.08.2023	28.09.2030
2023-24	Interim	35	09.02.2024	12.03.2031
2023-24	Final	5	30.08.2024	04.10.2031
2024-25	Interim	37	07.02.2025	13.03.2032
2024-25	Final	8	25.08.2025	30.09.2032
2025-26	Interim	43	13.02.2026	16.03.2033

(e) Listing on Stock Exchanges

The Company's shares are listed on the following Stock Exchanges and the annual listing fees has been paid to each of such Stock Exchanges:

Name and Address of the Stock Exchanges	Stock Code/ Scrip Code	ISIN for NSDL / CDSL (Dematerialized shares)
BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	539523	INE540L01014
The National Stock Exchange of India Limited, Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051	ALKEM	

(f) Registrar to an Issue and Share Transfer Agent

M/s. MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) is the Registrar to an Issue and Share Transfer Agent of the Company, having its registered office at C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083 and bearing CIN: U67190MH1999PTC118368.

(g) Shares Transfer System

All the securities of the Company are in dematerialised form.

(h) Distribution of shareholding

Distribution of shareholding as on 31 March, 2026

Shareholding of Nominal Shares	No. of Folios	% Total	Total No. of Shares	% Total
1-1000	62929	98.51	12,13,731	1.01
1001-2000	212	0.33	1,53,931	0.13
2001-4000	124	0.19	1,84,910	0.15
4001-6000	78	0.12	1,88,205	0.16
6001-8000	61	0.10	2,15,397	0.18
8001-10000	34	0.05	1,52,750	0.13
10001-20000	110	0.17	7,95,245	0.67
Above 20000	339	0.53	11,66,60,831	97.57
Total (Electronic Mode)	**63,887**	**100.00**	**11,95,65,000**	**100.00**

Shareholding Pattern as on 31 March, 2026

Category	Total Shares	% Total
Alternate Investment Funds	3,75,893	0.31
Body Corporate – Ltd Liability Partnership	15,345	0.01
Clearing Members	1,891	0.00*
Directors and their relatives (excluding Independent Directors and Nominee Directors)	1	0.00*
Foreign Nationals	17	0.00*
Foreign Portfolio Investors (Corporate)	1,21,43,051	10.16
Hindu Undivided Family	40,522	0.03
Insurance Companies	50,00,210	4.18
Investor Education and Protection Fund	416	0.00*
Key Managerial Personnel	108	0.00*
Mutual Funds	1,86,14,487	15.57
Non Nationalised Banks	34	0.00*
Non Resident Indians	44,694	0.04
Non Resident (Non Repatriable)	37,416	0.03
Other Bodies Corporate	90,146	0.08
Promoters	6,12,13,109	51.20
Provident Funds/ Pension Funds	15,94,635	1.33
Public	2,03,90,970	17.06
Trusts	2,055	0.00*
TOTAL	**11,95,65,000**	**100.00**

* Negligible

(i) Dematerialisation of shares and liquidity

As on 31 March, 2026, 100% of the equity shares of the Company are dematerialized.

(j) Reconciliation of Share Capital Audit

As required by SEBI, quarterly audit of the Company's share capital is being carried out by a Practising Company Secretary (PCS) with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and with the issued and listed capital. The PCS Certificate in regard to the same is submitted to BSE Limited & The National Stock Exchange of India Limited and is also placed before Stakeholders' Relationship Committee and the Board.

(k) The Company has not issued any Global Depository Receipts (GDR) or American Depository Receipts (ADR) or warrants or any convertible instruments.

(l) Foreign Currency Hedging Activities

The Board of Directors of the Company has approved a "Treasury Policy" to manage the treasury risks of the Company within its risk appetite, which is derived from the business exigency and corporate policy. The hedging activities of the Company shall be a mix of natural hedges, packing credit and forwards & options so that risk can be minimised while capturing opportunity wherever possible.

(m) Plant locations

1. Daman, India
2. Mandva, Gujarat, India
3. Ankleshwar, Gujarat, India
4. Unit I, Baddi, Himachal Pradesh, India
5. Kumrek, East Sikkim, India
6. Alkem Health Science, (Unit of the Company) Unit I, II & III, Samardung, South Sikkim, India
7. Unit 5, South Sikkim, India
8. *Ujjain, Madhya Pradesh
9. S&B Pharma LLC, California, U.S.A.
10. Alkem Medtech Ortho Private Limited (formerly known as Bombay Ortho Industries Private Limited), Rajkot, Gujarat
11. Indchemie Health Specialities Private Limited, Somnath, Daman, India
12. Indchemie Health Specialities Private Limited, Amaliya, Daman, India
13. Indchemie Health Specialities Private Limited, Baddi, Himachal Pradesh, India
14. Unit I & II, Indchemie Health Specialities Private Limited, Kumrek, East Sikkim, India
15. Cachet Pharmaceuticals Private Limited, Baddi, Himachal Pradesh, India
16. Enzene Biosciences Limited, Chakan, Pune, Maharashtra, India
17. Enzene Biosciences Limited, Pimpri-Chinchwad, Pune, Maharashtra, India
18. Enzene Inc., Pennington, New Jersey, USA

*The Company has received an allotment letter dated 18 March, 2026 from DMIC Vikram Udyogpuri Limited, for allotment of land admeasuring about 30 acres in the Industrial Area DMIC Vikram Udyogpuri Limited, Phase- 2, Ujjain, for setting up of a greenfield formulations manufacturing facility of the Company in Ujjain, Madhya Pradesh.

(n) Address for correspondence

Alkem Laboratories Limited, Alkem House, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, Maharashtra, India. Tel No: +91 22 3982 9999; Fax No: +91 22 2495 2955

Communication by e-mail

For transfer / transmission / subdivision / demat / loss of shares / dividend / general inquiries and investor grievance: investors@alkem.com

(o) List of Credit Ratings

Credit Ratings of Company's outstanding instruments:

Instrument Type	Rating Agency	Credit Rating
Commercial Paper	CRISIL	CRISIL A1+
	India Ratings (Fitch)	IND A1+

Credit Ratings of Company's outstanding facilities:

Rating	Rating Agency	Credit Rating	Outlook
Long Term Rating	CRISIL	CRISIL AA+	**Stable**
Short Term Rating	CRISIL	CRISIL A1+	-
Long Term Rating	CARE Rating	CARE AA+	**Stable**
Short Term Rating	CARE Rating	CARE A1+	-

(15) DISCLOSURES

(a) Related Party Transactions

The Company has adequate procedures for identification and monitoring of related party transactions. The details of the materially significant transactions entered into by the Company with related party(ies) during financial year 2025-26 have been disclosed in Annexure G forming part of the Directors' Report. All contracts, arrangements and transactions entered by the Company with related parties during financial year 2025-26 were on an arm's length basis. All related party transactions, covered under the omnibus/ additional approval are placed before the Audit Committee on a quarterly basis for review and the same are approved by only the Independent Directors present at the meeting, as per the relevant provisions of the SEBI LODR Regulations. The details of related party transactions are provided in notes to financial statements of this Annual Report. The Policy on Related Party Transaction has been placed on the Company's website and can be accessed through https://admin.alkemlabs.com/uploads/Related_Party_Transactions_Policy_0999ee9848.pdf

(b) Strictures and Penalties

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

(c) Vigil Mechanism/ Whistle Blower Policy

The Company requires its officers and employees to observe high standards of professional and personal ethics in the discharge of their duties and responsibilities. For this purpose, the Board has adopted a "Whistle Blower Policy" to facilitate the reporting of any actual or suspected misconduct within the Company that is unlawful, fraudulent or in violation of any adopted policy, thereby reinforcing a culture of transparency and trust within the organization.

Complaints may be submitted on a confidential basis, with the option to remain anonymous. Any person who reasonably believes that a violation has occurred is encouraged to report concerns, suggestions, or complaints to the person designated by the Company, whose details have been specified in the Whistle Blower Policy. Under exceptional circumstances, complaints may be escalated directly to the Chairperson of the Audit Committee.

No personnel of the Company have been denied access to either the Designated Person (as mentioned in the Whistle Blower Policy of the Company) or to the Audit Committee Chairman. The Whistle Blower Policy has been uploaded on the Company's website and can be accessed at https://admin.alkemlabs.com/uploads/Whistle_Blower_Policy_new_5d094b8491.pdf

(d) The Company has formulated a Risk Management Plan and all the Directors are informed about risk assessment and minimization procedures.

(e) Material Subsidiary

Pursuant to the provisions of the SEBI LODR Regulations, M/s. Ascend Laboratories LLC, incorporated on 02 January, 2003 under the laws of New Jersey, USA is classified as a material subsidiary of the Company as on 31 March, 2026. M/s. Deloitte Haskins & Sells LLP (FRN: 117366W/W-100018) have been appointed as Statutory Auditors of the said subsidiary for a term of 5 (five) consecutive years w.e.f. 31 August, 2024. The Company's policy for determining Material Subsidiaries is placed on the Company's website and can be accessed through weblink https://admin.alkemlabs.com/uploads/Policy_on_determining_Material_Subsidiaries_e7b2d25771.pdf

(f) The Company does not undertake any Commodity hedging activities.

(g) The Company has not raised any funds by way of preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of SEBI LODR Regulations.

(h) A certificate from a Practicing Company Secretary, that none of the Directors is disqualified or debarred from being appointed or continuing as a Director of the Company by Securities Exchange Board of India / Ministry of Corporate Affairs or any other authority has been annexed to the Corporate Governance Report.

(i) The Board has accepted all the recommendations of the Committees of the Board.

(j) A total fee of INR 47.1 Million for financial year 2025-26, was paid to M/s. Deloitte Haskins & Sells LLP, Statutory Auditors of the Company and to all entities in the network firm/ network entity of which the respective statutory auditor is a part, for providing audit and all other services to the Company and its subsidiaries, on a consolidated basis:

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

a. number of complaints filed during financial year: 2

b. number of complaints disposed of during financial year: 2

c. number of complaints pending as on end of financial year: Nil

(l) Loans and Advances

During the year under review, there were no loans and advances, in the nature of loans granted by the Company and its subsidiaries to any firms/ companies in which Directors are interested.

(m) Disclosure of certain type of agreements binding listed entities

Details with respect to certain agreement entered into by the Company in terms of Clause 5A of paragraph A of Part A of Schedule III read with Regulation 30 of the SEBI LODR Regulations is as mentioned below:

Sr. No.	Particulars
1.	A liability had been created on the Company pursuant to the Shareholders' Agreement dated 23 December, 2022 entered into by the Company with M/s. Enzene Biosciences Limited, a subsidiary of the Company ("Enzene"), M/s. Eight Roads Ventures India Healthcare IV, L.P. ("Eight Roads Ventures") and M/s. F-Prime Capital Partners Life Sciences Fund VI LP ("F-Prime Capital") in connection with an acquisition of a minority stake by Eight Roads Ventures and F-Prime Capital in Enzene. In furtherance thereto, an Amendment cum Supplemental Agreement dated 13 February, 2026 has been entered into by the Company with Enzene, Eight Roads Ventures, F-Prime Capital and ERVI Healthcare IV Holdings Limited ("ERVI Healthcare") for: (a) the allotment of securities by Enzene to F-Prime Capital and ERVI Healthcare on a preferential basis by way of private placement; (b) the adherence by ERVI Healthcare to the terms of the said Shareholders' Agreement; and (c) the amendment of certain provisions of the said Shareholders' Agreement.

The salient features of the above-mentioned agreement had been disclosed by the Company to the Stock Exchanges and placed on the Company's website, which can be accessed through https://admin.alkemlabs.com/uploads/Reg30_Enzene13022026_b512f274dc.pdf.

(16) COMPLIANCE WITH MANDATORY AND DISCRETIONARY REQUIREMENTS

The Company has complied with all mandatory requirements of the SEBI LODR Regulations and adopted the following discretionary requirements of the SEBI LODR Regulations:

i. The Company has an Executive Chairperson.

ii. The quarterly and half yearly financial statements are published in the newspapers and are also posted on the Company's website.

iii. The Company's financial statement for financial year ended 31 March, 2026 does not contain any modified audit opinion.

iv. There are separate posts of Chairperson, Managing Director and Chief Executive Officer and they are not related to each other as per the term "Relative" defined under the Act.

v. Internal Auditors directly report to the Audit Committee.

vi. During the year under review, the meeting of the Independent Directors of the Company was held on 26 March, 2026, without the presence of non-independent directors and members of the management. The Company has conveyed the requirement for holding second Independent Directors' meeting.

(17) There are no equity shares of the Company in the demat suspense / unclaimed suspense account.

(18) The Company has complied with the requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46 (2) of the SEBI LODR Regulations.

For and on behalf of the Board
Alkem Laboratories Limited

Basudeo N. Singh
Executive Chairman
DIN: 00760310
Mumbai, 28 May, 2026

To
The Board of Directors
Alkem Laboratories Limited
Alkem House,
Senapati Bapat Marg,
Lower Parel,
Mumbai – 400 013.

COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS

In accordance with Regulation 26(3) and Schedule V(D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that the Directors and the Senior Management Personnel of the Company have confirmed compliance with the Code of Business Conduct and Ethics as on 31 March, 2026.

For **Alkem Laboratories Limited**

Sandeep Singh
Managing Director

Date: 28 May, 2026
Place: Mumbai

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) Regulations, 2015

To
The Members
Alkem Laboratories Limited
Alkem House, Senapati Bapat Marg,
Lower Parel, Mumbai - 400013

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Alkem Laboratories Limited** having CIN: L00305MH1973PLC174201 and having registered office at Alkem House, Senapati Bapat Marg, Lower Parel, Mumbai - 400013 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31 March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1	Mr. Basudeo Narayan Singh	00760310	08-08-1973
2	Mr. Sandeep Singh	01277984	09-08-2013
3	Mr. Mritunjay Kumar Singh	00881412	11-02-2008
4	Mrs. Madhurima Singh	09137323	20-12-2021
5	Mr. Srinivas Balmiki Prasad Singh	06744441	14-09-2022
6	Mr. Sarvesh Singh	01278229	11-11-2019
7	Mr. Sujjain Suresh Talwar	01756539	05-08-2022
8	Mr. Rajeev Kher	01192524	09-08-2024
9	Mr. Narendra Kumar Aneja	00124302	16-03-2020
10	Mr. Laxmana Ranjal Shenoy	00074761	13-07-2025
11	Ms. Neela Bhattacherjee	01912483	13-07-2025
12	Mr. Diwakar Gupta	01274552	13-07-2025

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 an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Manish Ghia & Associates
Company Secretaries

CS Mannish L. Ghia
Partner
M. No. FCS 6252, C.P. No. 3531
Peer Review No.: - PR 6759/2025
(FRN/Unique ID: P2006MH007100)

Place: Mumbai
Date: 28 May, 2026
UDIN: F006252H000459078

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF
ALKEM LABORATORIES LIMITED

1. This certificate is issued in accordance with the terms of our engagement letter dated 26 September, 2025.

2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of **Alkem Laboratories Limited** ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March, 2026, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the "Listing Regulations").

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We have examined the books of account for the year ended 31 March, 2026 and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31 March, 2026.

9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
(Partner)
(Membership No. 046930)
(UDIN: 26046930HRFCDV6061)

Place: Mumbai
Date: 28 May, 2026

Business Responsibility & Sustainability Report (BRSR) FY 2025-26

SECTION A: General Disclosure

I. Details of the Listed Entity

1	Corporate Identity Number (CIN) of the Listed Entity	L00305MH1973PLC174201
2	Name of the Listed Entity	Alkem Laboratories Limited
3	Year of incorporation	1973
4	Registered Office Address	Alkem House, Senapati Bapat Marg, Lower Parel, Mumbai – 400013, Maharashtra, India
5	Corporate Address	Alkem House, Senapati Bapat Marg, Lower Parel, Mumbai – 400013, Maharashtra, India
6	E-mail	investors@alkem.com
7	Telephone	+91-22-3982 9999
8	Website	www.alkemlabs.com
9	Financial Year for which reporting is being done	1 April, 2025 to 31 March, 2026
10	Name of the Stock Exchange(s) where shares are listed	Bombay Stock Exchange Limited (BSE); National Stock Exchange of India Limited (NSE)
11	Paid-up Capital	₹ 23,91,30,000
12	Contact person	
	Name of the Person Telephone Email address	Mr. Manish Narang (President – Legal, Company Secretary & Compliance Officer) +91 22 3982 9999 investors@alkem.com
13	Reporting Boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated Financial statements, taken together):	
	Type of Reporting#	Disclosures under this report are done on standalone - basis for Alkem Laboratories Limited
14	Name of Assessment or Assurance provider	Deloitte Haskins & Sells LLP
15	Type of Assessment or Assurance obtained	Reasonable for Core indicators

II. Product/Services

16 Details of business activities

Sr.	Description of Main Activity	Description of Business Activity	% Turnover of the Entity
1.	Manufacturing of pharmaceutical products	The Company is engaged in pharmaceutical business with global operations. The Company is engaged in the development, manufacture and sale of pharmaceutical products.	82.4%
2	Trade	Wholesale Trading	17.6%

17 Products/Services sold by the entity

Sr.	Product/Service	NIC Code	% of Total Turnover contributed
1.	Pharmaceutical and nutraceutical products	210	100%

III. Operations

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

Location	Number of plants	No. of Offices	Total
National	12*	9**	21
International	-	-	-

*Includes manufacturing sites and R&D facilities for standalone financial boundary

#During the FY 25-26 the Generic business undertaking of the Company has been transferred to Alkem Wellness Limited (effective 01 October 2025). Accordingly, the BRSR indicators include the impact of Generic Business up to the date of transfer where applicable. For details, refer Note 3.36 of Standalone Financials Statements.

**Includes 4 corporate offices and 5 directly owned depots

19 Market served by the entity

a. No. of Locations

Sr.	Locations	Numbers
1.	National (states)	28 states and 8 Union Territories
2.	International (countries)	More than 40 countries

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

27.32%

c. A brief on types of customers

The Company caters to pharmaceutical firms, distributors, wholesalers, pharmacy chains, hospitals and other healthcare-related institutional customers across domestic and international markets.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled)

Sr.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	Employees					
1	Permanent Employees (A)	17,453	16,931	97%	522	3%
2	Other than Permanent Employees (B)	291	270	93%	21	7%
3	Total Employees (A+B)	17,744	17,201	97%	543	3%
	Workers					
4	Permanent Workers (C)	1,893	1,862	98%	31	2%
5	Other than Permanent Workers (D)	3,749	3,531	94%	218	6%
6	Total Workers (C+D)	5,642	5,393	96%	249	4%

b. Differently abled employees and workers

Sr.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	Employees					
1	Permanent Employees (E)	3	3	100%	0	0%
2	Other than Permanent Employees (F)	0	0	0	0	0%
3	Total Differently abled Employees (E+F)	3	3	100%	0	0%
	Workers					
4	Permanent Workers (G)	3	3	100%	0	0%
5	Other than Permanent Workers (H)	1	1	100%	0	0%
6	Total Differently abled Workers (G+H)	4	4	100%	0	0%

21. Participation/Inclusion/Representation of women

Sr.	Category	Total (A)	No. and percentage of females	
			No. (B)	% (B/A)
1.	Board of Directors	12	2	17%
2.	Key Management Personnel	3	0	0

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

Category	FY 2025-26 (Turnover rate in current FY)			FY 2024-25 (Turnover rate in previous FY)			FY 2023-24 (Turnover rate in the FY prior to previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	21.2	21.5	21.2	23.2	19.9	23.1	27.7	25.9	27.6
Permanent Workers	11.1	3.6	11.0	7.3	8.2	7.3	10.2	7.9	10.1

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

Sr.	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether it is a 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	Alkem Laboratories Corporation	Subsidiary	100%	No
2	Ascend Laboratories Pty Ltd	Subsidiary	100%	No
3	S&B Holdings S.a.r.l.	Subsidiary	100%	No
4	Ascend GmbH	Subsidiary	100%	No
5	Pharmacor Pty Ltd	Subsidiary	100%	No
6	The PharmaNetwork LLC	Subsidiary	100%	No
7	Ascend Laboratories SpA	Subsidiary	100%	No
8	Ascend Laboratories SDN BHD.	Subsidiary	100%	No
9	Enzene Biosciences Limited	Subsidiary	99.55%	No
10	Ascend Laboratories, LLC	Step-down Subsidiary	100%	No
11	Alkem Laboratories, Korea Inc	Subsidiary	100%	No
12	Pharmacor Ltd.	Subsidiary	100%	No
13	The PharmaNetwork, LLP	Subsidiary	100%	No
14	Ascend Laboratories (UK) Limited	Subsidiary	100%	No
15	Ascend Laboratories SAS	Subsidiary	100%	No
16	Cachet Pharmaceuticals Private Limited	Subsidiary	60.63%	No
17	Indchemie Health Specialities Private Limited	Subsidiary	51%	No
18	Connect 2 Clinic Private Limited	Subsidiary	100%	No
19	S & B Pharma LLC	Step-down Subsidiary	100%	No
20	Ascend Laboratories Ltd.	Subsidiary	100%	No
21	Pharma Network SpA	Step-down Subsidiary	100%	No
22	Ascend Laboratories S.A. DE. CV	Step-down Subsidiary	100%	No
23	Alkem Foundation	Subsidiary	100%	No
24	Pharmacor Limited	Step-down Subsidiary	100%	No
25	Enzene Inc	Step-down Subsidiary	99.55%	No
26	Alkem Medtech Private Limited	Subsidiary	100%	No
27	Alixer Nexgen Therapeutics Limited	Subsidiary	100%	No
28	Alkem Wellness Limited	Subsidiary	100%	No
29	Pharmacor SPA	Step-down Subsidiary	100%	No
30	Adroit Biomed Limited	Subsidiary	100%	No
31	Alkem Medtech Ortho Private Limited	Step-down Subsidiary	100%	No
32	Alkem Pharmaceuticals Scientific Office FZ LLC	Subsidiary	100%	No
33	Alkem Pharma Trading FZCO	Subsidiary	100%	No
34	HaystackAnalytics Private Limited	Associate	8.16%	No
35	Sunsure Solarpark Twenty Two Private Limited	Associate	21.46%	No

VI. CSR Details

24. i. Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

ii. Turnover (in Million INR): 96,639.06

iii. Net worth (in Million INR): 1,39,981.98

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 redressal policy	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
			Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, a dedicated grievance redressal channel is available for all internal and external stakeholders.	https://admin.alkemlabs.com/uploads/Whistle_Blower_Policy_new_5d094b8491.pdf	0	0	-	0	0	-
Investors (other than shareholders)			0	0	-	0	0	-
Shareholders			0	0	-	0	0	-
Employees and workers			15	0	-	6	0	-
Customers			116	0	-	116	0	-
Value Chain Partners			2	0	-	0	0	-
Others (Please specify)			0	0	-	0	0	-

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, as per the following format

Sr. No.	Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Governance	Risk and Opportunity	Weak governance structures may lead to compliance failures, fraud, ethical breaches, delayed decision-making and reputational damage. Strong governance enhances transparency, market reputation and long-term value creation.	Strengthened Board oversight on ESG matters, improved internal controls, defined accountability structures, governance digitization, Board training on ESG trends and transparent stakeholder reporting.	Positive implications through improved investor confidence, better access to capital and reduced compliance-related risks and costs.
2	Ethics	Risk and Opportunity	Unethical conduct, bribery, corruption, conflicts of interest or lack of transparency may result in litigation, reputational damage and reduced stakeholder trust. Ethical conduct strengthens stakeholder relationships and competitiveness.	Implementation of Code of Business Conduct, Code of Ethics, Whistle-blower Policy and governance frameworks promoting ethical business conduct and integrity.	Positive implications through improved governance and stronger access to capital.
3	Risk Management	Risk	Weak risk identification and monitoring may lead to operational disruptions, supply-chain failures, ESG non-compliance and increased unexpected costs.	Enterprise Risk Management (ERM) systems, regular risk assessments, supplier risk screening and integration of ESG risks into business planning.	Positive implications through reduced operational disruptions, improved stability and lower risk-related costs.
4	Cybersecurity and Data Privacy	Risk	Data breaches and cyber threats may expose sensitive customer and business information, resulting in financial and reputational losses.	Strengthening information security systems, implementation of Information Security Policy, VAPT and IT audits, and targeted ISO 27001 certification by FY2025-26.	Negative implications due to investments in cybersecurity systems and potential penalties under data privacy laws.
5	Innovation & R&D	Opportunity	Evolving healthcare needs create opportunities for innovative products and expansion into newer markets.	Investment in technologically advanced R&D centres and continued investment in innovation-driven product development.	Positive implications through development of new products, patents and revenue streams.

Sr. No.	Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Supply Chain and Responsible Production	Risk	Supply-chain disruptions may affect production continuity, medicine availability and business reputation.	ESG-based supplier assessments, PSCI membership, responsible sourcing practices and Scope 3 emissions accounting initiatives.	Negative implications through potential business losses arising from supply-chain disruption.
7	Biodiversity	Risk	Loss of biodiversity and ecosystem degradation may affect availability of biological resources and increase regulatory scrutiny.	Biodiversity risk assessments through EIAs, regulatory compliance measures and plantation drives under environmental and CSR initiatives.	Negative implications due to biodiversity protection and ecosystem management costs.
8	Climate Change and GHG Emissions	Risk and Opportunity	Physical and transition climate risks may impact business continuity and operations. Climate change may also increase demand for healthcare services.	Sustainability Policy implementation, Scope 1 and 2 emission reduction targets, ERM integration and Scope 3 engagement initiatives.	Negative implications due to climate-related impacts on assets and operations.
9	Energy	Risk and Opportunity	Energy-intensive operations may increase operational costs and emissions if not efficiently managed.	Energy-efficiency initiatives, cleaner fuel transition, biomass boilers, VFD installation and targeted ISO 50001 implementation.	Short-term negative implications due to capex investments, with long-term positive implications from lower energy costs and efficiency gains.
10	Waste	Risk	Improper waste management may lead to regulatory non-compliance, reputational damage and environmental impacts.	Adoption of 3R principles, tie-ups with authorised waste-management agencies and focus on recycling/reuse and compliant disposal practices.	Negative implications due to waste-management and disposal costs.
11	Water	Risk	Water scarcity and poor water quality may disrupt manufacturing operations and affect product quality standards.	Water-neutrality strategy, rainwater harvesting, effluent treatment plants, ZLD initiatives and water-efficiency programmes.	Negative implications due to costs associated with water security and treatment infrastructure.
12	Human Rights	Risk	Human-rights violations may impair stakeholder trust and damage corporate reputation.	Human-rights related clauses within Codes of Ethics applicable to employees, suppliers, vendors and contractors.	Negative implications in the short term due to costs associated with audits, training and compliance measures.
13	Workforce & Human Capital	Opportunity	Skilled and productive human capital is critical for operational excellence and business growth.	HR policies, training and skill development programmes, employee well-being measures, diversity initiatives and inclusive workplace practices.	Positive implications through improved productivity, talent attraction and retention.
14	Occupational Health & Safety	Risk	Exposure to hazardous substances and operational risks may impact employee and worker health and safety.	"Zero Harm" approach, ISO 45001-certified facilities, EHS audits, health and safety training and process safety initiatives.	Positive implications through improved productivity and reduction in LTIFR.
15	Community Impact	Opportunity	Strong community relationships support social development and business continuity, while weak engagement may create conflicts and reputational concerns.	CSR programmes focused on healthcare, education, rural development, environment and sports promotion.	Positive implications through goodwill, stronger community trust and reduced risk of disputes.
16	Counterfeiting of Drugs	Risk	Counterfeit products may affect patient safety, brand trust, revenue generation and market reputation.	Deployment of anti-counterfeiting technologies including QR-code enabled traceability features.	Negative implications due to mitigation costs and potential business losses.

Sr. No.	Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
17	Patient Safety and Product Quality	Risk	Product-quality failures or adverse health impacts may result in penalties, reputational damage and loss of customer trust.	Pharmacovigilance systems, cGMP compliance, periodic quality-control checks and regulatory quality assurance practices.	Positive implications through customer trust, loyalty and regulatory compliance.
18	Clinical Trials	Risk	Unethical or non-compliant clinical trials may delay approvals, affect commercialisation and create legal risks.	Adherence to ethical and scientific clinical trial protocols aligned with ICH GCP and international regulatory standards.	Positive implications through faster approvals and stronger commercialisation potential.
19	Access to Medicine and Affordability	Risk	Inability to provide affordable and accessible medicines may affect competitiveness, market share and stakeholder trust.	R&D-driven affordable healthcare solutions without compromising product quality.	Positive implications through increased market penetration and long-term market share growth.
20	Labelling and Packaging	Risk and Opportunity	Inaccurate labelling or excessive packaging may lead to regulatory penalties, recalls, EPR-related costs and reputational risks. Sustainable packaging may improve brand credibility.	Strengthened labelling review mechanisms, digital traceability systems and compliance with sector-specific standards.	Positive implications through reduced compliance risks, optimized packaging costs and stronger brand loyalty.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	Policies are available on the website of the Company at https://www.alkemlabs.com/investors/policies. The policies which are internal to the Company are available on the intranet of the Company.								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes								

4. Name of the national and international codes/ certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.

Certification / Standard / Code	Sites	Relevant Principle(s)
cGMP compliance	All sites	P2, P9
US FDA accreditations	All sites	P2, P9
WHO accreditations	All sites	P2, P9
MHRA (UK) approvals	All sites	P2, P9
TGA Australia approvals	All sites	P2, P9
ANVISA Brazil approvals	All sites	P2, P9
MCC South Africa approvals	All sites	P2, P9
ISO 14001	All manufacturing facilities & R&D centre	P6
ISO 45001		P3
ISO 50001		P6

5. Specific commitments, goals and targets set by the entity with defined timelines, if any.

Area	Commitments / Goals / Targets
Climate Change	Reduce Scope 1 and Scope 2 greenhouse gas emissions by 42% by FY 2033 from FY 2023 baseline
Energy	Achieve 1% annual reduction in energy consumption Y-o-Y till FY 2033
Water Stewardship	Achieve water neutrality by FY 2030
Occupational Health & Safety	Increase ISO 45001 certification coverage across manufacturing facilities
Diversity & Inclusion	Improve gender diversity representation to 5% by 27
Sustainable Supply Chain	Screen 90% of new suppliers on ESG criteria and progressively evaluate critical suppliers - 10% by FY 25 - 35% by FY 26 - 70% by FY 27 - >90% by FY 28
Information Security	Progress towards ISO 27001 implementation/certification by FY 26

6 Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met.

Area	FY 2025-26 Performance
Climate Change	We have reduced our Scope 1 and Scope 2 greenhouse gas emissions by 15% from previous year.
Energy	100% of operational units have ISO 50001 certification. Achieved 22% reduction in energy consumption from previous year.
Water Stewardship	Initiated integrated community watershed management programmes at Ankleshwar and Daman sites for water neutrality.
Occupational Health & Safety	100% of operational units have ISO 45001 certification.
Diversity & Inclusion	Our gender diversity stands at 3.39% of women in total workforce in FY 26.
Sustainable Supply Chain	2% of input material sourced sustainably.
Information Security	Gap assessment against ISO 27001 certification is identified. Certification to be completed by FY 27.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Governance, Leadership and Oversight									
7 Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.	At Alkem, sustainability is a shared responsibility and an integral part of our approach to long-term value creation. Our sustainability philosophy is guided by the principle "Prakriti Rakshati Rakshitah" - Nature protects those who protect it. Inspired by the five elements of nature, we continue to embed sustainability across our operations through ecological responsibility, water stewardship, energy efficiency, emissions reduction, responsible governance and inclusive growth. During the year, we strengthened our environmental agenda through focused initiatives across waste, water, energy and climate action. To better understand the environmental footprint of our products, we have initiated Life Cycle Assessments for select products. We also continue to advance circularity, with 99% of our non-hazardous waste being recycled/recovered. Water remains one of our most important sustainability priorities, and we have adopted the target of becoming water neutral. In line with this commitment, we have launched Project Jal Sanchay, an integrated watershed management programme aimed at building community resilience. At an operational level, 10 out of our 12 domestic units recycle and reuse water and operate with no discharge of wastewater outside their premises. Energy efficiency and emissions reduction remain central to our climate strategy. We continue to improve energy performance and increase the share of cleaner and renewable sources in our energy mix. During the year, approximately 27% of our energy requirement was met through renewable sources, marking an important step in reducing our greenhouse gas emissions and dependence on conventional energy. We have also strengthened our governance and decision-making architecture for sustainability. The completion of our Double Materiality Assessment through multi-stakeholder engagement has provided a clearer view of the ESG matters most relevant to our business and stakeholders. Based on this assessment, our key focus areas include water, waste, cybersecurity, patient safety, product quality and risks related to counterfeiting. These areas are being treated as operational priorities with clear ownership and accountability. Our sustainability journey also extends to our value chain. We have initiated a Sustainable Supply Chain Programme aimed at capacity building, knowledge sharing and progressive engagement with our suppliers on ESG-related expectations. This is aligned with our broader commitment to responsible sourcing and long-term supply chain resilience. We continue to strengthen our systems through external evaluations, policy alignment and certifications. Our efforts have also been recognised externally, with Alkem's S&P Global DJSI score improving from 18 to 53 within a short span of three years. NSE Sustainability has also assigned us a favourable rating of 73, bringing us closer to leading peer practices. While we have made meaningful progress, we recognise that ESG challenges are evolving rapidly. Climate change, water stress, responsible resource use, supply chain sustainability, product quality, patient safety, cybersecurity and ethical governance will continue to require focused action. We remain committed to addressing these priorities with discipline, measurable targets and sustained collaboration across our teams, partners and stakeholders. Ms. Madhurima Singh Executive Director & Chair – CSR and Sustainability Committee									
8 Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Mr. Sandeep Singh Designation: Managing Director								
9 Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	The CSR and Sustainability Committee of the Board is responsible for decision making on sustainability related issues of the company.								

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

Disclosure Questions	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 me of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No								
12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:									
Questions	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
The entity does not consider the Principles material to its business (Yes/No)	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 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)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the NGRBC Principles during the Financial Year:

<table>
<tr><th>Segment</th><th>Total number of training & awareness programmes held</th><th>Topics/principles covered under the training and its impact</th><th>%age of persons in respective category covered by the awareness programmes</th></tr>
<tr><td>Board of Directors</td><td>1</td><td>Principle 2 (R&D programmes, key R&D focus areas and targets)</td><td>100</td></tr>
<tr><td>Key Management Personnel</td><td>1</td><td>Principle 2 (R&D programmes, key R&D focus areas and targets)</td><td>100</td></tr>
<tr><td>Employees other than BODs and KMPs</td><td rowspan="2">4,794</td><td>Principle 3 and 6 (Trainings related to Environment, Health and safety)</td><td>100</td></tr>
<tr><td>Workers</td><td>Principle 3 and 6 (Trainings related to Environment, Health and safety)</td><td>100</td></tr>
</table>

2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the Financial Year, in the following format.

a. Monetary

<table>
<tr><th>Type</th><th>NGRBC Principle</th><th>Name of the regulatory/ enforcement agencies/ judicial institutions</th><th>Amount (In INR)</th><th>Brief of the case</th><th>Has an appeal been preferred? (Yes/No)</th></tr>
<tr><td>Penalty/ Fine</td><td colspan="5" rowspan="3">No Penalty/Settlement and compounding fee imposed on company/directors/KMPs.</td></tr>
<tr><td>Settlement</td></tr>
<tr><td>Compounding fee</td></tr>
</table>

b. Non-Monetary

<table>
<tr><th>Type</th><th>NGRBC Principle</th><th>Name of the regulatory/ enforcement agencies/ judicial institutions</th><th>Brief of the case</th><th>Has an appeal been preferred? (Yes/No)</th></tr>
<tr><td>Imprisonment</td><td colspan="4" rowspan="2">No imprisonment/punishment imposed on company/directors/KMPs.</td></tr>
<tr><td>Punishment</td></tr>
</table>

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.

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 web-link to the policy.

Yes.

The Company has an Anti-Bribery and Anti-Corruption Policy aimed at preventing involvement in bribery, corruption and other improper activities, while ensuring adherence to applicable laws and ethical conduct. The policy includes guidance on gifts and hospitality, facilitation payments and kickbacks, grants and donations, and the process for raising concerns or grievances.

Weblink: https://admin.alkemlabs.com/uploads/Anti_Bribery_and_Anti_Corruption_ABAC_Policy_c0cb337502.pdf

The standalone Anti-Corruption and Anti-Bribery Policy applies to individuals working at all levels and grades, including managers, officers, directors, employees, consultants, contractors, interns, trainees, seconded staff, casual workers, agency staff, agents and other associated persons. It covers prevention of bribery and corruption, gifts, political contributions, charitable contributions or sponsorships, training, breach-handling procedures and corrective or disciplinary actions.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Category	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

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

Topic	FY 2025-26 (Current Financial Year)		FY 2024-25 (Current Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	No complaints were received	0	No complaints were received
Number of complaints received in relation to issues of Conflict of Interest of KMPs	0	No complaints were received	0	No complaints were received

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

Category	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Number of days of accounts payables	92	112

Note – For the above calculation, "cost of goods and services procured" comprises purchases of raw materials, packing material, stock-in-trade, and other expenses. FY 24-25 restated accordingly.

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 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	13.5%	9.0%
	b. Number of trading houses where purchases are made from	257	215
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	39.2%	57.5%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	92.0%	98.1%
	b. Number of dealers / distributors to whom sales are made	5,662	8,799
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	27.5%	3.7%
Share of RPTs in	a. Purchases (Purchases with related parties/Total Purchases)	5.1%	11.4%
	b. Sales (Sales to related parties/Total Sales)	23.7%	22.7%
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances)	0	83.7%
	d. Investments (Investments in related parties / Total Investments made)	43.0%	31.1%

LEADERSHIP INDICATORS

1. **Awareness programmes conducted for value chain partners on any of the NGRBC Principles during the Financial Year:**

No awareness programme was conducted for value chain partners during the year.

Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	Percentage of persons in value chain covered by the awareness programmes

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

Alkem has implemented a Code of Business Conduct and Ethics specifically for its Directors and Senior Management. The Code is designed to ensure that due care is exercised in transactions that may present a conflict of interest with the Company's interests. It covers potential conflict areas including outside employment, directorships, gifts or payments, and corporate opportunities. The Code is publicly available on the Company's website.

Microsoft Word - Alkem_CODE OF BUSINESS CONDUCT AND ETHICS FOR SENIOR MANAGEMENT updated

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.**

Type	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)	Details of improvement in social and environmental aspects
Research & Development (R&D)	0.31%	3.89%	Investments focused on green chemistry, process optimization, product efficacy improvement and development of quality healthcare solutions.
Capital Expenditure (CAPEX)	0.49%	3.25%	Investments focused on energy efficiency, water conservation, monitoring infrastructure and operational sustainability improvements.

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

Yes, The Company has implemented a Sustainable Supply Chain programme under which suppliers are assessed on environmental, social and governance parameters. The programme includes supplier surveys, ESG-based onboarding and evaluation processes, and assessments relating to quality, compliance and sustainability practices.

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

2%

3. **Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Product	Process to safely reclaim the product
a. Plastics (including packaging)	The Company reclaims plastic packaging under its Extended Producer Responsibility (EPR) programme through authorised recyclers. Recovered plastic packaging waste is recycled in accordance with applicable regulatory requirements and approved waste-management processes.
b. E-Waste	The products manufactured and sold by the company do not contain e-waste. Hence, this category is not applicable.
c. Hazardous Waste	The expired products constituting hazardous waste are handled, stored, transported and disposed through authorised agencies in accordance with applicable hazardous waste management rules and internal EHS procedures.
d. Other Waste	Other waste generated from operations is segregated and managed through reuse, recycling, co-processing and safe disposal practices through authorised waste-management channels. For FY2025-26, the Company's EPR disclosure primarily covers plastic packaging under the applicable Plastic Waste Management Rules. The Company is also evaluating the applicability and implementation requirements of the notified EPR framework for non-ferrous metal products, including pharma packaging foils, which comes into effect from 1 April 2026.

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.**

Whether EPR is applicable to the entity's activities	Yes
Whether waste collection plan is in line with EPR plan submitted to Pollution Control Boards	Yes

The Company is registered with the Central Pollution Control Board (CPCB) as a Brand Owner under applicable EPR regulations. The waste collection and recycling process is aligned with the EPR plan submitted to relevant Pollution Control Boards.

LEADERSHIP INDICATORS

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No) If Yes, provide web-link
	Metoprolol		Cradle to grave	Yes	No

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

We have conducted the LCA & found out that there is no significant change in Social or environmental Concerns.

Sr.	Name of the product	Description of the risk	Action Taken
		Not Applicable	

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2025-26 (Current FY)	FY 2024-25 (Previous FY)
Not Applicable	Not Applicable	Not Applicable

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

	FY 2025-26 (Current FY)			FY 2024-25 (Previous FY)		
	Reused	Recycled	Safely Disposed	Reused	Recycled	Safely Disposed
Plastics (including packaging)*	0	4,376 MT	0	0	3,961 MT	0
E-waste	0	0	0	0	0	0
Hazardous waste	0	0	123 MT	0	0	97 MT
Other waste	0	0	0	0	0	0

*Quantities disclosed for reclaimed packaging for FY 2025-26 relate to plastic packaging recovered/recycled under the applicable EPR framework. EPR obligations for non-ferrous metal products, including pharma packaging foils, come into effect from 01 April, 2026; accordingly, aluminium/metal packaging reclaim quantities have not been separately reported for FY 2025-26 and are under evaluation for future reporting.

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

100% for plastic packaging.

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	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Employees											
Male	16,931	16,931	100%	16,931	100%	0	0%	16,931	100%	2,128	13%
Female	522	522	100%	522	100%	522	100%	0	0%	185	35%
Total	**17,453**	**17,453**	**100%**	**17,453**	**100%**	**522**	**3%**	**16,931**	**97%**	**2,313**	**13%**
Other than Permanent Employees											
Male	270	270	100%	270	100%	0	0%	270	100%	4	1%
Female	21	21	100%	21	100%	21	100%	0	0%	0	0%
Total	**291**	**291**	**100%**	**291**	**100%**	**21**	**7%**	**270**	**93%**	**4**	**1%**

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

Category	Total (A)	% of employees covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Workers											
Male	1,862	1,862	100%	1,862	100%	0	0	1,862	100%	1,699	91%
Female	31	31	100%	31	100%	31	100%	0	0%	31	100%
Total	**1,893**	**1,893**	**100%**	**1,893**	**100%**	**31**	**2%**	**1,862**	**98%**	**1,730**	**91%**
Other than Permanent Workers											
Male	3,531	3,531	100%	3,531	100%	0	0%	3,531	100%	804	23%
Female	218	218	100%	218	100%	218	100%	0	0%	11	5%
Total	**3,749**	**3,749**	**100%**	**3,749**	**100%**	**218**	**6%**	**3,531**	**94%**	**815**	**22%**

c. **Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:**

Category	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the company	0.2%	0.3%

2. **Details of retirement benefits, for Current FY and Previous Financial Year:**

Sr.	Benefits	FY 2025-26 (Current FY)			FY 2024-25 (Previous FY)		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)
1	PF	100%	100%	Yes	100%	100%	Yes
2	Gratuity	100%	100%	Yes	100%	100%	Yes
3	ESI	0%	4%	Yes	1%	6%	Yes
4	Other	2%	0%	Yes	2%	0%	Yes

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes. Alkem Laboratories Limited ensures that its offices are accessible to differently abled individuals in line with the Rights of Persons with Disabilities Act, 2016. The Company has implemented accessibility measures such as ramps at entry and exit points, wheelchair-friendly parking areas, spacious lifts and specialised restrooms. Manufacturing facilities offer partial accessibility, while office and administration areas within factory premises are equipped to support differently abled employees and visitors.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. Alkem Laboratories Limited has established a Code of Ethics applicable to all employees, promoting diversity and equal opportunities in alignment with the Rights of Persons with Disabilities Act, 2016. The code is accessible to employees through the Company's intranet, ensuring awareness and adherence to ethical and inclusive practices. https://www.alkemlabs.com/pdf/Alkem_Labs_Code_of_Ethics.pdf

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

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	100	-	100	-
Female	84.3	-	-	-
Total	97.1	-	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	Details of the mechanism in brief
Permanent Workers	Yes	Alkem has instituted a three-tier grievance management framework covering employees, workers, contractual workforce and third-party employees present on Alkem premises. The mechanism includes: (i) Open Door Policy, through which employees and workers may approach supervisors, line managers or HR managers; (ii) Internal Complaints Committee under POSH, with ICCs constituted across locations for sexual harassment-related grievances; and (iii) Whistle-blower mechanism, enabling confidential reporting of actual or suspected unethical behaviour, policy violations or illegal activities through whistleblower@alkem.co.in. At manufacturing sites, suggestion boxes are installed outside departments and shop-floors, EHS committees include departmental and worker representatives, and daily shop-floor trainings include dialogue sessions for workers to raise grievances.
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

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

Category	FY 2025-26 (Current FY)			FY 2024-25 (Current FY)		
	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	17,453	0	0	16,861	0	0
Male	16,931	0	0	16,380	0	0
Female	522	0	0	481	0	0
Total Permanent Workers	1,893	0	0	1,924	0	0
Male	1,862	0	0	1,900	0	0
Female	31	0	0	24	0	0

8. Details of training given to employees and workers:

Category	FY 2025-26 (Current FY)					FY 2024-25 (Previous FY)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	17,201	17,201	100%	-	-	16,602	16,602	100%	16,380	98%
Female	543	543	100%	-	-	506	506	100%	481	95%
Total	17,744	17,744	100%	5,843	33%	17,108	17,108	100%	16,861	98%
Workers										
Male	5,393	5,393	100%	-	-	5,510	5,510	100%	5,510	100%
Female	249	249	100%	-	-	215	215	100%	215	100%
Total	**5,642**	**5,642**	**100%**	**-**	**-**	**5,725**	**5,725**	**100%**	**5,725**	**100%**

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

Category	FY 2025-26 (Current FY)*			FY 2024-25 (Previous FY)*		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who had a career review (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who had a career review (D)	% (D/C)
Employees						
Male	16,931	14,521	86%	16,380	13,569	83%
Female	522	476	91%	481	404	84%
Total	17,453	14,997	86%	16,861	13,973	83%
Workers						
Male	1,862	1,820	98%	1,900	1,824	96%
Female	31	30	97%	24	24	100%
Total	**1,893**	**1,850**	**98%**	**1,924**	**1,852**	**96%**

*Data exclusive of contractual employees and workers.

10. Health and safety management system

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, what is the coverage of such system?

Yes, Alkem has implemented an occupational health and safety management system covering manufacturing facilities, research and development centres, offices, depots and warehouses. The system covers permanent and non-permanent employees and workers, contractual workers, and third-party/off-roll employees working within Alkem premises.

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

Alkem has implemented an occupational health and safety management system covering manufacturing facilities, research and development centres, offices, depots and warehouses. The system covers permanent and non-permanent employees and workers, contractual workers, and third-party/off-roll employees working within Alkem premises.

Alkem's EHSS framework covers policy and commitment, risk identification and assessment, legal and regulatory compliance, roles and responsibilities, training and competence, and operational controls. HIRA covers routine and non-routine activities and evaluates exposures that could lead to physical injuries, electrocution, chemical burns and other hazards.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)

Alkem has an EHS risk mitigation framework based on a participatory approach for hazard and risk identification. Employees and workers can report work-related hazards through suggestion boxes installed outside departments, daily shop-floor dialogue sessions, monthly EHS committee meetings with worker representation, and direct reporting to immediate function heads or site EHS teams. The Company provides role-specific occupational health and safety training, including emergency preparedness, fire hydrant and firefighting systems, leak and spill control procedures and safety alarms. Under Alkem's "STOP" initiative, each worker, employee and third-party individual present on site is empowered to stop work immediately in an endangering situation until the situation is remedied.

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

Alkem provides non-occupational medical and healthcare services to employees and workers. Each manufacturing site is equipped with Occupational Health and Safety centres staffed by medical practitioners to provide health-related guidance. The Company also has a medical insurance scheme and periodic health check-ups for employees. Under the Alkemites Assistance Programme, the Company has partnered with a third-party service provider to provide free 24x7 online counselling for mental health, diet and nutrition consultation, and legal matters for employees and their immediate family members. These sessions are also available in regional languages.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2025-26 (Current FY)	FY 2024-25 (Previous FY)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0.07	0.09
Total recordable work-related injuries	Employees	0	0
	Workers	1	1
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

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

Alkem implements comprehensive measures to ensure workplace safety, health and well-being, including regular Environment, Health, Safety (EHS) trainings for employees and workers to improve EHS performance. The Company encourages proactive communication and employee participation in identifying safety concerns and maintaining workplace safety standards. To manage chemical exposure, Alkem uses substitution (as applicable), engineering controls, closed operations and administrative measures, supported by necessary protective equipment/mechanisms. Regular emergency mock drills are conducted to prepare workers and employees for all risks (natural or man-made) associated with day-to-day operations including chemical handling. The Company also recognises ergonomics as part of occupational health, with offices and infrastructure designed to support postural health. Employee well-being activities including yoga sessions, sports activities and mindfulness sessions are conducted to reduce fatigue and support a stress-free workplace.

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

Topic	FY 2025-26 (Current FY)			FY 2024-25 (Previous FY)		
	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:

Topic	% 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.

There are no corrective action plans in place as no critical risk has been identified. However, as proactive measure, we have procured diphotherene kits at few of our sites to address chemical exposure.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

a. Employees (Yes/No): Yes

b. Workers (Yes/No): Yes

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

Alkem undertakes periodic reviews of statutory dues deposited by its value-chain partners. The Company checks relevant statutory compliance documents, including PF, ESIC, professional tax and labour welfare fund challans, invoices, salary sheets and related documentation submitted by contractors and service providers, to verify whether applicable dues have been deducted and deposited.

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:

Category	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 (Current FY)	FY 2024-25 (Previous FY)	FY 2025-26 (Current FY)	FY 2024-25 (Previous FY)
Employees	0	0	0	0
Workers	0	0	0	0

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

Yes

5. Details on assessment of value chain partners:

Topic	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	-
Working Conditions	-

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No significant risks or concerns were identified from the assessment of health and safety practices and working conditions of value-chain partners during FY 2024-25. Accordingly, no corrective action was reported.

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:

Alkem identifies stakeholders based on the nature of engagement, extent of dependency, responsibility, influence and impact on business operations and decision-making. The Company considers individuals, groups or institutions that are affected by, associated with or capable of influencing its operations as stakeholders. Stakeholder identification is carried out through ongoing business interactions, operational interfaces, regulatory requirements, sustainability priorities and value-chain relationships. Special attention is provided to vulnerable and marginalised stakeholders wherever relevant.

Alkem's stakeholder engagement process is designed to understand stakeholder expectations, concerns and priorities and integrate them into business decision-making and sustainability initiatives. Engagement channels include meetings, surveys, audits, digital communication platforms and operational interactions.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:**

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Customer meetings, doctor interactions, digital platforms, email, website, customer care mechanisms, surveys	Continuous / Periodic	Product quality, product efficacy, product safety, ethical marketing, product availability, pharmacovigilance and customer satisfaction
Communities	Yes	CSR programmes, community meetings, awareness programmes, health camps, local engagement initiatives	Periodic / Need-based	Community development, healthcare access, education, sanitation, local employment and environmental concerns
Business Partners/ Vendors/ Contractors	No	Supplier meetings, audits, assessments, email communication, review meetings, vendor onboarding processes	Periodic	Quality compliance, responsible sourcing, ESG requirements, health & safety practices, statutory compliance and operational performance
Employees	No	Townhalls, meetings, HR platforms, surveys, intranet, email communication, training sessions	Continuous	Employee well-being, career development, workplace safety, diversity and inclusion, performance management and engagement
Workers	Yes	Shop-floor meetings, trainings, EHS committees, grievance mechanisms, suggestion boxes	Continuous	Workplace safety, working conditions, welfare measures, grievance redressal and operational concerns
Regulatory Authorities	No	Regulatory filings, inspections, submissions, meetings and compliance interactions	Periodic / As required	Regulatory compliance, product approvals, statutory reporting, inspections and governance matters
Unitholders/ Investors	No	Annual General Meetings, investor meetings, earnings calls, stock exchange filings, annual reports, investor presentations	Quarterly / Annual / Event-based	Financial performance, governance, ESG performance, risk management and business strategy

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.**

   Alkem engages with stakeholders through structured and ongoing engagement mechanisms across business operations and sustainability initiatives. Stakeholder feedback relating to economic, environmental and social topics is collected through operational interactions, investor engagements, customer interfaces, employee engagement platforms, supplier assessments, grievance mechanisms, audits, surveys, community programmes and regulatory interactions. As part of its FY 2025-26 Double Materiality Assessment process, stakeholder consultations were also undertaken to identify and prioritize material ESG topics and associated impacts, risks and opportunities. Inputs and material concerns arising from these engagements are escalated to senior management and relevant functional teams. Significant ESG-related matters, strategic sustainability priorities, compliance-related matters and material stakeholder concerns are subsequently reviewed through Board-level governance mechanisms, including the CSR and Sustainability Committee and senior leadership discussions.

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. Alkem uses stakeholder consultation processes to support the identification, prioritization and management of material environmental, social and governance topics. During FY2025-26, stakeholder inputs formed an important part of the Double Materiality Assessment exercise undertaken by the Company to identify material impacts, risks and opportunities across operations and value chain activities. Inputs received from stakeholders were incorporated into sustainability priorities, risk-management approaches and operational initiatives, including the following

Stakeholder Input Area	How inputs were incorporated into policies and activities
Employee well-being and workplace safety	Inputs from employees and workers were incorporated into health and safety practices, training programmes, grievance mechanisms, mental-health support initiatives and workplace welfare measures.
Community healthcare and development	Community engagement inputs supported implementation of CSR initiatives relating to healthcare access, education, sanitation and community-development programmes.
Responsible sourcing and compliance	Vendor and contractor engagement supported strengthening of ESG-linked supplier assessment processes and compliance expectations.
Product quality and patient safety	Customer and healthcare practitioner interactions contributed to strengthening product quality, pharmacovigilance and responsible product stewardship practices.
Environmental sustainability	Operational and stakeholder inputs supported implementation of initiatives relating to energy efficiency, waste management, water stewardship, renewable energy adoption and climate-risk mitigation measures identified through the Company's sustainability and materiality assessment processes.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.**

Alkem engages with vulnerable and marginalised stakeholder groups through its operational, employee welfare and CSR initiatives, with focus areas including healthcare accessibility, worker well-being, community development and social inclusion.

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, in the following format:**

Category	FY 2025-26 (Current FY)			FY 2024-25 (Previous FY)		
	Total (A)	No. of employees /workers covered (B)	% (B / A)	Total (C)	No. of employees /workers covered (D)	% (D / C)
Employees						
Permanent	17,453	12,681	72%	16,861	16,861	100%
Other than permanent	291	-	-	247	247	100%
Total Employees	17,744	12,681	71%	**17,108**	**17,108**	**100%**
Workers						
Permanent	1,893	-	-	1,924	1,924	100%
Other than permanent	3,749	-	-	3,801	3,801	100%
Total Workers	**5,642**	**-**	**-**	**5,725**	**5,725**	**100%**

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2025-26 Current FY					FY 2024-25 (Previous FY)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	16,931	0	0%	16,931	100%	16,380	505	3	15,875	97
Female	522	0	0%	522	100%	481	20	4	461	96
Other than Permanent										
Male	270	270	100%	0	0%	222	222	100	0	0
Female	21	21	100%	0	0%	25	25	100	0	0

Category	FY 2025-26 Current FY					FY 2024-25 (Previous FY)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Workers										
Permanent										
Male	1,862	0	0%	1,862	100%	1,900	0	0	1,900	100
Female	31	0	0%	31	100%	24	0	0	24	100
Other than Permanent										
Male	3,531	3,531	100%	0	0%	3,610	3,610	100	0	0
Female	218	218	100%	0	0%	191	191	100	0	0

3. **Details of remuneration/salary/wages, in the following format:**

a. **Median remuneration/ wages:**

	Male		Female	
	Number	Median remuneration	Number	Median remuneration
Board of Directors (BoD)	6	3,74,83,338	1	3,91,80,156
Key Managerial Personnel	3	2,28,10,404	0	0
Employees other than BoD and KMP	16922	2,82,276	521	3,87,180
Workers	1862	2,36,136	31	1,60,704

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

Category	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Gross wages paid to females as % of total wages	4.5	4.3

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. Alkem has constituted an Ethics Committee to oversee matters relating to Human Rights and to support alignment with applicable human rights principles, including the Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights, the Constitution of India, and relevant local and international laws and regulations. The Committee is responsible for reviewing and addressing human rights-related concerns arising within the Company.

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

Alkem Laboratories Limited is working towards further formalising its human rights governance framework, including policy-level guidance and defined processes for handling related grievances. This is expected to strengthen consistency in the assessment, escalation and resolution of concerns, while supporting improved identification and management of human rights-related risks.

Currently, human rights-related complaints may be raised through the Company-wide whistleblower mechanism. Such matters are reviewed and investigated under the oversight of the Ethics Committee, with support from the Internal Audit Team, to ensure appropriate evaluation and closure.

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

	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	2	0	-	0	0	-
Discrimination at Workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/ Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	15	0	Complaints related to workplace harassment, ethics and others	0	0	-

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

Category	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	2	0
Complaints on POSH as a % of female employees / workers	0.26%	0
Complaints on POSH upheld	1	0

8. **Mechanisms to prevent adverse consequences to the complaints in discrimination and harassment cases.**

Alkem Laboratories Limited has established safeguards to encourage responsible reporting of concerns without fear of retaliation. The Company's Whistle Blower Policy provides for anonymity and protection of individuals who raise concerns in good faith, helping ensure that complainants are not subjected to victimisation or adverse treatment at the workplace.

The Company also strives to maintain a safe, respectful and bias-free work environment. In line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Alkem has adopted a Prevention of Sexual Harassment Policy. An Internal Complaints Committee has been constituted at the head office to examine and resolve complaints through a fair and structured process. Similar committees are also in place across business locations to ensure accessibility and effective coverage.

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

Yes. Human rights expectations are embedded in the Company's business arrangements. Alkem has adopted a Code of Ethics for Suppliers, Vendors and Other Stakeholders, which sets out the Company's commitment to respecting human rights and ethical practices in the value chain and applies to suppliers, contractors, and vendors.

10. **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100%
Forced/ Involuntary Labour	100%
Sexual Harassment	100%
Discrimination at Workplace	100%
Wages	100%
Others – please specify	-

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

No significant risks were observed from the assessments.

LEADERSHIP INDICATORS

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**

No critical human rights related grievance or complaint received.

2. **Details of the scope and coverage of any Human Rights Due Diligence conducted.**

The human rights due diligence was conducted internally at all manufacturing sites, corporate offices and depots.

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

Alkem's office locations are equipped with access-friendly infrastructure to support persons with disabilities, in accordance with the Rights of Persons with Disabilities Act, 2016. Facilities such as entrance and exit ramps, reserved parking for wheelchair users, accessible lifts and specially equipped washrooms have been provided at office premises. At manufacturing sites, access may be restricted in certain operational zones due to the nature of activities; however, suitable assistance and necessary arrangements are made to facilitate movement for differently abled employees and visitors within permitted areas.

4. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Child Labour	-
Forced/ Involuntary Labour	
Sexual Harassment	
Discrimination at Workplace	
Wages	
Others – Safety	

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Not applicable.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

ESSENTIAL INDICATORS

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
From renewable sources		
Total Electricity Consumption (A) (GJ)	12,212	4,434
Total Fuel Consumption (B) (GJ)	1,89,120	2,03,911
Energy Consumption through other sources (C) (GJ)	0	0
Total Energy Consumption from renewable sources (A+B+C) (GJ)	**2,01,332**	**2,08,345**
From non-renewable sources		
Total Electricity Consumption (D) (GJ)	3,74,987	3,72,529
Total Fuel Consumption (E) (GJ)	1,78,181	3,90,489
Energy Consumption through other sources (F) (GJ)	0	0
Total Energy Consumption from non-renewable sources (D+E+F) (GJ)	**5,53,168**	**7,63,017**
Total Energy Consumption (A+B+C+D+E+F) (GJ)	**7,54,500**	**9,71,362**
Energy Intensity per rupee of turnover (Total energy consumed / Revenue from operations) (GJ per Million INR)	7.1	9.2
Energy Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) (GJ per Million USD)	145.0	189.6
Energy Intensity in terms of physical output (GJ/MT of product generated)	16.3	16.1
Energy Intensity (optional) – the relevant metric may be selected by the entity	-	-

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

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

No. The Pharmaceutical sector is not covered under the PAT Scheme.

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

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	1,76,792	1,96,934
(ii) Groundwater	3,31,247	3,63,602
(iii) Third party water	1,09,406	1,22,785
(iv) Seawater / desalinated water	0	0
(v) Others (Rainwater storage)	1,620	1,440
Total volume of Water Withdrawal (in kilolitres) (i + ii + iii + iv + v)	6,19,064	6,84,761
Total volume of Water Consumption (in kilolitres)	5,80,641	6,56,441

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water Intensity per rupee of turnover (Water consumed / Revenue from operations) (kl per Million INR)	5.5	6.2
Water Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/ Revenue from operations adjusted for PPP) (GJ per Million USD)	**111.6**	**128.2**
Water Intensity in terms of physical output (GJ/MT of product generated)	12.5	10.9
Water Intensity (optional) – the relevant metric may be selected by the entity	-	-

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

4. **Provide the following details related to water discharged:**

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	0	0
- With treatment – please specify level of Treatment	0	0
(ii) To Groundwater		
- No treatment	0	0
- With treatment – please specify level of Treatment	0	0
(iii) To Seawater		
- No treatment	0	0
- With treatment – please specify level of Treatment	0	0
(iv) Sent to third-parties		
- No treatment	11,348	0
- With treatment – please specify level of Treatment - Secondary	27,075	28,320
(v) Others	0	
- No treatment		
- With treatment – please specify level of Treatment	0	
Total water discharged (in kilolitres)	**38,423**	**28,320**

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

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Yes. Alkem has implemented Zero Liquid Discharge systems across select manufacturing locations. This forms part of its wastewater management approach to achieve water neutrality across operations by FY 30. During the reporting year, 58% of the Company's manufacturing units, including Ankleshwar, Mandva and 5 units of Sikkim were covered under ZLD infrastructure. Further, 83% of manufacturing sites did not discharge wastewater outside the plant boundary.

All manufacturing facilities are supported by Effluent Treatment Plants for treating wastewater generated from operations. During FY 2025-26, approximately 84% of treated wastewater was reused within the Company's facilities for purposes such as utilities and landscaping. Alkem continues to follow water recycling practices with the objective of lowering dependence on freshwater. During the year, the Company recorded a 2,000 litres per ₹ Crore of revenue in total freshwater consumption, compared to the previous year.

6. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
NOx	MT	29	40
SOx	MT	15	35
Particulate matter (PM)	MT	50	89
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others	-	-	-

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

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 1 Emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent (tCO_2e)	19,088.7	33,018
Total Scope 2 Emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available) (Market based)	Metric tonnes of CO_2 equivalent (tCO_2e)	74,116.3	76,079
Total Scope 1 and Scope 2 Emissions	**(tCO_2e)**	**93,205**	**1,09,097**
Total Scope 1 and Scope 2 Emissions Intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG Emissions / Revenue from operations)	tCO_2e / Million INR	0.9	1.0
Total Scope 1 and Scope 2 Emissions Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG Emissions / Revenue from operations adjusted for PPP)	tCO_2e / Million USD	17.9	21.3
Total Scope 1 and Scope 2 Emissions Intensity in terms of physical output	tCO_2e/MT of product generated	2.0	1.8
Total Scope 1 and Scope 2 Emissions Intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Scope 1 & 2 emissions include emissions from fuel consumption, purchased electricity and steam, and fugitive emissions. The Scope 2 emissions calculated using the location-based approach for the reporting year are 76,525 tCO_2e. The reported emissions have been calculated using emission factors sourced from the US EPA GHG Emission Factors Hub and India CEA Grid Emission Database (Version 21).

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

8. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details**

Yes. The Company has set a voluntary target to reduce its Scope 1 and Scope 2 emissions by 42% by FY 2033, using FY 2023 as the baseline year. To support progress against this target, Alkem has undertaken several initiatives focused on energy efficiency, monitoring and transition to cleaner energy sources, including:

- Conducting energy audits across sites to identify opportunities for energy conservation
- Installing IoT-enabled energy meters for real-time tracking and monitoring of energy consumption
- Progressing green energy initiatives, including:
  - Use of bio-briquettes in boilers as an alternative to conventional fossil fuels
  - Procurement/use of solar power through captive and open access arrangements

In addition, to address residual Scope 2 emissions, Alkem plans to procure Renewable Energy Certificates (RECs) from the Indian Energy Exchange (IEX) which are expected to cover an additional 40-50% of our decarbonisation target.

The Company continues to monitor the impact of these initiatives and track progress against its emissions reduction roadmap.

9. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	1,596	1,528
E-waste **(B)**	2	2
Bio-medical waste **(C)**	19	17
Construction and demolition waste **(D)**	0	0
Battery waste **(E)**	8	6
Radioactive waste **(F)**	0	0
Other Hazardous waste Please specify (if any). **(G)**	873	922
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	3,730	3,103
Total (A+B + C + D + E + F + G+ H)	**6,228**	**5,578**

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Waste Intensity per rupee of turnover (Total waste generated / Revenue from operations) (MT per Million INR)	0.1	0.1
Waste Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) (MT per Million USD)	1.2	1.1
Waste Intensity in terms of physical output (MT/ MT of product generated)	0.1	0.1
Waste intensity (optional) – the relevant metric may be selected by the entity		-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	5,151	4,546
(ii) Re-used	0	128
(iii) Other recovery operations	780	614
Total	**5,931**	**5,288**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	289	248
(ii) Landfilling	114	131
(iii) Other disposal operations	10	8
Total	**413**	**387**

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

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company follows a structured waste management approach focused on: waste audits, investment in innovation & R&D, actions plan to reduce waste generation, training for employees, integration of recycling programmes and quantified targets to minimise waste. In line with its sustainability objectives, Alkem recycles/reuses 99% of its non-hazardous waste. Non-hazardous waste streams such as glass, paper, metal and food waste are either recycled, reused or handled through appropriate disposal channels.

For hazardous waste, Alkem engages government-authorised agencies for collection, recycling, co-processing or disposal, depending on the nature and category of waste. The Company also continues to evaluate opportunities to reduce the use of hazardous and toxic chemicals in its products and processes, wherever operationally feasible.

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

None of the company's operations/ offices are situated in ecologically sensitive areas.

S. No.	Specify the law/regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines/ penalties/ action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
	Not applicable			

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

No EIA was conducted during the financial year.

S. No.	Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No)	Relevant Web link
1	Not Applicable					
2						

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

S. No.	Specify the law/regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines/ penalties/ action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
No fines and penalties received for non-compliance in the current financial year.				

LEADERSHIP INDICATORS

1. **Water withdrawal, consumption and discharge in areas of water stress (in kiloliters):**

For each facility / plant located in areas of water stress, provide the following information:

a. Name of the Area: **Manufacturing :** Daman (Amaliya and Kachigam); Depots: Jaipur, Ahmedabad, Patna

b. Nature of operations: Manufacturing of pharmaceutical products and warehousing of these products

c. Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water withdrawal by source (in kiloliters)		
(i) To Surface water	0	0
(ii) Groundwater	1,66,672	2,07,840
(iii) Third party water	14,895	23,500
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kiloliters)	1,81,567	2,31,340
Total volume of water consumption (in kiloliters)	1,80,985	2,31,340
Water intensity per rupee of turnover (Water consumed / turnover) (kl/Million INR)	1.7	2.2
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kiloliters)		
(i) Into Surface Water		
- No Treatment	0	0
- With Treatment – please specify level of treatment	0	0
(ii) Into Groundwater		
- No Treatment	0	0
- With Treatment – please specify level of treatment	0	0
(iii) Into Seawater		
- No Treatment	0	0
- With Treatment – please specify level of treatment	0	0
(iv) Sent to third parties		
- No Treatment	582	0
- With Treatment – please specify level of treatment	0	0
(v) Others		
- No Treatment	0	0
- With Treatment – please specify level of treatment	0	0
Total water discharged (in kiloliters)	**582**	**0**

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

2. Please provide details of total Scope 3 emissions & its intensity, in the following format

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 3 Emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available) **Total Scope 3 Emissions Intensity per rupee of turnover** (Total Scope 3 GHG Emissions / Revenue from operations) **Total Scope 3 Emissions Intensity** (optional) – the relevant metric may be selected by the entity	Metric tonnes of CO_2 equivalent	We are in the process of compiling and verifying scope 3 data for FY 26 and it will be presented as part of the upcoming Sustainability Report.	5,72,935.63

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. N

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Green energy transition	Alkem is progressively increasing the share of cleaner energy in its operations by using bio-briquettes in boilers and solar power sourced through captive as well as open access arrangements.	During the reporting year, renewable energy accounted for 26% of total energy consumption, supporting reduction in greenhouse gas emissions.

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

Yes. The Company has an enterprise-level Business Continuity Plan to manage potential disruptions arising from planned or unforeseen events. The plan covers key operational risks such as extreme weather incidents, leadership transitions, supply chain interruptions and system failures, and defines response and recovery measures to reduce business impact and financial exposure. Oversight of business continuity forms part of the Risk Committee's terms of reference.

Alkem has also put in place disaster management plans across its manufacturing facilities. These sites are equipped with emergency response mechanisms to support preparedness, continuity of critical operations and timely recovery in the event of a disaster.

6. Disclose any significant adverse impact to the environment arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

During the reporting period, the Company did not identify any material adverse environmental impact attributable to its value chain. Alkem continues to keep track of relevant operational and supply chain activities through periodic reviews and engagement with value chain partners to assess potential environmental risks. Where required, appropriate preventive measures and controls are integrated into sourcing and operating practices to promote environmentally responsible conduct across the value chain.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impact. - No value chain partner was assessed during the year.

8. How many Green Credits have been generated or procured?

a. By the listed entity - Nil

b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners - Nil

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.

The Company is an active member of six (6) trade and industry chambers/associations.

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

Sr.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers / associations (State/National/International)
1.	Indian Drugs Manufacturer's Association (IDMA)	National
2.	Indian Pharmaceutical Alliance (IPA)	National
3.	Bombay Chamber of Commerce & Industry	National
4.	Pharmaceutical Export Promotion Council of India	National
5.	Federation of Pharma Entrepreneurs (FOPE)	National
6.	Pharmaceutical Supply Chain Initiative (PSCI)	International

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

During the Financial Year 2025-26, the Company has not received any cases related to anti-competitive practices.

Name of Authority	Brief of the case	Corrective action taken
	Not Applicable	

LEADERSHIP INDICATORS

1. Details of public policy positions advocated by the entity:

No public policy positions are advocated by the entity in reporting year.

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/ Others – please specify)	Web Link, if available
1.			NONE		

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.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes/ No)	Relevant Web link
Supporting Digital Classrooms for Enhancing Learning Outcomes – Digital classrooms enabled in 240 government schools (Bihar)	1		Yes	Yes	https://www.alkemlabs.com/sustainability/csr#action-plan
Support for Farmers Livelihood with Global Vikas Trust (GVT) – Reached 6,000+ farmers in Maharashtra	2		Yes	Yes	https://www.alkemlabs.com/sustainability/csr#action-plan
Support to Olympic Gold Quest Programme implemented by Foundation of Promotion of Sports and Games – Supported 223 athletes across Olympic & Paralympic disciplines	3		Yes	Yes	https://www.alkemlabs.com/sustainability/csr#action-plan

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

   There is no R&R being undertaken by the Company.

S. No.	Name of project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amount paid to PAFs in the FY26 (in ₹)
	Not Applicable					

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

   The company carries out its CSR projects in collaboration with credible partner organisations. We follow a participatory approach, which means local communities and other key stakeholders are actively involved in planning and running the projects. This helps build a sense of ownership within the community and supports the long-term success of our initiatives.

   To make sure concerns are heard and addressed, our CSR team and partner agencies regularly connect with community members, local authorities, and other stakeholders through formal/informal platforms including quarterly meetings with communities, participatory workshops etc. There's also a proper system in place for people to raise any issues—either through the implementing agency or directly with the company. The contact details of CSR coordinators at each site are made available to communities and all relevant stakeholders for direct grievance redressal in their local language. There is a dedicated email id displayed across all platforms of Alkem Foundation - Website, Social Media handles, all project-related PR material, where grievances/ queries may be registered. All grievances are reviewed within a set timeframe, in coordination with involved stakeholders. This approach helps ensure transparency, accountability, and keeps us constantly improving how we deliver our projects.

4. **Percentage of input material (inputs to total inputs by value) sourced from local or small-scale suppliers:**

	FY 2025-26 (Current FY)	FY 2024-25 (Previous FY)
Directly sourced from MSMEs/ Small producers	27.1%	11.8%
Directly from within India	84.4%	87.7%

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

Location	FY 2025-26 (Current FY)	FY 2024-25 (Previous FY)
Rural	10.3%	12.8%
Semi-urban	15.0%	12.8%
Urban	27.0%	14.8%
Metropolitan	47.7%	59.1%

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not Applicable

Details of negative social impact identified	Corrective action taken

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. no.	State	Aspirational District	Amount Spent (in ₹)
1	Bihar	Muzaffarpur - Home-based Palliative Care for Advance Stage Cancer Patients	44,15,224
2	Bihar	Muzaffarpur - Shri Samprada Singh Memorial Radiotherapy Centre	NA
3	Sikkim	Soreng - Project Aagaz- Health and Sanitation	26,23,647

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)

Yes. The Company has instituted a Supplier Diversity Programme to encourage broader participation of diverse and underrepresented supplier groups in the pharmaceutical supply chain. The programme focuses on:

i. Expanding procurement opportunities for suppliers from historically underrepresented groups.

ii. Supporting the capacity-building and growth of diverse suppliers through relevant assistance and resources.

iii. Strengthening business outcomes by bringing in varied perspectives, capabilities and experiences from the supplier base.

(b) From which marginalised /vulnerable groups do you procure?

The Supplier Diversity Programme seeks to engage with a range of diverse supplier categories, including women-owned enterprises, small and medium enterprises, social enterprises, minority-owned enterprises and enterprises owned by persons with disabilities.

(c) What percentage of total procurement (by value) does it constitute?

We are currently making provisions to identify and track the value of procurement under supplier diversity programme.

Unit of reporting (i.e by Quantity or by Value – please specify)	Total No. of Inputs sourced from all suppliers	No. of Inputs sourced from marginalised / vulnerable groups	Percentage of Inputs sourced from marginalised / vulnerable groups

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current Financial Year), based on traditional knowledge.**

S. No.	Intellectual Property based on traditional knowledge	State Owned/ Acquired (Yes/ No)	Benefit shared (Yes/ No)	Basis of calculating benefit share
	Not Applicable			

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of the authority	Brief of the case	Corrective action taken
	Not Applicable	

6. **Details of beneficiaries of CSR Projects.**

Sr.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalised group
1.	Health	2,31,947	100%
2.	Environment & Sustainability	23,594	100%
3.	Research & Innovation	NA	NA
4.	Integrated Village Development	6,12,083	100%

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in responsible manner

ESSENTIAL INDICATORS

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The Company has put in place a structured process for capturing, reviewing and resolving consumer complaints and feedback. Standard operating procedures define the way customer concerns are received, assessed and addressed. To further support timely reporting, Alkem's website provides a dedicated facility for reporting adverse events associated with its products.

Weblink for adverse event reporting: https://www.alkemlabs.com/adverse-event-reporting.php

Alkem Laboratories Limited maintains a pharmacovigilance framework aimed at safeguarding patient well-being through the timely identification, collection, evaluation and communication of adverse events relating to its medicines.

Consumers or other individuals may report suspected adverse reactions or side effects linked to Alkem's products through the following channels:

- Adverse Drug Reaction (ADR) Reporting Toll-Free Number: 1800-22-99-10, available Monday to Friday between 9:30 am and 5:30 pm
- Online ADR reporting form: https://www.alkemlabs.com/pdf/adverse/Alkem%20ADR%20Reporting%20Form.pdf

Alkem's Pharmacovigilance Policy is available at: https://www.alkemlabs.com/pdf/adverse/Alkem%20ADR%20Reporting%20Form.pdf

These mechanisms enable safety-related concerns to be reported and reviewed in a timely manner, while supporting continuous monitoring of product performance after the products are made available to consumers.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information.**

Type	As a percentage to total turnover
Environment and Social parameters relevant to product	0
Safe and responsible usage	100%
Recycling and/or safe disposal	0

3. **Number of consumer complaints**

	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Others – Pharmacovigilance Reports	116	0	Reports on adverse drug reactions, product quality and others	116	0	Reports on adverse drug reactions

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

	Number	Reason for recall
Voluntary recalls	36	Out of specification (OOS) and Market complaints
Forced recalls	8	Out of specification (OOS) and Not of Standard Quality (NSQ)

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. Alkem has adopted a Corporate Information Technology Policy to address cyber security and data privacy risks. The policy follows a layered security approach and includes multiple controls, tools and processes to protect organisational data from potential threats, breaches and unauthorised access. This framework is designed to ensure that, in the event of a system issue or attempted breach, additional security layers help detect, contain and mitigate the risk.

The Company also aligns its information security practices with the ISO 27001 standard for managing information security. The policy is hosted on the Company's intranet and is accessible to all employees.

Alkem's Privacy Policy can be found here - https://www.alkemlabs.com/policies/privacy-policy

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

Sr. Topic	Corrective Actions
1. Advertising	-
2. Delivery of essential services	-
3. Cybersecurity & Data Privacy	-
4. Product Recalls	Product recalls during the year were handled in accordance with the Company's established recall management procedures, including investigation, root cause analysis and corrective/ preventive actions, wherever applicable, in line with regulatory and quality requirements.
5. Product safety/Services	-

7. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches - 0**

   b. **Percentage of data breaches involving personally identifiable information of customers - 0**

   c. **Impact, if any, of the data breaches - NA**

LEADERSHIP INDICATORS

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

Information relating to the Company's products and services is available on Alkem's official website at http://www.alkemlabs.com/.

Relevant product and business information is also disclosed through the Company's Annual Reports, which are publicly available. Annual Reports and Sustainability/ ESG-related disclosures can be accessed at the following links:

Annual Reports: https://www.alkemlabs.com/investors/annual-reports

Sustainability / ESG: https://www.alkemlabs.com/sustainability/esg

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The Company places strong emphasis on consumer safety and responsible product use. Alkem provides necessary information relating to safe storage, usage, possible adverse effects, precautions and disposal of its products in line with applicable regulatory requirements. Such information is made available through appropriate channels, including product labels, information leaflets and the Company's website. Alkem remains committed to offering quality products while enabling consumers to use them in a safe and informed manner.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The Company follows a transparent communication approach for informing consumers and stakeholders about any product disruption or discontinuation. In case of discontinuation of scheduled formulations, Alkem issues public notices in newspapers, generally at least six months in advance, after obtaining necessary approvals from the relevant government authorities. Such notices specify the product proposed to be discontinued, the expected timeline for discontinuation and its possible impact on product availability in the market.

4. A. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)? If yes, provide details in brief. No, we display information as per local and regional laws where our products are marketed.

B. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No) No

Deloitte Haskins & Sells LLP

Chartered Accountants
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Tower 3, 31st Floor,
Senapati Bapat Marg
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INDEPENDENT PRACTITIONER'S REASONABLE ASSURANCE REPORT ON IDENTIFIED SUSTAINABILITY INFORMATION IN ALKEM LABORATORIES LIMITED'S BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

To the Board of Directors
of ALKEM LABORATORIES LIMITED

1. We have undertaken to perform reasonable assurance engagement, for **ALKEM LABORATORIES LIMITED** (the "Company") vide our engagement letter dated January 23, 2026 in respect of the agreed Sustainability Information listed below (the "Identified Sustainability Information" or "BRSR Core indicators") in accordance with the Criteria stated in paragraph 3 below. This Sustainability Information is included in the Business Responsibility and Sustainability Report (the "BRSR Report" or the "Report") included within the Annual Report (the "AR") of the Company for the year ended March 31, 2026. This engagement was conducted by a multidisciplinary team including assurance practitioners, environmental engineers and specialists.

2. **Identified Sustainability Information**

Our scope of reasonable assurance consists of the BRSR Core indicators listed in the Appendix I to our report. The reporting boundary of the BRSR Report is as disclosed in Question 13 of Section A: General Disclosure of the BRSR with exceptions disclosed by way of note under respective questions of the BRSR Report, where applicable.

Our reasonable assurance engagement was with respect to the year ended March 31, 2026 information only unless otherwise stated and we have not performed any procedures with respect to earlier periods or any other elements included in the BRSR Report and, therefore, do not express any opinion thereon.

3. **Criteria**

The Criteria used by the Company to prepare the Identified Sustainability Information is as under:

- Regulation 34(2)(f) of the Securities and Exchange Board of India (the "SEBI") (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended; and
- Business Responsibility and Sustainability Reporting Requirements for listed entities per Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026 (the "SEBI Master Circular").

4. **Management's Responsibility**

The Company's management is responsible for selecting or establishing suitable criteria for preparing the Sustainability Information including the reporting boundary of the BRSR Report, taking into account applicable laws and regulations, if any, related to reporting on the Sustainability Information, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria.

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Regd. Office: One International Center, Tower 3, 31st floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai-400 013, Maharashtra, India.
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This responsibility includes design, implementation and maintenance of internal controls relevant to the preparation of the BRSR Report and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

5. **Inherent limitations**

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between companies.

6. **Our Independence and Quality Control**

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") and the SEBI Master Circular and its clarifications thereto and have the required competencies and experience to conduct this assurance engagement.

We apply 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", and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

7. **Our Responsibility**

Our responsibility is to express a reasonable assurance opinion on the Identified Sustainability Information listed in Appendix I based on the procedures we have performed and evidence we have obtained.

We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, "Assurance Engagements on Sustainability Information", and Standard on Assurance Engagements (SAE) 3410 "Assurance Engagements on Greenhouse Gas Statements" (together the "Standards"), both issued by the Sustainability Reporting Standards Board (the "SRSB") of the ICAI.

These Standards require that we plan and perform our engagement to obtain reasonable assurance about whether the Identified Sustainability Information listed in Appendix I and included in the BRSR Report are prepared, in all material respects, in accordance with the Criteria.

As part of a reasonable assurance engagement in accordance with the Standards, we exercise professional judgment and maintain professional skepticism throughout the engagement.

A reasonable assurance engagement involves identifying and assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.

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Given the circumstances of the engagement, in performing the procedures listed above, we:

- Obtained an understanding of the Identified Sustainability Information and related disclosures;
- Obtained an understanding of the assessment criteria and their suitability for the evaluation and/or measurements of the Identified Sustainability Information;
- Made inquiries of Company's management, including sustainability team, environment team, legal and compliance team, human resource team amongst others and those with the responsibility for preparation of the Report;
- Obtained an understanding and performed an evaluation of the design of the key systems, processes and controls for recording, processing and reporting on the Identified Sustainability Information at the corporate office and at other sites/locations on a sample basis. This included evaluating the design of those controls relevant to the engagement and determining whether they have been implemented by performing procedures in addition to inquiry of the personnel responsible for the Identified Sustainability Information;
- Based on the above understanding and the risks that the Identified Sustainability Information may be materially misstated, determined the nature, timing and extent of further procedures;
- Tested the key assumptions, emission factors and methodologies used for calculation of the Greenhouse Gas (the "GHG") emissions;
- Tested the Company's process for collating the sustainability information through agreeing or reconciling the Identified Sustainability Information with the underlying records on a sample basis; and
- Tested the consolidation for sites/locations on a sample basis under the reporting boundary for ensuring the completeness of data being reported.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our reasonable assurance opinion.

8. **Exclusions**

Our assurance scope excludes the following and therefore we do not express an opinion on:

- Operations of the Company other than Reporting Boundary set out in Question 13 of Section A: General Disclosures of the BRSR Report, for the Identified Sustainability Information listed in Appendix I;
- Aspects of the BRSR Report and the data/information (qualitative or quantitative) other than the Identified Sustainability Information;
- Data and information outside the defined reporting period i.e. the financial year ended March 31, 2026; and
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.

9. **Other information**

The Company's management is responsible for the other information. The other information comprises the information included within the BRSR Report, other than Identified Sustainability Information and our independent assurance reports dated July 16, 2026 thereon.

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Our opinion on the Identified Sustainability Information does not cover the other information and we do not express any form of assurance thereon.

In connection with our assurance engagement of the Identified Sustainability Information, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Identified Sustainability Information or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

10. **Reasonable Assurance Opinion**

Based on the procedures we have performed and the evidence we have obtained, the BRSR Core indicators for the year ended March 31, 2026 listed in Appendix I and presented in the BRSR Report are prepared in all material respects, in accordance with the Criteria as stated in paragraph 3 above.

11. **Other matter**

BRSR Core indicators of the Company for the year ended March 31, 2025 were assured by the previous assurance practitioner who had expressed an unmodified opinion on July 9, 2025. Our opinion is not modified in respect of this matter.

12. **Restriction on use**

Our Reasonable Assurance report has been prepared and addressed to the Board of Directors of the Company at the request of the Company solely, to assist the Company in reporting on Company's sustainability performance and activities. Accordingly, we accept no liability to anyone, other than the Company. Our Reasonable Assurance report should not be used for any other purpose or by any person other than the addressees of our report. We neither accept nor assume any duty of care or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W / W-100018)

Pratiq Shah
Partner
Membership No. 111850
UDIN: 26111850LIGOTU2258

Place: Mumbai
Date: July 16, 2026

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APPENDIX I

Identified Sustainability Information subject to Reasonable Assurance

Sr. No	***BRSR (Essential-[E]) Indicator Reference***	***Description of Indicator***
1	Principle 1, Question 8 [E]	Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured).
2	Principle 1, Question 9 [E]	Details of concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments, with related parties.
3	Principle 3, Question 1(c) [E]	Spending on measures towards the well-being of employees and workers (including permanent and other than permanent).
4	Principle 3, Question 11 [E]	-Lost Time Injury Frequency Rate (LTIFR) (per one-million-person hours worked) (employees and workers) -Total recordable work-related injuries (employees and workers) -Number of Permanent Disabilities -No. of fatalities (employees and workers)
5	Principle 5, Question 3(b) [E]	Gross wages paid to females as % of total wages paid by the entity.
6	Principle 5, Question 7 [E]	Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
7	Principle 6, Question 1 [E]	-Total energy consumption (total electricity, total fuel) -Total energy consumption from renewable sources (% of energy consumed from renewable sources) -Energy intensity per rupee of turnover -Energy intensity per Rupee adjusted for PPP -Energy intensity per Product or Service
8	Principle 6, Question 3 [E]	-Total volume of water withdrawal (in kilolitres) -Total volume water consumption (in kilolitres) -Water intensity per rupee of turnover - Water intensity per Rupee adjusted for PPP -Water intensity per Product or Service
9	Principle 6, Question 4 [E]	Water Discharge by destination and levels of Treatment.

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Sr. No	*BRSR (Essential-[E]) Indicator Reference*	*Description of Indicator*
10	Principle 6, Question 7 [E]	-Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available) -Total Scope 2 emissions (Break-up of the GHG (CO_2e) into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available) -Total Scope 1 and Scope 2 emissions per rupee of turnover (Intensity) -Total Scope 1 and Scope 2 emissions (MT) per Total Revenue from Operations adjusted for PPP (Intensity) -Total Scope 1 and Scope 2 emissions (MT) per Total Output of Product or Services (Intensity)
11	Principle 6, Question 9 [E]	-Total waste generated: Plastic waste, E-waste, Construction demolition waste, Biomedical waste, Battery waste, radioactive waste, Other Hazardous waste and Non-hazardous waste -Waste disposed by nature of disposal – Incineration, landfilling and other disposal operations/ hazardous and non-hazardous waste disposed -Kg of Waste Recycled Recovered /Total Waste generated (intensity) -Waste intensity per rupee of turnover -Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) -Waste intensity in terms of physical output
12	Principle 8, Question 4 [E]	Percentage of input material (inputs to total inputs by value) sourced from suppliers -Directly sourced from MSME/small producers -Directly from within India
13	Principle 8, Question 5 [E]	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), as % of total wage cost.
14	Principle 9, Question 7 [E]	Details of Instances involving loss/breach of data of customers as a percentage of total data breaches or cybersecurity events.

Standalone Financial Statements

Independent Auditor's Report

To The Members of
Alkem Laboratories Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **ALKEM LABORATORIES LIMITED** (the "Company"), which comprise the Balance Sheet as at 31 March 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information in which is incorporated the financial information for the year ended on that date of one branch of the Company located at Nepal.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, its profit and 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 ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Overstatement of revenue cut-off** (Refer Note 3.19 and 3.32) The Company recognises revenue from sale of products based on shipping terms which defines the timing of the transfer of control to the customer. The terms and conditions for sale vary with different customers. For revenue recognised during the period near to the reporting date, it is essential to ensure that the control of goods has been transferred to the customers. Dispatch of goods to customers happens from multiple locations including factories, warehouses, depots and third-party locations. Revenue recognition being subject to the manual exercise of tracking delivery for determining transfer of control, we consider cut-off of revenue as a key audit matter.	Principal audit procedures performed included the following: • Evaluated the Company's revenue recognition policy and assessed compliance with the Indian Accounting Standard (Ind AS). • Performed a walkthrough of the revenue business cycle to obtain an understanding of the relevant risks and controls around the timing of revenue recognition. Tested the design, implementation and operating effectiveness of the relevant controls. • Assessed the IT environment in which the business system operates and tested the General information technology controls. • Basis the sales recorded during the year and near to the period end, reviewed the lead time analysis to arrive at the average time taken for transfer of control to the customers from the date of dispatch. • On statistically selected samples of transactions, tested the underlying documents, which included vouching of sale invoices, shipping documents and lead time/ proof of delivery to test evidence for transfer of control both during the period and at period end.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion & Analysis, Directors' Report, Corporate Governance and Business Responsibility and Sustainability Reports, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

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

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

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

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, 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 Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

    d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors as on 31 March 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 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 standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

    g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

    h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

        i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 3.26 to the standalone financial statements;

        ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

        iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The final dividend proposed in the previous year, declared and paid by the Company during the year and the interim dividend declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 3.33 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended 31 March 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018

Rupen K Bhatt
(Partner)
(Membership No. 046930)
(UDIN 26046930TMRBQD8027)

Place: Mumbai
Date: 28 May 2026

ANNEXURE "A" to The Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls with reference to standalone financial statements of Alkem Laboratories Limited (the "Company") as at 31 March 2026 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us on internal financial controls with reference to standalone financial statements, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2026, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018

Rupen K Bhatt
(Partner)
(Membership No. 046930)
(UDIN 26046930TMRBQD8027)

Place: Mumbai
Date: 28 May 2026

ANNEXURE "B" to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements section of our report to the Members of Alkem Laboratories Limited of even date)

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

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and capital work-in-progress and relevant details of right-of-use-assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification of property, plant and equipment so to cover all the items once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) With respect to immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment, according to the information and explanations given to us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories except for goods-in-transit and stocks held with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods-in-transit, the goods have been received subsequent to the year end or confirmations have been obtained from the parties. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/alternate procedures performed as applicable, when compared with the books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 Crore, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements, filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters.

(iii) The Company has made investments in, provided guarantee or security, and granted loans or advances in the nature of loans, secured or unsecured, to companies or any other parties during the year, in respect of which:

(a) The Company has provided loans or advances in the nature of loans, stood guarantee, or provided security during the year and details of which are given below:

	Loans (INR in Million)	Guarantee (INR in Million)
A. Aggregate amount granted / provided during the year:		
- Subsidiaries	-	626.0
- Others	14.0	-
B. Balance outstanding as at balance sheet date in respect of above cases:		
- Subsidiaries	99.2	19,956.4
- Others	14.2	-

(b) The investments made, guarantees provided and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, not prejudicial to the Company's interest.

(c) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities though there has been a delay in respect of remittance of Provident Fund and Profession Tax dues.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31 March 2026 on account of disputes are given below:

Name of the statute	Nature of the dues	Amount under dispute (₹ in Million)	Amount paid under protest (₹ in Million)	Amount unpaid (₹ in Million)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Central Sales Tax	0.38	0.04	0.34	2012-13 to 2013-14	Joint commissioner of Sales Tax (Appeals) CT and GST TERRITORIAL RANGE CUTTACK I, CUTTACK.
Central Sales Tax Act, 1956	Central Sales Tax	0.10	0.01	0.09	2014-15	Joint Commissioner of Commercial Taxes Goa
Central Sales Tax Act, 1956	Central Sales Tax	0.22	0.02	0.20	2014-15/2015-16(sept15), 2016-17 & 2017-18(Apr'16 to June'17)	Joint commissioner of Commercial Tax
Central Sales Tax Act, 1956	Central Sales Tax	4.22	1.73	2.49	2002-2003 to 2004-2005	Sales Tax Special Circle
Central Sales Tax Act, 1956	Central Sales Tax	0.05	-	0.05	01/04/2017 to 30/06/2017	Joint. Commissioner Of State Tax(Appeals)

Name of the statute	Nature of the dues	Amount under dispute (₹ in Million)	Amount paid under protest (₹ in Million)	Amount unpaid (₹ in Million)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Central Sales Tax	14.96	0.74	14.22	2009-10, 2014-15 2016-17	Joint Dy. Commissioner Of Sales Tax(Appeals).
Central Sales Tax Act, 1956	Central Sales Tax	0.73	0.18	0.55	1999-2001	Sales Tax Special circle
Customs Act 1962	Customs Duty	52.84	5.30	47.54	2013-15	The Customs, Excise & Service Tax Appellate Tribunal
Odisha Entry Tax Act,1999	Entry Tax	0.15	0.05	0.10	2012-13 to 2013-14	Joint Commissioner of Sales Tax (Appeals) CT and GST Territorial Range, Cuttack I, Cuttack.
Central Excise Act, 1944	Excise Duty and Penalty	101.21	3.98	97.23	2015	Bombay High Court
GST Act 2017	GST	46.92	-	46.92	2013-14	Appeal Yet to be filed
GST Act 2017	GST	21.76	1.09	20.67	2018-19 to 2020-21	Commissioner (Appeal), Uttar Pradesh
GST Act 2017	GST	1.12	0.08	1.04	2021-22	Commissioner (Appeals), Bihar
GST Act 2017	GST	0.97	0.05	0.92	2021-22	Commissioner (Appeals), West Bengal
GST Act 2017	GST	1.47	0.08	1.39	2021-22	Deputy Commissioner of State Tax (Appeals), Gujarat
GST Act 2017	GST	1.26	0.06	1.19	2018-19	Additional Commissioner (Appeal), Central Excise and Central Goods & Service Tax, Rajasthan
GST Act 2017	GST	20.15	1.83	18.31	2021-22	Commissioner (Appeals), CGST (Appeal) Commissionerate, Haryana
GST Act 2017	GST	0.38	0.02	0.36	2021-22	Commissioner (Appeal), Kerala.
GST Act 2017	GST	5.50	0.27	5.22	2018-19 to 2022-23	Commissioner (Appeals), Central Goods and Service Tax, Dehradun
GST Act 2017	GST	36.17	1.81	34.37	2018-19 to 2024-25	Additional Commissioner (Appeal), Central GST, Vadodara.
GST Act 2017	GST	4.07	-	4.07	Jul-25	Commissioner (Appeals)
GST Act 2017	GST	5.67	0.22	5.45	2018-19	Commissioner (Appeals), Delhi
GST Act 2017	GST	633.15	62.08	571.07	2017-18 to 2022-23	Commissioner (Appeals)- II CGST & Central Excise, Mumbai Zone, 3rd Floor, Central Excise Building (GST Bhavan), Plot No. C-24, Sector- E, BKC Mumbai-400051
GST Act 2017	GST	15.22	1.37	13.85	2021-22 & 2022-23	Commissioner Appeals 5th floor Chetak chamber RNT Marg Indore.
GST Act 2017	GST	2.03	0.18	1.84	2020-21	Joint/Additional Commissioner (Appeals),Central Excise and Central Goods & Service Tax, NCRB, Statue Circle, C-Scheme, Jaipur- 302005
GST Act 2017	GST	2.14	0.19	1.94	2020-21	OFFICE OF THE COMMISSIONER (APPEAL) CENTRAL GST (APPEAL) COMMISSIONERATE, GST BHAVAN, 'F' Block, RISHI NAGAR, LUDHIANA- 141 001

Name of the statute	Nature of the dues	Amount under dispute (₹ in Million)	Amount paid under protest (₹ in Million)	Amount unpaid (₹ in Million)	Period to which the amount relates	Forum where dispute is pending
GST Act 2017	GST	3.30	0.30	3.00	2020-21 to 2022-23	Additional Commissioner (Appeals), GST, Central Excise & Customs, Central Revenue Building, Rajaswa Vihar, Bhubaneshwar- 751007, Odisha
GST Act 2017	GST	0.23	0.01	0.22	2020-21	Divisional Deputy Commissioner of State Tax (Appeals)
GST Act 2017	GST	104.33	5.22	99.11	2017-18 to 2020-21	Commissioner (Appeals) or Additional/Joint Commissioner (Appeals), 2nd Floor, GST Bhawan, Sector-25, CGST Appeals, Panchkula.
GST Act 2017	GST	26.38	1.32	25.07	2017-18 to 2022-23	Assistant Commissioner of Central Tax and Central Excise, Amaravathi CGST Divisional Office, Vijayawada - 520002
GST Act 2017	GST	1.36	0.07	1.29	2019-20	Senior Joint Commissioner, GST Appeals, State Appellate Authority, Large Taxpayer Unit, Corporate Division
GST Act 2017	GST	3.74	0.34	3.40	2019-20 to 2020-21	Additional Commissioner (Appeals II), Chennai
GST Act 2017	GST	5.69	0.30	5.39	2019-20	GST Appeals, State Appellate Authority, Raipur - 11, Nava Raipur Division
GST Act 2017	GST	37.12	3.67	33.45	2020-21 to 2021-22	Commissioner (Appeals)
GST Act 2017	GST	11.44	0.59	10.85	2019-20	GST Appeals, State Appellate Authority Ward 203, Zone 11
GST Act 2017	GST	35.44	3.47	31.97	2017-18 to 2019-20	Commissioner (Appeals)
GST Act 2017	GST	16.20	1.47	14.73	2018-19 to 2019-20	Central GST, Excise and Customs , Appeals Commissionerate, Bhubaneswar
GST Act 2017	GST	865.19	78.74	786.45	2017-18 to 2019-20	Office of the commissioner, CGST and Central excise, Appeals - II
GST Act 2017	GST	386.27	35.12	351.15	2017-18 to 2021-22	Commissioner (Appeals)
GST Act 2017	GST	43.17	3.83	39.34	2017-18 to 2019-20	Commissioner (Appeals)
GST Act 2017	GST	0.36	0.03	0.33	2017-18	Office of the Commissioner (Appeals),CGST, Customs Jaipur
GST Act 2017	GST	3.98	0.36	3.62	2017-18 to 2019-20	Central GST, Excise and Customs, Appeals Commissionerate
GST Act 2017	GST	14.05	0.67	13.38	2017-18	Office of Special Commissioner - Appeals
GST Act 2017	GST	4.68	0.23	4.45	2017-18 to 2020-21	Commissioner (Appeals)
GST Act 2017	GST	20.46	1.86	18.60	2017-18	Commissioner (Appeals)
GST Act 2017	GST	1.38	0.24	1.14	2017-18 to 2019-20	Commissioner (Appeals)
GST Act 2017	GST	262.24	-	262.24	April to June 2017 - TRAN1 credit	Bombay High Court
GST Act 2017	GST	19.46	0.97	18.49	2017-2018	Commissioner (Appeals)
GST Act 2017	GST	36.82	1.28	35.54	2017-2018	Deputy Commissioner of State Tax - Appeal Div-6 - Varodara

Name of the statute	Nature of the dues	Amount under dispute (₹ in Million)	Amount paid under protest (₹ in Million)	Amount unpaid (₹ in Million)	Period to which the amount relates	Forum where dispute is pending
Finance Act,1994	Service Tax	35.72	1.34	34.38	April 2014 to June 2017	Mumbai CESTAT
Finance Act,1994	Service Tax	1.09	0.05	1.03	April-2015-2016 & April 2016-2017	Mumbai CEST
Daman and Diu Value Added Tax Regulation,2005	Value Added Tax	1.92	-	1.92	2016-17	Joint Commissioner of Value Added Tax, D&NH
Odisha Value Added Tax Act, 2004	Value Added Tax	0.74	0.06	0.68	2015-16(Oct'15 to Mar'16) & 2016-17 & 2017-18(Apr'16 to June'17)	Odisha Sales Tax Tribunal,Cuttack
Maharashtra VAT Act, 2002	Value Added Tax	3.96	0.19	3.78	01/04/2017 to 30/06/2017	Joint. Commissioner Of State Tax(Appeals)
Gujarat VAT Act, 2003	Value Added Tax	0.07	-	0.07	2006-2007	Commissioner of Commercial Taxes Gujarat
Odisha Value Added Tax Act, 2004	Value Added Tax	0.52	0.04	0.49	2012-2013 to 2013-2014	Joint commissioner of Sales Tax (Appeals) CT and GST TERRITORIAL RANGE CUTTACK I, CUTTACK.
Odisha Value Added Tax Act, 2004	Value Added Tax	0.99	0.03	0.96	2014-15 to 2015-2016 (Sep 15)	Joint Commissioner of Commercial Tax
Bihar VAT Act, 2005	Value Added Tax	13.37	3.23	10.15	2010-11 to 2011-12	Joint commissioner of Commercial taxes Appeals
Maharashtra VAT Act, 2002	Value Added Tax	90.60	13.91	76.69	2010-11 to 2013-14	Sales Tax Tribunal Mazgaon
Maharashtra VAT Act, 2002	Value Added Tax	127.80	8.81	118.98	2009-10, 2014-15 to 2016-17	Joint Dy. Commissioner Of Sales Tax(Appeals).
Income Tax Act, 1961	Income Tax	11,184.87	122.43	11,062.44	AY 2010-11 to AY 2023-24	Commissioner of Income Tax (Appeals)

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate company.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year and upto the date of this report and provided to us, when performing our audit.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or directors of its subsidiary companies, associate company or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) The Group does not have any CIC as part of the group and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

(b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018

Rupen K Bhatt
(Partner)
(Membership No. 046930)
(UDIN: 26046930TMRBQD8027)

Place: Mumbai
Date: 28 May 2026

Standalone Balance Sheet

as at 31 March, 2026

(₹ in Million)

Particulars	Note no.	As at 31 March, 2026	As at 31 March, 2025
I. ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	3.1	14,223.9	14,823.7
(b) Right of use assets	3.1	870.2	815.5
(c) Capital work-in-progress	3.1	862.7	458.2
(d) Other intangible assets	3.1	401.0	274.2
(e) Intangible assets under development	3.1	365.1	306.8
(f) Financial Assets			
(i) Investment in subsidiaries and associate	3.2	41,671.2	30,391.5
(ii) Other investments	3.2	8,436.6	7,123.9
(iii) Loans	3.3A	99.2	90.7
(iv) Other financial assets	3.4A	10,251.9	2,840.4
(g) Deferred tax assets (net)	3.7C	15,220.9	14,291.4
(h) Current tax assets (net)	3.7D	327.2	312.0
(i) Other non-current assets	3.5	1,580.2	747.0
Total non-current assets		**94,310.1**	**72,475.3**
2 Current assets			
(a) Inventories	3.6	16,317.6	15,229.0
(b) Financial Assets			
(i) Investments	3.2	5,411.5	6,552.4
(ii) Trade receivables	3.8	15,672.4	15,598.4
(iii) Cash and cash equivalents	3.9	654.5	749.2
(iv) Bank balances other than (iii) above	3.10	12,240.2	9,811.9
(v) Loans	3.3B	14.2	16.5
(vi) Other financial assets	3.4B	21,083.1	19,246.1
(c) Other current assets	3.11	6,907.7	6,336.5
Total current assets		**78,301.2**	**73,540.0**
3 Assets held for sale	3.36 & 3.43	-	9,940.7
TOTAL ASSETS		**1,72,611.3**	**1,55,956.0**
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	3.12A	239.1	239.1
(b) Other equity	3.12B	1,39,748.5	1,22,979.2
Total equity		**1,39,987.6**	**1,23,218.3**
Liabilities			
2 Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	3.29	549.5	434.5
(ii) Other financial liabilities	3.17 A	1,053.5	855.5
(b) Provisions	3.14 A	3,381.0	2,638.9
(c) Other non-current liabilities	3.15	171.6	208.5
Total non-current liabilities		**5,155.6**	**4,137.4**
3 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	3.13	5,392.4	3,712.4
(ii) Lease liabilities	3.29	172.5	240.2
(iii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	3.16	792.1	651.2
Total outstanding dues of creditors other than micro and small enterprises	3.16	13,969.2	13,986.6
(iv) Other financial liabilities	3.17 B	3,996.4	3,817.4
(b) Other current liabilities	3.18	1,061.9	1,285.9
(c) Provisions	3.14 B	1,674.1	1,356.9
(d) Current tax liabilities (net)	3.7D	409.5	383.8
Total current liabilities		**27,468.1**	**25,434.4**
4 Liabilities classified as held for sale	3.36 & 3.43	-	3,165.9
Total liabilities		**32,623.7**	**32,737.7**
TOTAL EQUITY AND LIABILITIES		**1,72,611.3**	**1,55,956.0**

Material accounting policies and Key accounting estimates and judgements 2A - 2B
Notes to the Standalone Financial Statements 3.1 - 3.47
The accompanying notes are an integral part of these financial statements

As per our report of even date attached.
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 046930
Mumbai, India
28 May, 2026

For and on behalf of the Board of Directors of Alkem Laboratories Limited
CIN: L00305MH1973PLC174201

B.N. Singh
Executive Chairman
DIN. 00760310
Mumbai, India

Sandeep Singh
Managing Director
DIN. 01277984
Mumbai, India

M.K. Singh
Executive Director
DIN. 00881412
Mumbai, India

Dr. Vikas Gupta
Chief Executive Officer
Mumbai, India
28 May, 2026

Nitin Agrawal
President - Finance & Chief Financial Officer
Mumbai, India

Manish Narang
President - Legal & Company Secretary
Mumbai, India
Membership No. F4365

ALKEM
Inspiring Healthier Lives

Standalone Statement of Profit and Loss

for the year ended 31 March, 2026

(₹ in Million)

Particulars	Note no.	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Continuing operations			
1 Income			
(a) Revenue from operations	3.19	96,639.1	88,134.4
(b) Other income	3.20	5,551.7	5,070.6
Total income		**1,02,190.8**	**93,205.0**
2 Expenses			
(a) Cost of materials consumed	3.21	24,293.3	23,959.2
(b) Purchases of stock-in-trade		4,269.5	3,896.1
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	3.22	(456.7)	566.1
(d) Employee benefits expense	3.23	18,830.3	16,309.6
(e) Finance costs	3.24	572.9	761.1
(f) Depreciation and amortisation expenses	3.1	2,565.6	2,836.1
(g) Other expenses	3.25	25,458.8	21,841.4
Total expenses		**75,533.7**	**70,169.6**
3 Profit before exceptional items and tax from continuing operations (1) - (2)		**26,657.1**	**23,035.4**
4 Exceptional items	3.44	**(1,430.9)**	**-**
5 Profit before tax from continuing operations (3) + (4)		**25,226.2**	**23,035.4**
6 Tax expense	3.7A		
(a) Current tax		4,320.0	3,501.3
(b) Deferred tax		(945.0)	(1,363.1)
Total tax expenses (a + b)		**3,375.0**	**2,138.2**
7 Profit for the year after tax from continuing operations (5) - (6)		**21,851.2**	**20,897.2**
Discontinued operations	3.36		
Profit before tax from discontinued operations		1,490.5	2,938.5
Tax expense of discontinued operations		520.8	1,026.8
8 Profit from discontinued operations (after tax)		**969.7**	**1,911.7**
9 Profit for the year (7) + (8)		**22,820.9**	**22,808.9**
10 Other comprehensive income/ (loss) (net of tax)			
I. In respect of continuing operations:			
(a) (i) Items that will not be reclassified to profit or loss	3.28	65.3	(170.3)
(ii) Income tax relating to items that will not be reclassified to profit or loss	3.7A	(16.7)	59.5
(b) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
II. In respect of discontinued operations:	3.36		
(a) (i) Items that will not be reclassified to profit or loss		(3.6)	(6.5)
(ii) Income tax relating to items that will not be reclassified to profit or loss		1.2	2.3
(b) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total of other comprehensive income/(loss) for the year, (net of tax)		46.2	(115.0)
11 Total comprehensive income for the year (9) + (10)		**22,867.1**	**22,693.9**
12 Earnings per share (in ₹): Face value of ₹ 2 each			
Earnings Per Share (for continuing operations) (face value of ₹ 2/- each)			
Basic and diluted earnings per share	3.31	**182.76**	**174.78**
Earnings Per Share (for discontinued operations) (face value of ₹ 2/- each)			
Basic and diluted earnings per share		**8.11**	**15.99**
Earnings Per Share (from total operations) (face value of ₹ 2/- each)			
Basic and diluted earnings per share		**190.87**	**190.77**

Material accounting policies and key accounting estimates and judgements	2A - 2B	
Notes to the standalone financial statements	3.1 - 3.47	

The accompanying notes are an integral part of these standalone financial statements

As per our report of even date attached.
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 046930
Mumbai, India
28 May, 2026

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Mumbai, India

Manish Narang
President - Legal & Company Secretary
Mumbai, India
Membership No. F4365

Standalone Statement of Changes in Equity

for the year ended 31 March, 2026

(a) Equity share capital

(₹ in Million)

Balance as at 1 April, 2025	Change in equity share capital during the year	Balance as at 31 March, 2026
239.1	-	239.1

(₹ in Million)

Balance as at 1 April, 2024	Change in equity share capital during the year	Balance as at 31 March, 2025
239.1	-	239.1

(b) Other Equity

(₹ in Million)

Particulars	Reserves and Surplus				
	Capital reserve	General reserve	Retained earnings	Remeasurement of defined benefit plans	Total other equity
Balance as at 1 April, 2024	**5.2**	**19,380.4**	**86,408.8**	**(487.4)**	**1,05,307.0**
Total comprehensive income for the year ended 31 March 2025					
Profit for the year from continuing operations	-	-	20,897.2	-	20,897.2
Profit for the year from discontinued operations	-	-	1,911.7	-	1,911.7
Other comprehensive income for the year (net of tax) from continuing and discontinued operations	-	-	-	(115.0)	(115.0)
Total comprehensive income for the year	**-**	**-**	**22,808.9**	**(115.0)**	**22,693.9**
Transactions with owners of the company					
Dividend on equity shares (Refer Note 3.33)	-	-	(5,021.7)	-	(5,021.7)
Balance as at 31 March, 2025	**5.2**	**19,380.4**	**1,04,196.0**	**(602.4)**	**1,22,979.2**
Total comprehensive income for the year ended 31 March, 2026					
Profit for the year from continuing operations	-	-	21,851.2	-	21,851.2
Profit for the year from discontinued operations	-	-	969.7	-	969.7
Other comprehensive income for the year (net of tax) from continuing and discontinued operations	-	-	-	46.2	46.2
Total comprehensive income for the year	**-**	**-**	**22,820.9**	**46.2**	**22,867.1**
Transactions with owners of the company					
Dividend on equity shares (Refer Note 3.33)	-	-	(6,097.8)	-	(6,097.8)
Balance as at 31 March, 2026	**5.2**	**19,380.4**	**1,20,919.1**	**(556.2)**	**1,39,748.5**

Capital reserve: Capital reserve represents investment subsidies from state government.

General reserve: The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.

Standalone Statement of Changes in Equity

for the year ended 31 March, 2026

Retained earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve and dividends distributed to shareholders.

Remeasurement of defined benefit plans: Remeasurement of defined benefit plans represents actuarial gains and losses relating to gratuity.

The accompanying notes are an integral part of these standalone financial statements

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Chartered Accountants
Firm's Registration No. 117366W/W-100018

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Manish Narang
President - Legal &
Company Secretary
Mumbai, India
Membership No. F4365

Standalone Statement of Cash Flow

for the year ended 31 March, 2026

(₹ in Million)

	Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
A	**Cash Flow from Operating Activities:**		
	Profit before tax and after exceptional items		
	Continuing operations	25,226.2	23,035.4
	Discontinued operations	1,490.5	2,938.5
	Adjustments for:		
	Depreciation and amortisation expense	2,607.8	2,894.2
	Impairment loss on capital work-in-progress and intangible assets under development	-	137.3
	Unrealised loss/ (gain) on fair valuation of investments (net) through FVTPL	101.0	(400.3)
	Profit on sale of investments (net)	(505.6)	(108.0)
	Gain on sale / write off of property plant and equipment (net)	(139.8)	(48.8)
	Dividend income from subsidiaries	(40.8)	(661.9)
	Liabilities/provisions no longer required written back	(244.0)	-
	Provision for doubtful advances	133.7	20.2
	Interest income	(3,358.0)	(2,978.2)
	Interest expenses	586.1	780.8
	Expected credit loss on receivables	294.8	58.1
	Rental income	(40.3)	(27.2)
	Unrealised foreign currency gain on revaluation (net)	(44.6)	(179.6)
	Subtotal of adjustments	**(649.7)**	**(513.4)**
	Operating profit before working capital changes	**26,067.0**	**25,460.5**
	Adjustments for changes in working capital:		
	Decrease/ (increase) in trade receivables	456.5	(2,379.1)
	(Increase)/ decrease in loans, other financial assets and other assets	(1,461.6)	790.9
	Increase in inventories	(1,497.8)	(203.8)
	Decrease/ (increase) in trade payable, other financial liabilities and other liabilities	(22.1)	2,014.8
	Increase in provisions	964.0	177.1
	Subtotal of adjustments for changes in working capital	**(1,561.0)**	**399.9**
	Cash generated from operations	**24,506.0**	25,860.4
	Less: Income taxes paid (net of refund)	(4,814.8)	(3,966.3)
	Net cash generated from operating activities	**19,691.2**	**21,894.1**
B	**Cash Flow from Investing Activities:**		
	Purchases of property, plant and equipment (including capital work in progress, other intangible assets and intangible assets under development net off capital advances and capital creditors)	(2,772.5)	(2,262.0)
	Proceeds from disposal of property, plant and equipment	1,296.4	402.6
	Investments in subsidiaries and associate	(11,279.7)	(4,888.9)
	Investments made in fixed deposits	(37,577.0)	(29,635.4)
	Redemption of fixed deposits	27,205.0	33,104.3
	Other investments made	(14,933.7)	(16,775.4)
	Redemption of other investments	15,324.9	6,394.7
	Consideration received towards transfer of generic business to wholly-owned subsidiary	5,325.1	-
	Dividend received	40.8	661.9
	Interest received	2,717.9	2,896.9
	Rent received	40.3	27.2
	Net cash used in investing activities	**(14,612.5)**	**(10,074.1)**
C	**Cash Flow from Financing Activities:**		
	Proceeds from /(repayment) of current borrowings (net)	26.4	(4,693.8)
	Principal repayment of lease liabilities	(230.8)	(88.6)
	Dividend paid	(6,097.8)	(5,021.7)
	Interest paid	(426.0)	(564.8)
	Net cash used in financing activities	**(6,728.2)**	**(10,368.9)**
D	**Net (decrease)/increase in cash and cash equivalents (A+B+C)**	**(1,649.5)**	1,451.1
E	**Cash and cash equivalents as at beginning of the year (net of loans repayable on demand from banks)**	**120.4**	(1,330.7)
F	**Cash and cash equivalents as at end of the year (D+E) (net of loans repayable on demand from banks) (Refer note no 2 below)**	**(1,529.1)**	**120.4**

Standalone Statement of Cash Flow

for the year ended 31 March, 2026

Notes:

1 Debt reconcilliation in accordance with Ind AS 7:

(₹ in Million)

Particulars	Current borrowings	Lease Liabilities
As at 1 April, 2024	7,852.1	479.8
Cash flows during the year (net)	(4,693.8)	(88.6)
Non-cash items (effect of changes in foreign exchange rates)	(74.7)	283.5
As at 31 March, 2025	**3,083.6**	**674.7**
Cash flows during the year (net)	26.5	(230.8)
Non-cash items (effect of changes in foreign exchange rates)	98.7	278.1
As at 31 March, 2026	**3,208.8**	**722.0**

2 Components of cash and cash equivalents for the purpose of Cash flow as per IND AS 7:

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Cash and cash equivalents	654.5	749.2
Loans repayable on demand from banks	(2,183.6)	(628.8)
Total cash and cash equivalents as at end of the year (net of loans repayable on demand from banks)	**(1,529.1)**	**120.4**

3 The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - "Statement of Cash Flows"

Material accounting policies and key accounting estimates and judgements	2A - 2B
Notes to the standalone financial statements	3.1 - 3.47

The accompanying notes are an integral part of these standalone financial statements

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For **Deloitte Haskins & Sells LLP**
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Mumbai, India
28 May, 2026

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Manish Narang
President - Legal &
Company Secretary
Mumbai, India
Membership No. F4365

Notes

to the standalone financial statements for the year ended 31 March, 2026

1 General Information

Alkem Laboratories Limited ('the Company') was incorporated in 1973 under the provisions of Companies Act, 1956 of India, as a Company with limited liability. The Company is domiciled in India with its registered office address being Alkem House, Senapati Bapat Marg, Lower Parel, Mumbai – 400013, India. The Company is engaged in pharmaceutical business with global operations. The Company is engaged in the development, manufacture and sale of pharmaceutical products.

2A Material accounting policies:

2.1 Basis of preparation of Standalone Financial Statements ("financial statements"):

a) Statement of compliance

The financial statements of the Company as at and for the year ended 31 March 2026 have been prepared in accordance with Indian Accounting standards ('Ind AS') notified by the Ministry of Corporate Affairs in consultation with the National Advisory Committee on Accounting Standards, under section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and the relevant provisions of the Act. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment.

The financial statements are authorised for issue by the Board of Directors of the Company at its meeting held on 28 May 2026.

b) Basis of preparation and presentation

The preparation of financial statements in accordance with Ind AS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2B. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The Company presents assets and liabilities in Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle*

b) Held primarily for the purpose of trading,

c) Expected to be realised within twelve months after the reporting period, or

d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

* The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company's normal operating cycle is twelve months

All other assets are classified as non-current.

A liability is classified as current when:

a) it is expected to be settled in normal operating cycle,

b) it is held primarily for the purpose of trading,

c) it is due to be settled within twelve months after the reporting period

d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

c) Basis of measurement

These financial statements are prepared under historical cost convention except for provision for defined benefit obligations and certain financial instruments measured at fair value at the end of each reporting period as explained in the accounting policies below.

Notes

to the standalone financial statements for the year ended 31 March, 2026

Fair value measurements are categorised as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- **Level 1** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date;
- **Level 2** inputs are inputs, other than quoted prices included in level 1, that are observable for the assets or liabilities, either directly or indirectly; and
- **Level 3** inputs are unobservable inputs for the valuation of assets or liabilities.

Above levels of fair value hierarchy are applied consistently and generally, there are no transfers between the levels of the fair value hierarchy unless the circumstances change warranting such transfer.

d) Functional and Presentation Currency

These financial statements are presented in Indian rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. The financial statements are prepared in Indian Rupees in Million, rounded off to the nearest one decimal except for share data and per share data, unless otherwise stated.

e) Going Concern

The directors have, at the time of approving the standalone financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, the Company has applied the going concern basis of accounting in preparing the standalone financial statements.

2.2 Property, plant and equipment ("PPE"):

i) Recognition and Measurement

a) The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Items of PPE are carried at cost less accumulated depreciation and impairment losses, if any. The cost of an item of PPE comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the assets to its working condition for its intended use and any trade discount and rebates are deducted in arriving at purchase price. Cost of the assets also includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use incurred up to that date.

b) If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

c) Any gain or loss on disposal of an item of PPE is recognised in statement of profit and loss.

d) Cost of Items of Property, plant and equipment not ready for intended use as on the balance sheet date, is disclosed as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as Capital Advance under Other non current assets.

e) The cost property, plant and equipment at 01 April 2016, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

f) PPE is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition is recognised in the Statement of Profit and Loss in the same period.

ii) Subsequent expenditure

Subsequent expenditure relating to PPE is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance and the cost of the item can be measured reliably.

iii) Depreciation

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed under Schedule II to the Act or as per technical assessment. The residual values, useful lives and method of depreciation of PPE is reviewed at each financial year end and adjusted prospectively, if appropriate.

Notes

to the standalone financial statements for the year ended 31 March, 2026

Depreciation on additions / disposals is provided on a pro-rata basis i.e. from / up to the date on which asset is ready to use / disposed off. Freehold land is not depreciated.

The estimated useful lives of Tangible assets are as follows

PPE	Useful Life
Buildings *	5 Years to 59 Years
Plant and Equipment*	1 Year to 20 Years
Furniture and Fixtures*	10 Years
Vehicles	8 Years
Office Equipment's*	3 Years to 6 Years

* For these class of assets, the useful life of assets is different than the prescribed life as per Part C of Schedule II of the Companies Act, 2013. The different useful life is based on internal technical evaluation by the Company and historical usage of assets.

2.3 Intangible Assets:

i) Recognition and measurement

Research and development	Expenditure on research activities is recognised in statement of profit or loss as incurred.
	Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in statement of profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.
Other intangible assets	Other intangible assets, such as computer software and trademarks and patents, that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

The cost of Intangible assets at 01 April 2016, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in statement of profit and loss as incurred.

iii) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in statement of profit and loss. The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

The estimated useful lives of intangible assets are as follows:

Intangible Assets	Useful Life
Computer Software	3 Years to 6 Years
Trade Marks and Patents	5 Years
Product related intangibles	10 Years

iv) In-Process Research and Development assets ("IPR&D") or Intangible assets under development

Acquired research and development intangible assets that are under development are recognised as In-Process Research and Development assets ("IPR&D") or Intangible assets under development. 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. Subsequent expenditure on an In-Process Research or Development project acquired separately or in a business combination and recognised as an intangible asset is:

- recognised as an expense when incurred, if it is research expenditure;
- capitalised if the cost can be reliably measured, the product or process is technically and commercially feasible and the Company has sufficient resources to complete the development and to use and sell the asset.

2.4 Impairment of assets:

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. For the purposes of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets, is considered as a cash generating unit.

Notes

to the standalone financial statements for the year ended 31 March, 2026

If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists or may have decreased, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

2.5 Leases and Right of use ('ROU'):

The Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contract involves the use of an identified asset;

(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The Company leases warehouse and factory facilities. Certain lease arrangements include the options to extend the lease before the end of the lease term, but the renewal aspect has not been added to the lease term since the option to renew the lease lies with both the lessor and the lessee.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using discount rates generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics. Carrying amount of lease liability is increased by interest on lease liability and reduced by lease payments made. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Lease payments associated with following leases are recognised as expense on straight-line basis:

(i) Low value leases; and

(ii) Leases which are short-term.

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2.6 Financial instruments:

Recognition initial measurement

Trade receivables are initially recognised when they originate. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Classification and subsequent measurement

Financial Assets

On initial recognition, a financial asset is classified as measured at

- amortised cost or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated -e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;

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- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gains or loss on derecognition is also recognised in the statement of profit and loss.

Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers not retains substantially all of the risks and rewards of ownership but does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised. On derecognition of a financial asset in its entirety, the difference between the carrying amount at the date of derecognition and the consideration received is recognised in profit or loss.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Company also derecognises a financial liability when its terms are modified and the cash flow under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.7 Equity instruments

Equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities and includes no obligation to deliver cash or other financial assets.

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2.8 Inventories:

a) Raw Materials and Packing Materials are valued at cost, if the finished products in which they will be incorporated are expected to be sold at or above cost. If the decline in selling price of finished goods indicate that the cost of finished goods exceeds net realisable value, the materials are written down to net realisable value; cost is calculated on moving weighted average basis.

b) Finished Goods and Work-in-Progress are valued at lower of cost (on Moving weighted average basis) and net realisable value. In respect of finished goods, cost includes materials, appropriate share of utilities and other overheads. Trading Goods are valued at lower of cost (on Moving weighted average basis) and net realisable value. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

c) Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale on item-by-item basis.

2.9 Revenue Recognition and measurement:

Revenue from operations

a) Revenue from sale of goods is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods at a point in time. The Company assesses promises in the contract that are separate performance obligations to which a portion of transaction price is allocated.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. Accumulated experience is used to estimate the provision for discounts, probable saleable and non-saleable return of goods from the customers. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

b) Export benefits available under prevalent schemes are accrued in the year in which the goods are exported and no significant uncertainty exist regarding its ultimate collection.

c) 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 production, sales and other measures are recognised by reference to the underlying arrangement.

Other income

a) Interest income is recognised using the effective interest rate (EIR) method.

b) Revenue (including in respect of insurance or other claims, etc.) is recognised when it is reasonable to expect that the ultimate collection will be made.

c) Income from services rendered is recognised over a period of time based on agreements/ arrangements with the customers as the service is performed and there are no unfulfilled obligations.

d) Dividend income is accounted in the period in which the right to receive the same is established.

Refund liabilities:

A refund liability is the obligation to refund part or all of the consideration received (or receivable) from the customer. The Company has therefore recognised refund liabilities in respect of customer's right to return. The liability is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimate of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

The Company has presented its refund liabilities as required under Ind AS 115 in the financial statements.

2.10 Foreign currency transactions and translations

Transactions in foreign currencies are translated into the functional currency of the Company by applying the appropriate fortnightly rate which best approximates the actual rate of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the

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functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Ministry of Corporate Affairs (MCA) had notified amendments to the existing standards Ind AS 21 : The Effects of Changes in Foreign Exchange rates applicable to the Company w.e.f. 01 April 2025, to address concerns about currency exchangeability and provide guidance on estimating spot exchange rates when a currency is not exchangeable. The adoption of this amendment did not have any material impact on the disclosures or on the amounts reported in these financial statements.

2.11 Employee Benefits:

a) Post Employment Benefits and Other Long Term Benefits:

i) Defined Contribution Plan:

Company's contribution for the year paid/ payable to defined contribution retirement benefit schemes are charged to Statement of Profit and Loss in period in which the related service is provided by the employee. The Company's contribution towards provident fund are considered to be defined contribution plan which are expensed as employee benefit expenses in the statement of profit and loss in the period in which the related service is provided for which the Company makes contribution on monthly basis. The Company's legal or constructive obligation is limited to the contribution it makes.

ii) Defined Benefit Plans:

Company's liabilities towards defined benefit plans viz. gratuity expected to occur after twelve months, are determined annually by a qualified actuary using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the balance sheet date by an independent actuary. Actuarial gains and losses are recognised in the Statement of Other Comprehensive income in the period of occurrence of such gains and losses for gratuity. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

iii) Other long-term employee benefits - compensated absences:

Accumulated absences expected to be carried forward beyond twelve months is treated as long-term employee benefit for measurement purposes. The Company's net obligation in respect of other long-term employee benefit of accumulating compensated absences is the amount of future benefit that employees have accumulated at the end of the year. In respect of compensated absences, actuarial gains/ losses, if any, are recognised immediately in the Statement of Profit and Loss. That benefit is discounted to determine its present value. The obligation is measured annually by a qualified actuary using the projected unit credit method. Remeasurements are recognised in profit or loss in the period in which they arise.

b) Short term Employee Benefits:

Short term employee benefits are benefits payable and recognised in 12 months. Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised undiscounted during the year as the related service are rendered by the employee. These benefits include performance incentives. These are expensed as employee benefit expense in the statement of profit and loss in the period in which the related service is provided by the employees.

2.12 Taxes on Income:

Income tax expense represents the sum of the current tax and deferred tax.

i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates and tax laws enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

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ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. However, deferred tax is not recognised :

- in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit
- in case of temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognised
- in case of temporary differences related to investments in subsidiaries to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

Minimum Alternate Tax (MAT) under the provision of Income Tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is reasonable evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists. Minimum Alternate Tax (MAT) Credit are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence, it is presented as Deferred Tax Asset.

2.13 Provision, Contingent Liabilities and Contingent Assets:

A provision is recognised if as a result of a past event, the Company has a present obligation (legal or constructive) that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

A contingent liability exists when there is a possible but not probable obligation or a present obligation that may, but probably will not, require an outflow of resources, whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company, or a present obligation whose amount can not be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are not recognised but only disclosed where an inflow of economic benefits is probable. However, when the realisation of income

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is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

2.14 Commitments:

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

(i) estimated amount of contracts remaining to be executed on capital account and not provided for;

(ii) uncalled liability on shares and other investments partly paid;

(iii) funding related commitment to subsidiary, associate and joint venture companies; and

(iv) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

2.15 Discontinued operations and assets held for sale:

A discontinued operation is a component of the entity that has been disposed off or is classified as held for sale and:

- represents a separate major line of business or geographical area of operations; and
- is part of a single coordinated plan to dispose of such a line of business or area of operations.

The results of discontinued operations are presented separately as a single amount as standalone statement of profit and loss after tax from discontinued operations in the standalone statement of profit and loss.

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The group treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the asset is recognised at the date of de-recognition.

Property, Plant and Equipment and intangible assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Assets classified as held for sale are presented separately from the other assets in the Balance Sheet. The liabilities of a disposal group classified as held for

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sale are presented separately from other liabilities in the financial statements.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

2.16 Statement of Cash Flows:

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the profit before tax excluding exceptional items for the effects of:

(i) changes during the period in inventories and operating receivables and payables;

(ii) non-cash items such as depreciation, provisions, unrealised foreign currency gains and losses; and

(iii) all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents comprise cash on hand and cash at bank including fixed deposit with original maturity period of three months or less and short-term highly liquid investments with an original maturity of three months or less.

2.17 Earnings per share ('EPS')

Basic EPS is calculated by dividing the profit(or loss) attributable to the owners of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period except where the results would be anti-dilutive.

2.18 Government Grants:

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received.

Grants related to depreciable assets are treated as deferred income which is recognised in the Statement of profit and loss on a systematic and rational basis over the useful life of the asset. Such allocation to income is usually made over the periods and in the proportions in which depreciation on related assets is charged. Government Grants of revenue nature is reduced from related expenses in the statement of Profit and Loss in the year of its receipt or when there is a reasonable assurance of its being received.

2.19 Investments in subsidiaries:

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

2.20 Exceptional items:

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items is disclosed separately as Exceptional items.

2.21 Segment reporting:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. The Company operates in one reportable business segment i.e. "Pharmaceuticals".

2B Key accounting estimates and judgements

The preparation of financial statements in conformity with the Ind AS requires judgements, estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements, the reported amounts of revenues and expenses during the reporting period and the disclosures relating to contingent liabilities as of the date of the financial statements. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes different from the estimates. Difference between actual results and estimates are recognised in the period in which the results are known or materialise. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in the current and future periods.

Management considers the accounting estimates and assumptions discussed below to be its critical accounting estimates and, accordingly, provide an

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explanation of each below. The discussion below should also be read in conjunction with the Company's disclosure of material accounting policies which are provided in Note 2A to the standalone financial statements, 'Material accounting policies'.

i) Judgements

a) The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

ii) Estimates

a) Estimate of current and deferred tax:

The Company's tax charge on ordinary activities is the sum of the total current and deferred tax charges. The calculation of the Company's total tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits/losses and/or cash flows. The complexity of the Company's structure makes the degree of estimation and judgement more challenging. The resolution of issues is not always within the control of the Company and it is often dependent on the efficiency of the legal processes in the relevant taxing jurisdictions in which the Company operates. Issues can, and often do, take many years to resolve. Payments in respect of tax liabilities for an accounting period result from payments on account and on the final resolution of open items. As a result there can be substantial differences between the tax charge in the Statement of Profit and Loss and tax payments. The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits.

b) Recognition of MAT credit:

The credit availed under MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. This requires significant management judgement in determining the expected availment of the credit based on business plans and future cash flows of the Company.

c) Estimation of useful life:

The useful life used to amortise or depreciate intangible assets or property, plant and equipment respectively relates to the expected future performance of the assets acquired and management's judgement of the period over which economic benefit will be derived from the asset based on its technical expertise. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the Statement of Profit and Loss. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology.

d) Provisions and contingent liabilities:

The Company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, arbitration or government regulation, as well as other contingent liabilities. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will

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arise, and to quantify the possible range of the financial settlement. Due to inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision.

e) **Impairment loss in investments carried at cost:**

The Company conducts impairment reviews of investments in subsidiaries whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable or tests for impairment annually. Determining whether an asset is impaired requires an estimation of the recoverable amount, which requires the Company to estimate the value in use which is based on future cash flows and a suitable discount rate in order to calculate the present value.

f) **Fair value measurements and valuation processes:**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

g) **Defined Benefit Plans:**

The cost of the defined benefit gratuity plan and other post-employment benefits and present value of the gratuity obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

h) **Liabilities towards anticipated sales return:**

In determining the provision for anticipated sales returns, estimates for probable saleable and nonsaleable returns of goods from the customers are made on scientific basis after factoring in the historical data of such returns and its trend.

i) **Discount rate for Leases:**

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

l) **Expected credit loss:**

In accordance with Ind AS 109 - Financial Instruments, the Company applies ECL model for measurement and recognition of impairment loss on the trade receivables from transactions that are within the scope of Ind AS 115 - Revenue from Contracts with Customers. For this purpose, the Company follows 'simplified approach' for recognition of impairment loss allowance on the trade receivable balances. The application of simplified approach requires expected lifetime losses to be recognised from initial recognition of the receivables based on lifetime ECLs at each reporting date.

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.

In respect of other financial assets (e.g.: debt securities, deposits, bank balances etc.), the Company generally invests in instruments with high credit rating and consequently low credit risk. In the unlikely event that the credit risk increases significantly from inception of investment, lifetime ECL is used for recognising impairment loss on such assets.

Notes

to the standalone financial statements for the year ended 31 March, 2026

3.1 Property, Plant and Equipment, Intangible Assets and Right of use assets

(₹ in Million)

Particulars	Property, plant and equipment								Intangible assets				Right of use		
	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipments	Leasehold improvement	Total	Computer software	Trade mark and patents	Product related intangibles	Total	Land	Buildings	Total
As at 01 April 2024	1,253.3	7,801.9	16,929.3	568.6	293.2	1,139.0	-	27,985.3	636.6	1,208.1	-	1,844.7	553.6	1,059.5	1,613.1
Additions	-	207.3	810.7	91.3	183.5	372.9	101.2	1,766.9	105.9	41.8	-	147.7	3.6	686.6	690.2
Deletions/derecognition of lease	(120.8)	(69.9)	(340.7)	(16.7)	(13.0)	(125.1)	-	(686.2)	(17.4)	-	-	(17.4)	-	(5.5)	(5.5)
Transferred to assets held for sale (refer note 3.43)	-	(787.0)	(864.9)	(17.1)	(1.6)	(23.1)	-	(1,693.7)	(3.5)	-	-	(3.5)	(283.4)	-	(283.4)
Transfer on account of discontinued operations (refer note 3.36)	-	-	(31.6)	(5.9)	(2.1)	(17.9)	-	(57.5)	(0.3)	-	-	(0.3)	-	(466.4)	(466.4)
As at 31 March 2025	**1,132.5**	**7,152.3**	**16,502.8**	**620.2**	**460.0**	**1,345.8**	**101.2**	**27,314.8**	**721.3**	**1,249.9**	**-**	**1,971.2**	**273.8**	**1,274.2**	**1,548.0**
Additions	-	105.4	981.6	96.7	22.8	498.8	9.3	1,714.6	127.0	-	118.0	245.0	-	340.4	340.4
Deletions/derecognition of lease	-	(37.8)	(580.3)	(27.9)	(32.6)	(145.5)	-	(824.1)	(106.4)	-	-	(106.4)	-	(35.4)	(35.4)
As at 31 March 2026	**1,132.5**	**7,219.9**	**16,904.1**	**689.0**	**450.2**	**1,699.1**	**110.5**	**28,205.3**	**741.9**	**1,249.9**	**118.0**	**2,109.8**	**273.8**	**1,579.2**	**1,853.0**
Depreciation and Amortisation															
As at 01 April 2024	-	1,304.2	8,920.1	308.5	188.6	667.2	-	11,388.6	515.6	983.0	-	1,498.6	65.7	667.8	733.6
Depreciation/amortisation for the year	-	244.8	1,889.4	50.6	41.7	218.1	6.3	2,450.9	95.8	123.6	-	219.4	7.6	158.3	165.9
Deductions/derecognition of lease	-	(34.9)	(324.3)	(16.5)	(11.2)	(111.3)	-	(498.2)	(17.4)	-	-	(17.4)	-	-	-
Transferred to assets held for sale **(refer note 3.43)**	-	(109.9)	(675.4)	(7.3)	(1.4)	(21.1)	-	(815.1)	(3.5)	-	-	(3.5)	(20.5)	-	(20.5)
Transfer on account of discontinued operations **(refer note 3.36)**	-	-	(21.2)	(2.4)	(2.0)	(9.5)	-	(35.1)	(0.1)	-	-	(0.1)	-	(146.5)	(146.5)
As at 31 March 2025	**-**	**1,404.2**	**9,788.6**	**332.9**	**215.7**	**743.4**	**6.3**	**12,491.1**	**590.4**	**1,106.6**	**-**	**1,697.0**	**52.8**	**679.6**	**732.5**
Depreciation/amortisation for the year	-	314.2	1,507.1	55.9	43.7	276.6	20.7	2,218.2	82.3	29.9	5.9	118.1	6.2	223.1	229.3
Deductions/derecognition of lease	-	(16.2)	(532.7)	(27.5)	(28.2)	(123.2)	-	(727.8)	(106.3)	-	-	(106.3)	-	-	-
Transfer on account of discontinued operations **(refer note 3.36)**	-	-	-	-	-	-	-	-	-	-	-	-	-	21.0	21.0
As at 31 March 2026	**-**	**1,702.2**	**10,763.0**	**361.3**	**231.2**	**896.8**	**27.0**	**13,981.5**	**566.4**	**1,136.5**	**5.9**	**1,708.8**	**59.0**	**923.7**	**982.8**
Net Book Value															
As at 31 March 2025	1,132.5	5,748.1	6,714.2	287.3	244.3	602.4	94.9	14,823.7	130.9	143.3	-	274.2	221.0	594.5	815.5
As at 31 March 2026	1,132.5	5,517.7	6,141.1	327.7	219.0	802.3	83.5	14,223.9	175.6	113.4	112.1	401.0	214.8	655.4	870.2

Notes

to the standalone financial statements for the year ended 31 March, 2026

Notes:

1. Addition to Property, Plant and Equipment includes items aggregating ₹ 299.0 Million (For the year ended 31 March, 2025 ₹ 630.2 Million) located at Research and Development Centres of the Company.

2. Refer Note 3.26(b)(1) for contractual commitments with respect to property, plant and equipments and other intangible assets.

3. Exclusive charge by way of hypothecation over the whole of the movable properties (save and except current assets) including its movable plant and machinery, machinery spares, tools and accessories and other movable assets, both present and future subject to a maximum value of ₹ 2,150 Million (31 March 2025 ₹ 2,150 Million) - situated at Daman and Sikkim in India against issuance of Stand by letter of credit required for loan of US $ 7.5 Million (31 March, 2025 - US $ 18.0 Million) advanced by Banco de Chile to Ascend Laboratories SpA, Chile, a wholly-owned subsidiary of the Company and US $ 2.0 Million (31 March 2025 - US $ 5.0 Million) advanced to PharmaNetwork SpA, Chile, a wholly-owned subsidiary of Ascend Laboratories SpA, Chile.

4. The title deeds of the immovable properties are held in the name of the Company.

5. The Company has not revalued its property, plant and equipment during the financial year ended 31 March, 2026 and 31 March, 2025.

6. Considering internal and external sources of information, the Company has evaluated at the end of the reporting period, whether there is any indication that any intangible asset (including intangible assets under development) may be impaired if any such indication exists. The Company has estimated the recoverable amount of the intangible assets (including intangible assets under development) based on 'value in use' method. The financial projections on the basis of which the future cash flows have been estimated consider (a) reassessment of the discount rates, (b) revisiting the growth rates factored while arriving at terminal value, and these variables have been subjected to a sensitivity analysis. The carrying amount of the intangible assets (including intangible assets under development) represent the Company's best estimate of the recoverable amounts.

Capital work-in-progress

Capital work in progress comprises expenditure in respect of various plants in the course of construction/expansion. Total amount of Capital work in progress is ₹ 862.7 Million as at 31 March, 2026 (31 March, 2025: ₹ 458.2 Million).

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Opening balance	458.2	499.3
Add: Additions during the year	2,265.6	1,865.0
Less: Capitalised during the year	(1,841.6)	(1,665.7)
Less: Transferred to assets classified as assets held for sale	-	(204.8)
Less: Provision made for old capital work in progress	(7.3)	(35.6)
Less: Transfer of account of discontinued operations (refer note 3.36)	(12.2)	-
Closing balance	**862.7**	**458.2**

Capital work-in-progress ageing schedule for the year ended 31 March, 2026 and 31 March, 2025 is as follows:

Particulars	Amount in CWIP for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progess	802.3	48.3	1.0	11.1	862.7
	(409.2)	(27.2)	(12.9)	(8.9)	(458.2)
Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-

Notes

to the standalone financial statements for the year ended 31 March, 2026

Figures in the brackets are the comparative figures of the previous year.

For capital-work-in progress, no projects are overdue or have exceeded its cost compared to its original plan as of 31 March, 2026 and 31 March, 2025.

Intangible assets under development (IAUD)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Opening balance	306.8	408.5
Add: Additions during the year	58.3	-
Less: Capitalised / written off during the year	-	101.7
Closing balance	**365.1**	**306.8**

Intangible assets under development ageing schedule for the year ended 31 March, 2026 and 31 March, 2025 is as follows:

Particulars	Amount in IAUD for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progess	58.3	-	-	306.8	365.1
	-	-	(118.4)	(188.4)	(306.8)
Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-

Figures in the brackets are the comparative figures of the previous year.

For intangibles assets under development, no projects are overdue or have exceeded its cost compared to its original plan as of 31 March, 2026 and 31 March, 2025.

Notes

to the standalone financial statements for the year ended 31 March, 2026

3.2 Investments:

Particulars	As at 31 March, 2026	As at 31 March, 2025	Face Value	As at 31 March, 2026		As at 31 March, 2025	
				₹ in Million	₹ in Million	₹ in Million	₹ in Million
Non - Current Investments							
In Equity Shares Unquoted: [at cost]							
A) Investment in Subsidiaries:							
Ascend Laboratories (Pty) Limited, South Africa	49,960	49,960	Rand 10	68.8		68.8	
Alkem Laboratories Corporation, Philippines (Including 5 shares held by the nominees)	51,39,682	51,39,682	Peso 100	717.4		717.4	
Ascend GmbH, Germany (One share of Euro 250, second share of Euro 24,750 and third share of Euro 751,880)"	3	3	NA	160.9		160.9	
Ascend Laboratories Sdn. Bhd., Malaysia (₹ 91)	2	2	Ringgit 1	0.0		0.0	
S&B Holdings S.a.r.l., Luxembourg	4,29,64,652	4,29,64,652	Euro 1	4,682.3		4,682.3	
Alkem Laboratories Korea Inc., South Korea	15,000	15,000	Korean Won 1000	0.1		0.1	
Ascend Laboratories SpA, Chile (1,000 Nominative Shares, without par value)	5,427	5,427	NA	281.0		281.0	
Pharmacor Limited, Kenya	1,000	1,000	KES 100	0.1		0.1	
Pharmacor Pty Limited, Australia (without par value)	6,83,13,954	6,83,13,954	NA	224.7		224.7	
Ascend Laboratories (UK) Limited, UK (issued capital 250,000 shares of 1 GBP of which 40 Pence is called up & paid)	2,50,000	2,50,000	GBP 1	9.9		9.9	
ThePharmaNetwork, LLC , USA	5,96,74,767	5,96,74,767	NA	7,583.0		7,583.0	
Cachet Pharmaceuticals Private Limited, India	10,813	10,813	INR 100	925.8		925.8	
Indchemie Health Specialities Private Limited, India	1,27,500	1,27,500	INR 10	1,640.7		1,640.7	
Enzene Biosciences Limited, India	5,34,87,835	4,70,85,843	INR 10	12,140.0		9,140.0	
Ascend Laboratories SAS, Colombia	14,58,929	14,58,929	COP 1,000	28.9		28.9	
Ascend Laboratories Limited, Canada	7,20,000	20,000	CAD 1	47.2		1.1	
Alkem Foundation, India	10,000	10,000	INR 10	0.1		0.1	
Connect 2 Clinic Private Limited, India	14,99,994	14,99,994	INR 10	15.0		15.0	
Alkem Medtech Private Limited, India (incorporated on 27 March, 2024)	38,03,75,180	38,03,75,180	INR 10	4,500.0		4,500.0	
Alixer Nexgen Therapeutics Limited (incorporated on 12 July, 2024)	2,52,00,000	2,00,000	INR 10	252.0		2.0	
Alkem Wellness Limited (incorporated on 16 September, 2024)	65,50,00,000	50,00,000	INR 10	6,550.0		50.0	
Adroit Biomed Limited (acquired on 23 April, 2025)	4,39,699	-	INR 10	1,439.5		-	
Alkem Pharmaceuticals Scientific Office FZ LLC (incorporated on 04 February, 2026) (Refer note 3.26 (b) (4))	-	-	-	-		-	
Alkem Pharma Trading FZCO (incorporated on 27 March, 2026) (Refer note 3.26 (b) (4))	-	-	-	-	**41,267.4**	-	**30,031.7**
Investment in Limited Liability Partnership Firm: Unquoted: [at cost]							
The PharmaNetwork LLP, Kazakhstan (Refer note 1 below)					157.6		157.6
Investment in Subsidiaries					41,425.0		30,189.3
Provision for impairment in value of investments (Refer note 2 below)					(127.8)		(127.8)
Investment in Subsidiaries - Sub total (A)					**41,297.2**		**30,061.5**
B) Investment in Associate: Unquoted: [at cost]							
HaystackAnalytics Private Limited	1,666	1,666	INR 1	30.0		30.0	
Investment in Associate - Sub total (B)					**30.0**		**30.0**
TOTAL (A + B)					**41,327.2**		**30,091.5**

Notes

to the standalone financial statements for the year ended 31 March, 2026

Particulars	As at 31 March, 2026	As at 31 March, 2025	Face Value	As at 31 March, 2026		As at 31 March, 2025	
				₹ in Million	₹ in Million	₹ in Million	₹ in Million
In Preference Shares Unquoted: [at cost]							
C) Investment in Associate: Unquoted: [at cost]							
HaystackAnalytics Private Limited	18,517	16,654	INR 1	344.0		300.0	
Investment in Associate - Sub total (C)					**344.0**		**300.0**
TOTAL (A + B + C)					**41,671.2**		**30,391.5**

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
D) Other Non-Current Investments		
1) In Equity Shares of Other Companies and Limited Liability Partnership Firm: Unquoted [at fair value through profit and loss]	351.0	334.7
2) In Preference Shares of Other Companies : Unquoted [at fair value through profit and loss]	270.9	217.6
3) Investment In Venture Capital Fund: Unquoted (Non Trade) [at fair value through profit and loss]	859.2	934.9
4) Non Convertible Debentures [at amortised cost] Quoted	6,955.5	5,636.7
Other Non Current Investments - Sub total (D)	8,436.6	7,123.9
Total (A+B+C+D)	**50,107.8**	**37,515.4**

Notes:

1) Details of The PharmaNetwork LLP, Kazakhstan:

(₹ in Million)

Particulars	As at 31 March, 2026		As at 31 March, 2025	
	Profit Sharing Ratio	Capital Accounts	Profit Sharing Ratio	Capital Accounts
Alkem Laboratories Limited	100.00%	157.6	100.00%	157.6

2) Provision for impairment in value of investments relates to impairment loss of ₹ 127.8 Million with respect to investment in Alkem Laboratories Corporation, Philippines.

3.2 Other Current Investments

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
1) Investment in funds : (Unquoted) [at fair value through profit and loss]		
Avenue Venture Real Estate Fund (Units of ₹ 100,000 each, fully paid-up) (Refer Note 3 below)	747.0	747.0
Less: Provision for impairment in value of investments (Refer note 3.43 (1))	(747.0)	-
Investment in Avenue Venture Real Estate Fund	-	747.0
2) Investment In Mutual Funds Quoted (Non-Trade) [at fair value through profit and loss]	912.5	5,017.4
3) Non Convertible Debentures : - Quoted (at amortised cost)	4,499.0	788.0
Total	**5,411.5**	**6,552.4**

Notes

to the standalone financial statements for the year ended 31 March, 2026

Notes:

(₹ in Million)

Particulars	As at 31 March, 2026		As at 31 March, 2025	
	Book Value	Market Value	Book Value	Market Value
1) Aggregate value of Quoted Investments	12,367.1	12,367.1	11,442.1	11,442.1
2) Aggregate value of Unquoted Investments	43,152.2	N.A.	32,625.7	N.A.
3) Aggregate amount of impairments in the value of Investments	127.8	N.A.	127.8	N.A.
4) All Investments in Shares & Securities are fully paid up				
(Except Refer sub-note 2 of note 3.26(b))				

3) During the year ended 31 March, 2016, pursuant to the approval of the Board of Directors in its meeting held on 9 March 2016, the Company in order to focus on its core business activities and for other commercial reasons, restructured its investment in Avenue Venture Real Estate Fund ("Fund") by entering into an Option Agreement with Mr. Tushar Kumar, which was in force for a period of 2 years from the execution date i.e. 10 March 2016. The Option Agreement was subsequently renewed for a period of 2 years each by executing First, Second and Third Supplementary agreement till 9 March 2020, 9 March 2022, 9 March 2024 respectively. During the current year, pursuant to the approval of the Board of Directors (through a circular resolution) post 31 March, 2026, the Company has entered into an Option Agreement with Mr. Jyoti Prakash Narayan Singh which is in force for a period of 2 years from execution date i.e 10 March 2026 for grant of unconditional option exercisable without restriction at the option of the option holder to purchase the trust units held by the Company in the Fund at an option price of 102% of the fair market value of each trust unit as on the exercise date

3.3 Loans

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
A. Non-current loans		
(Unsecured, considered good unless otherwise stated)		
Loans to Subsidiary Companies (Refer Note 3.35)	99.2	90.7
TOTAL	**99.2**	**90.7**
B. Current loans		
(Unsecured, considered good unless otherwise stated)		
Loans to employees	14.2	16.5
TOTAL	**14.2**	**16.5**

3.4 Other financial assets

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
A. Other non current financial assets		
(Unsecured, considered good unless otherwise stated)		
Bank deposits with original and remaining maturity more than 12 months	3,921.9	15.1
Deposits with non-banking financial companies	6,116.4	2,301.7
Security deposits	171.3	162.8
Balances with government authorities	-	271.2
Other receivables	42.3	89.6
TOTAL	**10,251.9**	**2,840.4**

Note: Bank deposits of ₹ 2.54 Million (31 March, 2025: NIL) are under lien with the Banks against Overdraft facility.

Notes

to the standalone financial statements for the year ended 31 March, 2026

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
B. Other current financial assets		
(Unsecured, considered good unless otherwise stated)		
Bank deposits with original maturity more than 12 months but remaining maturity less than 12 months	16,429.9	16,604.7
Deposits with non-banking financial companies	2,990.2	2,111.2
Other receivables	697.6	24.0
Incentive receivable from government	965.4	506.2
TOTAL	**21,083.1**	**19,246.1**

Note: Bank deposits of ₹ 3,284.9 Million (31 March, 2025: ₹ 3,089.3 Million) are under lien with the Banks against Overdraft facility.

3.5 Other non-current assets

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
(Unsecured, considered good unless otherwise stated)		
Capital advances		
Considered good	928.2	205.1
Considered doubtful	4.5	4.5
	932.7	**209.6**
Less: Provision for doubtful advance	(4.5)	(4.5)
	928.2	**205.1**
Balances with government authorities	608.3	539.7
Prepaid expenses	41.6	-
Other advances	2.1	2.2
TOTAL	**1,580.2**	**747.0**

3.6 Inventories

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Raw and packing materials	7,894.9	7,175.8
Goods-in-transit	16.8	104.0
	7,911.7	**7,279.8**
Work-in-progress	1,136.9	801.1
Finished goods	5,924.3	3,676.4
Goods-in-transit	257.4	2,262.7
	6,181.7	**5,939.1**
Stock-in-trade	1,059.8	1,160.9
Goods-in-transit	27.5	48.1
	1,087.3	**1,209.0**
TOTAL	**16,317.6**	**15,229.0**

Notes:

1. The Company follows suitable provisioning norms for writing down the value of inventories towards slow moving, non moving, expired and non saleable inventory. Write down of inventory for the year ended is **₹ 1,465.5 Million** (31 March, 2025: ₹ 985.8 Million)
2. The cost of inventories recognised as an expense during the year in respect of continuing operations was **₹ 28,850.6 Million** (31 March, 2025: ₹ 29,068.5 Million).

Notes

to the standalone financial statements for the year ended 31 March, 2026

3.7 Income tax

(A) Components of Income Tax Expenses

(i) Tax Expense recognised in profit and loss

(₹ in Million)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
On continuing operations		
Current tax		
Current year tax	4,320.0	3,501.3
	4,320.0	**3,501.3**
Deferred tax credit (net)		
Minimum Alternate Tax (MAT) credit entitlement	(545.5)	(890.3)
Origination and reversal of temporary differences	(399.5)	(472.8)
	(945.0)	**(1,363.1)**
Tax expense for the year from continuing operations	**3,375.0**	**2,138.2**
On discontinuing operations		
Current year tax	520.8	1,026.8
Total tax expense	**3,895.8**	**3,165.0**

(ii) Tax recognised in other comprehensive income

(₹ in Million)

Particulars	For the year ended 31 March, 2026			For the year ended 31 March, 2025		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
Continued operations						
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit plans	65.3	(16.7)	48.6	(170.3)	59.5	(110.8)
	65.3	**(16.7)**	**48.6**	**(170.3)**	**59.5**	**(110.8)**
Discontinued operations						
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit plans	(3.6)	1.2	(2.3)	(6.5)	2.3	(4.2)
	(3.6)	**1.2**	**(2.3)**	**(6.5)**	**2.3**	**(4.2)**

(B) Reconciliation of effective tax rate

(₹ in Million)

Particulars	(%)	For the year ended 31 March, 2026	(%)	For the year ended 31 March, 2025
Profit before tax from continuing operations		25,226.2		23,035.4
Profit before tax from discontinuing operations		1,490.5		2,938.5
Profit before tax from operations		**26,716.7**		**25,973.9**
Tax using the Company's applicable tax rate	**34.9%**	9,335.9	**34.9%**	9,076.3
Tax effect of:				
Long term capital gains taxable at lower rate / exempt under income tax	**0.8%**	213.1	0.0%	-
Deferred tax reversal during tax holiday period	**0.3%**	73.9	0.3%	73.9
Deduction on profits earned from exempt units	**-25.8%**	(6,901.9)	-26.1%	(6,780.1)
Change in tax rate	**0.5%**	126.2		
Permanent disallowance - current year	**3.9%**	1,039.3	2.7%	700.4
Others	**0.0%**	9.3	0.4%	94.5
	14.6%	**3,895.8**	**12.2%**	**3,165.0**

Notes

to the standalone financial statements for the year ended 31 March, 2026

(C) Movement in deferred tax assets and liabilities

(₹ in Million)

Particulars	Net balance 01 April 2025	Change on account of tax rate	Recognised in profit or loss	Recognised in OCI	Net balance 31 March 2026
Deferred Tax Liabilities:					
Property, plant and equipment and Intangible assets	(1,881.7)	493.5	117.4	-	(1,270.8)
MTM on Investments	(430.4)	110.5	33.5	-	(286.4)
Total deferred tax liabilities	**(2,312.1)**	**604.0**	**150.9**	**-**	**(1,557.2)**
Deferred Tax Assets:					
Employee benefits	1,513.4	(511.7)	331.3	(15.5)	1,317.5
Tax on Impairment of real estate asset	-	-	111.0	-	111.0
Expected credit loss on trade receivables	295.5	(50.9)	(136.8)	-	107.8
Deferred Government Grant	85.7	(20.4)	(12.8)	-	52.5
Impairment of investment in subsidiary	29.8	(12.5)	14.8	-	32.1
Impairment of assets	145.2	-	(145.2)	-	-
Other temporary differences	270.0	(134.7)	212.5	-	347.8
Total deferred tax assets	**2,339.6**	**(730.2)**	**374.8**	**(15.5)**	**1,968.7**
MAT credit entitlement	14,264.0	-	545.5	-	14,809.5
	16,603.6	**(730.2)**	**920.3**	**(15.5)**	16,778.2
Net deferred tax assets	**14,291.5**	**(126.2)**	**1,071.2**	**(15.5)**	**15,220.9**

Note: During the year, the Company received an order amounting to ₹ 3,333.3 Million for Assessment Year 2023-24 from the Income Tax Department. The demand raised has been adjusted against the available MAT credit balance by the Income Tax Department. The Company has thereafter filed an appeal before the Commissioner of Income Tax (Appeals) [CIT(A)], as its contentions were not accepted in the said order.

Pursuant to the amendments introduced under the Finance Act, 2026, interalia allowing set off of available MAT credit under new tax regime (Section 115BAA of the Income-tax Act, 1961), the Company has decided to opt for the new tax regime from financial year 2026 – 27. Consequently, deferred tax has been recognised at the substantially enacted rate as at 31 March 2026.

(₹ in Million)

Particulars	Net balance 01 April, 2024	Recognised in profit or loss	Recognised in OCI	Net balance 31 March, 2025
Deferred Tax Liabilities:				
Property, plant and equipment and Intangible assets	(2,245.0)	363.3	-	(1,881.7)
Investments	(290.5)	(139.9)	-	(430.4)
Total deferred tax liabilities	**(2,535.5)**	**223.4**	**-**	**(2,312.1)**
Deferred Tax Assets:		-	-	
Employee benefits	1,244.0	207.6	61.8	1,513.4
Expected credit loss on trade receivables	288.6	6.9	-	295.5
Deferred Government Grant	98.6	(12.9)	-	85.7
Impairment of investment in subsidiary	29.8	-	-	29.8
Impairment of assets	145.2	-	-	145.2
Other temporary differences	222.2	47.8	-	270.0
MAT credit entitlement	13,373.7	890.3	-	14,264.0
Total deferred tax assets	**15,402.1**	**1,139.6**	**61.8**	**16,603.6**
Net deferred tax assets	**12,866.6**	**1,363.1**	**61.8**	**14,291.4**

(D) Tax assets and liabilities

Particulars	As at 31 March, 2026	As at 31 March, 2025
Non Current tax assets (net)	327.2	312.0
Current tax liabilities (net)	409.5	383.8

Notes

to the standalone financial statements for the year ended 31 March, 2026

3.8 Trade receivables

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
(Unsecured)		
Considered good	16,100.8	15,930.9
Credit impaired	-	-
Less: Expected credit loss on receivables	(428.4)	(332.5)
TOTAL	**15,672.4**	**15,598.4**

Note :

1. Above trade receivables include amount due from related parties **₹ 11,392.7 Million** (31 March, 2025: ₹ 11,969.8 Million) - **Refer Note 3.35**
2. **Refer note 3.37** for information about credit risk and market risk of trade receivables.

Trade receivables ageing schedule for the year ended 31 March 2026 and 31 March 2025

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months-1 Year	1-2 Years	2-3 Years	More than 3 years	
i) Undisputed Trade receivables - considered good	13,215.4	1,993.8	181.8	183.5	64.5	303.4	15,942.4
	(14,686.8)	(482.0)	(115.9)	(262.9)	(90.6)	(227.1)	(15,865.3)
ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
iv) Disputed Trade receivables - considered good	-	-	51.7	29.0	19.6	58.1	158.3
	-	(2.3)	(11.5)	-	(0.9)	(50.9)	(65.6)
v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Less: Expected credit loss on receivables							428.4
							(332.5)
Total							**15,672.4**
							(15,598.4)

Figures in the brackets are the comparative figures of the previous year.

The Company does not have any transactions or balances with struck off Companies.

3.9 Cash and cash equivalents

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Cash on hand	4.4	4.4
Cheques and drafts on hand	352.1	685.9
Balance with banks:		
In current accounts	294.1	54.4
In exchange earners' foreign currency account	3.9	4.5
TOTAL	**654.5**	**749.2**

Notes
to the standalone financial statements for the year ended 31 March, 2026

3.10 Bank balances other than cash and cash equivalents

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Restricted for use:		
Unpaid dividend account	1.3	1.7
Unspent CSR account	0.7	1.3
Benevolent fund account	12.6	10.7
Escrow account	3.6	-
Bank deposits with original maturity more than 3 months but less than 12 months	12,222.0	9,798.2
TOTAL	**12,240.2**	**9,811.9**

Note:

Bank deposits of **₹ 2,750.6 Million** (31 March 2025: ₹ 2,569.6 Million) are under lien with banks against Overdraft facilities availed.

Details of Deposits (including accrued interest)

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Bank deposits with original and remaining maturity greater than 12 months (Refer Note 3.4 A)	3,921.9	15.1
Bank deposits with original maturity greater than 12 months but remaining maturity less than 12 months (Refer Note 3.4 B)	16,429.9	16,604.7
Bank deposits with original maturity more than 3 months but less than 12 months (Refer Note 3.10)	12,222.0	9,798.2
Deposits with non-banking financial companies (Refer Note 3.4 A & B)	9,106.6	4,412.9
TOTAL	**41,680.4**	**30,830.9**

3.11 Other current assets

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
(Unsecured, considered good unless otherwise stated)		
Balances with government authorities	4,912.9	4,574.7
Advance to suppliers and employees:		
Considered good	1,274.5	1,238.8
Considered doubtful	165.0	385.4
	1,439.5	**1,624.2**
Less: Provision for doubtful advance	(165.0)	(385.4)
	1,274.5	**1,238.8**
Prepaid expenses	531.1	380.0
Right to return asset	189.2	143.0
TOTAL	**6,907.7**	**6,336.5**

Notes

to the standalone financial statements for the year ended 31 March, 2026

3.12A Equity share capital

Authorised:

250,000,000 equity shares of ₹ 2 each amounting to ₹ 500 Million (31 March, 2025: 250,000,000 equity shares of ₹ 2 each amounting to ₹ 500 Million)

Issued, subscribed and paid up:

119,565,000 equity shares of ₹ 2 each fully paid up amounting to ₹ 239.1 Million (31 March, 2025: 119,565,000 equity shares of ₹ 2 each fully paid up amounting to ₹ 239.1 Million)

(a) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the period:

Particulars	As at 31 March, 2026		As at 31 March, 2025	
	Number of shares	(₹ in Million)	Number of shares	(₹ in Million)
At the commencement of the year	11,95,65,000	239.1	11,95,65,000	239.1
At the end of the year	11,95,65,000	239.1	11,95,65,000	239.1

(b) Rights, preferences and restrictions attached to Equity Shares:

The Company has issued one class of equity shares with voting rights having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share held. The Company declares dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting.

On winding up of the Company, the holders of equity shares will be entitled to receive residual assets of the Company remaining after distribution of all preferential amounts in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company:

Name of the shareholders	As at 31 March, 2026		As at 31 March, 2025	
	Number of Shares	Percentage of Holding	Number of Shares	Percentage of Holding
Mr. Sarandhar Singh (shares held on behalf of Samprada & Nanhamati Singh Family Trust)	2,24,14,088	18.75%	2,32,14,088	19.42%
Mr. Basudeo Narain Singh	86,95,360	7.27%	86,95,360	7.27%
Mr. Mritunjay Kumar Singh	76,82,000	6.42%	76,82,000	6.42%
Madhurima Singh (Estate of Mr. Dhananjay Kumar Singh)	72,84,429	6.09%	72,84,429	6.09%

(d) Aggregate Number of bonus shares issued for the consideration other than cash during the period of five years immediately preceeding the reporting date:

The Company has not issued any bonus shares, shares for consideration other than cash or bought back any shares during five years immediately preceding the reporting date.

(e) Promoters shareholding

Promoter name	No. of shares as at 31 March, 2026	No. of shares as at 31 March, 2025	% of total shares as of Mar, 26	% of total shares as of Mar, 25	% change during the current year
Sarandhar Singh (shares held on behalf of Samprada & Nanhamati Singh Family Trust)	2,24,14,088	2,32,14,088	18.7%	19.4%	-3.4%
Basudeo Narain Singh	86,95,360	86,95,360	7.3%	7.3%	0.0%
Mritunjay Kumar Singh	76,82,000	76,82,000	6.4%	6.4%	0.0%
Madhurima Singh	1,09,510	1,09,510	0.1%	0.1%	0.0%
Madhurima Singh (Estate of Dhananjay Kumar Singh)	72,84,429	72,84,429	6.1%	6.1%	0.0%
Madhurima Singh (on behalf of Dhananjay and Madhurima Singh Trust)	30,92,875	30,92,875	2.6%	2.6%	0.0%
Seema Singh	25,79,045	25,79,045	2.2%	2.2%	0.0%

Notes

to the standalone financial statements for the year ended 31 March, 2026

Promoter name	No. of shares as at 31 March, 2026	No. of shares as at 31 March, 2025	% of total shares as of Mar, 26	% of total shares as of Mar, 25	% change during the current year
Archana Singh	23,94,050	23,94,050	2.0%	2.0%	0.0%
Jayanti Sinha	12,38,220	29,38,220	1.0%	2.5%	-57.9%
Divya Singh	12,08,971	12,08,971	1.0%	1.0%	0.0%
Aniruddha Singh	12,08,971	12,08,971	1.0%	1.0%	0.0%
Meghna Singh	12,08,650	12,08,650	1.0%	1.0%	0.0%
Shrey Shree Anant Singh	11,95,650	11,95,650	1.0%	1.0%	0.0%
Raj Kumar Singh	5,38,038	5,38,038	0.4%	0.4%	0.0%
Manju Singh	1,00,517	1,00,517	0.1%	0.1%	0.0%
Srinivas Singh	1,02,695	1,02,695	0.1%	0.1%	0.0%
Sarandhar Singh	79,800	79,800	0.1%	0.1%	0.0%
Satish Kumar Singh	72,430	72,430	0.1%	0.1%	0.0%
Inderjit Kaur Arora	7,800	7,800	0.0%	0.0%	0.0%
Sandeep Singh	7	7	0.0%	0.0%	0.0%
Sarvesh Singh	1	1	0.0%	0.0%	0.0%
Annapurna Singh	1	1	0.0%	0.0%	0.0%
Premlata Singh	1	1	0.0%	0.0%	0.0%
Sadhika Raj	-	5,50,000	0.0%	0.5%	-100.0%
Sakshi Sinha	-	5,50,000	0.0%	0.5%	-100.0%
Satyam Sinha	-	5,50,000	0.0%	0.5%	-100.0%
Shikhar Raj	-	5,50,000	0.0%	0.5%	-100.0%

3.12B Other equity

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Capital reserve	5.2	5.2
General reserve	19,380.4	19,380.4
Retained earnings	1,20,919.2	1,04,196.0
Other comprehensive income	(556.2)	(602.4)
TOTAL	**1,39,748.5**	**1,22,979.2**

3.13 Borrowings

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Current borrowings		
Secured		
Loans repayable on demand from banks	2,183.6	628.8
	2,183.6	**628.8**
Unsecured		
Working capital loan from banks	3,208.8	3,083.6
	3,208.8	**3,083.6**
TOTAL	**5,392.4**	**3,712.4**

Notes:

1. Secured: Loans repayable on demand from Banks include:
   a. Overdrafts from banks **₹ 2,183.6 Million** (31 March 2025: ₹ 628.8 Million) are secured against pledge of fixed deposits with the banks.
   b. Overdraft Facilities carry a rate of interest ranging between **6.80% to 8.30% p.a.**, computed on a monthly basis on the actual amount utilized, and are repayable on demand.
2. Unsecured: Working capital loan from banks repayable on demand of **₹ 2,165.7 Million** (31 March, 2025: ₹ 46.7 Million) carries an average interest rate of **5.75%** (31 March, 2025: 7.18%). Further, packing credit in foreign currencies amounts to **₹ 1,043.1 Million** (31 March, 2025: ₹ 3,036.9 Million) and carries an average interest rate of **4.11%** (31 March, 2025: 4.72%).

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to the standalone financial statements for the year ended 31 March, 2026

3.14 Provisions

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
A. Non-current provisions		
Provisions for employee benefits		
- Gratuity (Refer note 3.28)	2,197.7	1,645.5
- Compensated absences	1,183.3	993.4
TOTAL	**3,381.0**	**2,638.9**
B. Current provisions		
Provision for employee benefits:		
- Gratuity (Refer note 3.28)	1,285.3	979.8
- Compensated absences	388.8	377.1
TOTAL	**1,674.1**	**1,356.9**

3.15 Other non-current liabilities

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Deferred income on government grant (Refer note 3.41)	171.6	208.5
TOTAL	**171.6**	**208.5**

3.16 Trade payables

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Total outstanding dues of micro enterprises and small enterprises (Refer note 3.27)	792.1	651.2
Total outstanding dues of creditors other than micro and small enterprises	13,969.2	13,986.6
TOTAL	**14,761.3**	**14,637.8**

Note:-

Due to related parties **₹ 1,051.0 Million** (31 March, 2025: ₹ 2,008.4 Million) **(Refer note 3.35)**

Trade payables ageing schedule for the year ended 31 March, 2026 and 31 March, 2025

(₹ in Million)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
i) MSME	-	663.7	113.4	6.8	2.5	5.7	792.1
	-	(540.2)	(103.6)	(3.1)	(0.8)	(3.5)	(651.2)
ii) Others	4,500.3	5,607.0	3,060.3	173.0	325.7	303.0	13,969.2
	(3,467.4)	(5,354.5)	(4,187.1)	(651.6)	(119.9)	(206.1)	(13,986.6)
iii) Disputed dues - MSME	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
iv) Disputed dues - Others	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)

Figures in the brackets are the comparative figures of the previous year.

Notes

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Relationship with struck off companies:

(₹ in Million)

Name of Struck off company	Nature of Transactions	Transactions during the year 31 March, 2026	Balance o/s. at the end of the year as at 31 March, 2026	Transactions during the year 31 March, 2025	Balance o/s. at the end of the year as at 31 March, 2025	Relationship with the Struck off company, if any, to be disclosed
Verdical Enterprises (OPC) Private Limited	Payables	0.0*	0.0*	1.22	0.0*	Vendor
Leela Trade Link Private Limited	Payables	0.0*	0.0*	-	-	Vendor

* Less than 1 lakh

3.17 Other financial liabilities

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
A. Other non current financial liabilities		
Liability towards anticipated sales returns (Refer note 3.32)	915.4	776.6
Option payable**	138.1	78.9
TOTAL	**1,053.5**	**855.5**
B. Other current financial liabilities		
Employee payables	2,011.4	1,973.8
Security deposits received	32.0	443.2
Liability towards anticipated sales returns (Refer note 3.32)	1,567.0	1,388.0
Forward contract payable	384.7	10.7
Unpaid dividend*	1.3	1.7
TOTAL	**3,996.4**	**3,817.4**

Notes:

* Amounts due for payment to the Investor Education and Protection Fund ("IEPF") under Section 125 of the Companies Act, 2013 **₹ Nil** (31 March, 2025: ₹ NIL).

**The option payable represents the value of the option written by the Company to grant exit to the shareholders of one of its subsidiary Company. The option has been valued as per the valuation principles and methodology.

3.18 Other current liabilities

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Due to statutory authorities	545.9	599.2
Advances from customers	478.9	649.6
Deferred income on government grant (Refer note 3.41)	37.1	37.1
TOTAL	**1,061.9**	**1,285.9**

Notes

to the standalone financial statements for the year ended 31 March, 2026

3.19 Revenue from operations

(₹ in Million)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Revenue from contract with customers		
Sale of products	1,03,939.1	1,05,511.4
Less: related to discontinued operations (refer note 3.36)	(9,181.0)	(18,974.9)
Sale of products from continuing operations - (A)	**94,758.1**	**86,536.5**
Other operating revenues:		
Processing income	49.4	-
Export incentives	375.0	323.2
Scrap sales	144.1	154.9
Budgetary support benefit under GST	570.9	839.5
Miscellaneous income	741.4	280.3
Total other operating revenue:	**1,880.8**	**1,597.9**
Less: related to discontinued operations (refer note 3.36)	-	-
Total other operating revenue from continuing operations - (B)	**1,880.8**	**1,597.9**
TOTAL (A) + (B)	**96,639.1**	**88,134.4**

a) Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price:

(₹ in Million)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Revenue from contract with customers as per contracted price	96,914.1	88,410.4
Adjustments made to contract price on account of:		
Less: Sales return	1,893.2	1,697.0
Less: Discounts	262.7	176.9
Revenue from contract with customers	**94,758.1**	**86,536.5**
Other operating revenue	1,880.8	1,597.9
Revenue from operations	**96,639.1**	**88,134.4**

b) Disaggregation of revenue from contracts with customers based on geography (at a point in time):

(₹ in Million)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Revenue from Operations:		
Country of Domicile - India	70,234.1	63,146.4
United States of America	16,168.8	16,715.4
Other Countries	10,236.2	8,272.6
	96,639.1	**88,134.4**

3.20 Other income

(₹ in Million)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Interest income on financial assets		
-Bank deposits at amortised cost	2,606.1	2,628.1
-Bonds, debentures and loans at amortised cost	751.9	350.1
Dividend income on equity securities	40.8	661.9
Foreign currency transactions and translation gain (net)	911.7	514.2
Liabilities/provisions no longer required written back	244.0	-
Rental income	40.3	27.2
Profit on sale of investments at FVTPL (net)	505.6	108.0
Profit on sale of property, plant and equipments (net)	-	48.8

Notes

to the standalone financial statements for the year ended 31 March, 2026

(₹ in Million)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
(Loss)/gain on fair value of investments through profit and loss	(101.0)	400.3
Miscellaneous income *	552.3	332.0
Total other income	**5,551.7**	**5,070.6**
Less: related to discontinued operations (refer note 3.36)	-	-
Total other income from continuing operations	**5,551.7**	**5,070.6**

* Majorly includes freight income and shared service income from subsidiaries (Refer note 3.35)

3.21 Cost of materials consumed

(₹ in Million)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Raw material consumed	22,442.8	23,623.4
Packing material consumed	4,846.3	5,854.3
Total cost of materials consumed	**27,289.1**	**29,477.7**
Less: related to discontinued operations (refer note 3.36)	(2,995.8)	(5,518.5)
Total cost of material consumed from continuing operations	**24,293.3**	**23,959.2**

3.22 Changes in inventories of finished goods, work-in-progress and stock-in-trade:

(₹ in Million)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Opening stock:		
Finished goods	7,251.7	7,581.2
Stock-in-trade	2,883.2	2,884.9
Work-in-progress	803.7	951.8
	10,938.6	**11,417.9**
Less: Inventory related to discontinued operations as at 01 October, 2025	**(3,568.5)**	-
Less: Closing stock:		
Finished goods	6,181.7	7,251.7
Stock-in-trade	1,087.3	2,883.2
Work-in-progress	1,136.9	803.7
	8,405.9	**10,938.6**
Total changes in inventory of finished goods, work-in-progress and stock -in-trade	**(1,035.8)**	**479.3**
Less: related to discontinued operations (refer note 3.36)	579.1	(86.8)
Total changes in inventory of finished goods, work-in-progress and stock -in-trade	**(456.7)**	**566.1**

3.23 Employee benefits expense

(₹ in Million)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Salaries, wages and bonus	18,053.0	15,937.9
Contribution to provident and other funds (Refer note 3.28)	938.6	854.0
Staff welfare expenses	350.6	439.0
Total employee benefits expense	**19,342.2**	**17,230.9**
Less: related to discontinued operations (refer note 3.36)	(511.9)	(921.3)
Total employee benefits expense from continuing operations	**18,830.3**	**16,309.6**

Notes

to the standalone financial statements for the year ended 31 March, 2026

3.24 Finance costs

(₹ in Million)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Interest expenses on		
-Bank overdraft and others at amortised cost	233.3	388.2
-Defined benefit liabilities (Refer note 3.28)	160.1	139.9
-Lease liabilities (Refer note 3.29 (iii))	69.3	134.7
Other borrowing cost	123.4	118.0
Total finance costs	**586.1**	**780.8**
Less: related to discontinued operations (refer note 3.36)	(13.2)	(19.7)
Total finance costs from continuing operations	**572.9**	**761.1**

3.25 Other expenses

(₹ in Million)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Consumption of stores and spare parts	744.5	647.1
Power and fuel	1,268.9	1,283.5
Processing charges	489.9	661.9
Contract labour charges	1,125.3	1,072.0
Rent (Refer note 3.29(iii))	5.5	18.9
Rates and taxes	150.0	102.2
Insurance	431.8	420.6
Marketing, advertisement and promotions	7,942.6	6,502.5
Selling and distribution expenses	2,553.5	2,977.1
Legal and professional fees	2,124.0	1,667.6
Sales commission	496.3	776.8
Travelling and conveyance	3,256.2	2,883.9
Repairs:		
- Buildings	311.5	119.4
- Plant and machineries	594.2	560.1
- Others	449.7	624.8
Loss on sale / write off of property, plant and equipments (net)	3.1	-
Commission to directors	18.0	18.3
Donation	1.5	1.7
Communication and printing expenses	104.6	96.7
Vehicle expenses	238.0	228.9
Clinical and analytical charges	1,179.8	1,410.4
Expected credit loss on receivables	294.8	58.1
Impairment loss	-	137.3
Corporate Social Responsibility (CSR) expenditure (Refer note 3.40)	341.2	360.9
License, registration & technology fees	1,426.6	827.0
Miscellaneous expenses*	1,013.5	760.4
Total other expenses	**26,565.0**	**24,218.1**
Less: related to discontinued operations (refer note 3.36)	(1,106.2)	(2,376.6)
Total other expenses from continuing operations	**25,458.8**	**21,841.4**

*Refer Note 3.39 for breakup of payment to auditors.

Notes

to the standalone financial statements for the year ended 31 March, 2026

3.26 (a) Contingent Liabilities

(₹ in Million)

Sr. No.	Particulars	As at 31 March, 2026	As at 31 March, 2025
	Claims against the Company not acknowledged as debt:		
(i)	Sales Tax / Goods and Service tax demands disputed in appeal	1,393.1	1,393.1
(ii)	Income Tax demands disputed in appeal (Refer note (ii) below)	8,931.4	6,613.8
(iii)	Other matters: a. Supply of Goods: ₹ 0.9 Million (31 March 2025: ₹ 1.4 Million) b. In relation to CCI: ₹ 746.3 Million (31 March 2025: ₹ 746.3 Million) c. Legal Matters : NIL (31 March 2025: ₹ 0.4 Million)"	747.2	748.1
Total		**11,071.7**	**8,755.0**

i) The Company's pending litigations comprise of proceedings pending with various direct tax, indirect tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

ii) During the year, the Company received an order amounting to ₹ 3,333.3 Million for Assessment Year 2023-24 from the Income Tax Department. The demand raised has been adjusted against the available MAT credit balance by the Income Tax Department. The Company has thereafter filed an appeal before the Commissioner of Income Tax (Appeals) [CIT(A)], as its contentions were not accepted in the said order.

3.26 (b) Commitments

(₹ in Million)

Sr. No.	Particulars	As at 31 March, 2026	As at 31 March, 2025
1	Estimated amount of contracts remaining to be executed on capital Accounts - advance paid ₹ 217.3 Million (31 March 2025: ₹ 26.7 Million)	1,877.6	449.4
2	Calls in respect of partly paid up shares issued by a subsidiary company	18.8	16.6
3	Uncalled/ unpaid contribution towards investment in funds	3.0	15.0
4	Unpaid commitment towards equity infusion in subsidiaries	189.7	-
5	Unpaid commitment towards purchase of subsidiary (Enterprise value subject to cash/ net debt/ debt like item and working capital adjustment)	-	1,400.0
6	Pending Export Obligation under advance licence / EPCG Scheme	81.1	80.6

During the year, Board has approved a capital expenditure of ₹ 10,360 Million for the establishment of a greenfield formulations manufacturing facility in Ujjain, Madhya Pradesh. The investment will be undertaken in a phased manner.

3.27 Dues to Micro and Small enterprises

Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED). On the basis of the information and records available with the Management, the outstanding dues to the Micro and Small enterprises as defined in the MSMED as set out in following disclosure.

(₹ in Million)

Sr. No.	Particulars	As at 31 March, 2026	As at 31 March, 2025
a)	Principal amount remaining unpaid to any supplier as at the year end	792.1	651.2
	Interest due thereon	21.1	62.7
b)	The amount of interest paid by the buyer under MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-

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to the standalone financial statements for the year ended 31 March, 2026

(₹ in Million)

Sr. No.	Particulars	As at 31 March, 2026	As at 31 March, 2025
d)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	21.1	62.7
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006.	**83.8**	113.9

The above information regarding Micro and Small Enterprises has been determined on the basis of information available with the Company basis the details provided by the enterprises.

3.28 Disclosure of Employee Benefits as per Indian Accounting Standard 19 is as under:

i) Defined contribution plans:

The Company makes contributions towards provident fund. The Company is required to contribute a specified percentage of salary cost to the Government Employee Provident Fund, Government Employee Pension Fund, Employee Deposit Linked Insurance and Employee State Insurance, which are recognised in the Statement of Profit and Loss on accrual basis. Eligible employees receive the benefits from the said funds. Both the employees and the Company make monthly contribution to the said funds plan equal to a specific percentage of the covered employee's salary. The Company has no obligations other than to make the specified contributions.

The Company has recognised the following amounts in the Statement of Profit and Loss

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
- Contribution to Provident Fund	937.1	850.8
- Contribution to Employee state insurance corporation	1.5	3.2
Total	**938.6**	**854.0**

ii) Defined benefit plan:

The Company provides for payment of gratuity to vested employees as under:

a) On Normal retirement/ early retirement/ withdrawal/resignation:

As per the provisions of Code on Social Security, 2020 with vesting period of 5 years of service.

b) On death in service:

As per the provisions of Code on Social Security, 2020 without any vesting period.

The most recent actuarial valuation of the present value of the defined benefit obligation for gratuity was carried out as at 31 March, 2026 by an independent actuary. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at 31 March, 2026:

(₹ in Million)

Sr. No.	Particulars	As at 31 March, 2026 (Unfunded)	As at 31 March, 2025 (Unfunded)
I)	**Reconciliation in present value of obligations (PVO) – defined benefit obligation :**		
	Current Service Cost	353.1	244.9
	Past Service Cost	686.8	-
	Interest Cost	160.1	139.9
	Actuarial (gain) / loss	(61.7)	176.9

Notes

to the standalone financial statements for the year ended 31 March, 2026

(₹ in Million)

Sr. No.	Particulars	As at 31 March, 2026 (Unfunded)	As at 31 March, 2025 (Unfunded)
	Benefits paid	(273.3)	(192.0)
	Transferred to discontinued operations*	-	(19.4)
	PVO at the beginning of the year	**2,625.3**	**2,343.9**
	Transferred to discontinued operations*	(7.3)	(69.0)
	PVO at end of the year	**3,483.0**	**2,625.3**
II)	**Reconciliation of PVO and fair value of plan assets:**		
	PVO at end of year	3,483.0	2,625.3
	Fair Value of planned assets at end of year	-	-
	Funded status	3,483.0	2,625.3
	Unrecognised actuarial gain / (loss)	-	-
	Net asset / (liability) recognised in the balance sheet	**3,483.0**	**2,625.3**
	Current liability	1,285.3	979.8
	Non - current liability	2,197.7	1,645.5
III)	**Net cost for the year**		
	Current Service cost	353.1	244.9
	Past Service Cost	686.8	-
	Interest cost	160.1	139.9
	Expected return on plan assets	-	-
	Actuarial (gain) / loss	(61.7)	176.9
	Sub total	**1,138.3**	**561.7**
	Transferred to discontinued operations*	(7.3)	(19.4)
	Net cost	**1,131.0**	**542.3**
IV)	**Assumption used in accounting for the gratuity plan:**		
	Discount rate (%)	7.11%	6.61%
	Attrition rate (%)	10% - 20%	10% - 20%
	Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
	Salary escalation rate (%)	Expected salary increase - 8%	Expected salary increase - 10%

*For the previous year the figures related to the statement of profit and loss have been given impact of the generic business carveout; however, the balance sheet items have not adjusted to give impact of the carved out.

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Salary Escalation Rate: The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Attrition rate (10% to 20% for March 26 and March 25) considered is the management's estimate based on the past long-term trend of employee turnover in the Company. The tenure has been considered taking into account the past long-term trend of employees' average remaining service life which reflects the average estimated term of post-employment benefit obligation.

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Maturity profile of defined benefit obligation

Projected benefits payable in future years from the date of reporting	As at 31 March, 2026 (Unfunded)	As at 31 March, 2025 (Unfunded)
1st following year	1,285.3	959.1
2nd following year	437.9	317.9
3rd following year	379.9	273.8
4th following year	349.9	261.8
5th following year	325.2	234.5
Sum of years 6th to 10th	1,224.9	925.5
Sum of years 11th and above	1,369.0	1,056.9

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	31 March, 2026 (Unfunded)		31 March, 2025 (Unfunded)	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(120.8)	169.1	(107.6)	119.4
Future salary growth (1% movement)	112.7	(71.0)	128.6	(118.3)

The mortality and attrition does not have a significant impact on the liability, hence are not considered a significant actuarial assumption for the purpose of sentitivity analysis.

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 5.81 years (Previous year: 5.88 years)

iii) 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 policy with corresponding charge to the statement of profit and loss amounting to **₹ 460.8 Million** [31 March, 2025: ₹ 392.8 Million] and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.

3.29 Leases

Leases as lessee

i. Right of use assets

Right of use assets related to leased properties.

(₹ in Million)

Particulars	As at 31 March, 2026			As at 31 March, 2025		
	Land	Buildings	Total	Land	Buildings	Total
Opening balance	221.0	594.5	815.5	487.9	391.8	879.6
Depreciation for the year	(6.2)	(223.1)	(229.3)	(7.6)	(158.3)	(165.9)
Additions / Adjustments of right of use assets (net)	-	340.4	340.4	3.6	686.6	690.2
Transfer to assets held for sale (refer note 3.43)	-	-	-	(262.9)	-	(262.9)
Derecognition of lease	-	(35.4)	(35.4)	-	(5.5)	(5.5)
Transfer/ adjustment on account of discontinued operations **(refer note 3.36)**	-	(21.0)	(21.0)	-	(319.9)	(319.9)
Closing Balance	**214.8**	**655.4**	**870.2**	221.0	594.5	815.5

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ii. Lease liability

(₹ in Million)

Particulars	As at 31 March, 2026			As at 31 March, 2025		
	Land	Buildings	Total	Land	Buildings	Total
Maturity analysis of lease liability - undiscounted contractual cash flows						
Less than one year	-	220.6	220.6	-	328.9	328.9
One to three years	-	345.8	345.8	-	487.4	487.4
More than three years	-	302.9	302.9	-	434.4	434.4
Total undiscounted cash flows	-	869.3	869.3	-	1,250.7	1,250.7
Current (Discounted)	-	172.5	172.5	-	240.2	240.2
Non-current (Discounted)	-	549.5	549.5	-	434.5	434.5

iii. Amount recognised in statement of profit and loss

(₹ in Million)

Particulars	For the Year ended 31 March, 2026			For the Year ended 31 March, 2025		
	Land	Buildings	Total	Land	Buildings	Total
General and administrative expenses						
Short-term lease rent expense	2.9	2.6	5.5	2.9	16.0	18.9
Depreciation						
Depreciation of right of use asset	6.1	223.1	229.2	7.6	158.3	165.9
Finance cost						
Interest expense on lease liability	2.8	66.5	69.3	2.8	131.9	134.7
	11.8	**292.2**	**304.0**	13.3	306.1	319.5

iv. Amount recognised in statement of cash flows

(₹ in Million)

Particulars	For the Year ended 31 March, 2026			For the Year ended 31 March, 2025		
	Land	Buildings	Total	Land	Buildings	Total
Cash outflow for short-term leases	2.9	2.6	5.5	2.9	16.0	18.9
Principal component of cash outflow for long-term leases	0.0	230.8	230.8	0.0	88.6	88.6
Interest component of cash outflow for long-term leases	2.8	66.5	69.3	2.8	131.9	134.7
Total cash outflow for leases	**5.7**	**299.9**	**305.6**	**5.8**	**236.5**	**242.2**

v. Movement of lease liabilities

(₹ in Million)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Opening balance of lease liability	674.7	479.8
Additions/adjustments to lease liability	340.4	686.9
Interest on lease liability	69.3	134.7
Repayment of lease liability	(300.2)	(223.3)
Derecognition to lease liability	(47.1)	-
Transfer to assets held for sale (refer note 3.43)	-	(62.9)
Transfer/adjustment on account of discontinued operations (refer note 3.36)	(15.1)	(339.5)
Closing lease liability	**722.0**	**674.7**

The weighted average incremental borrowing rate applied to lease liability is in the range of **6.67% to 8.10%** (31 March, 2025: 7.73% to 8.76%).

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to the standalone financial statements for the year ended 31 March, 2026

3.30 The aggregate amount of revenue expenditure incurred during the period on Research and Development and shown in the respective heads of account is **₹ 5,480 Million** (Previous year: ₹ 4,605.0 Million).

3.31 Earnings per share (EPS)

(₹ in Million)

Particulars			For the year ended 31 March, 2026	For the year ended 31 March, 2025
Profit / (Loss) after tax attributable to equity shareholders from continuing operations	(₹ in Million)	A	21,851.2	20,897.2
Profit / (Loss) after tax attributable to equity shareholders from discontinued operations	(₹ in Million)	B	969.7	1,911.7
Profit / (Loss) after tax attributable to equity shareholders from continuing and discontinued operations	(₹ in Million)	C	22,820.9	22,808.9
Weighted average number of equity shares outstanding during the year	Nos.	D	11,95,65,000	11,95,65,000
Basic and diluted earnings per equity share (₹) - Face value of ₹ 2 per share from continuing operations	In ₹	(A / D)	182.76	174.78
Basic and diluted earnings per equity share (₹) - Face value of ₹ 2 per share from discontinued operations	In ₹	(B/ D)	8.11	15.99
Basic and diluted earnings per equity share (₹) - Face value of ₹ 2 per share from continuing and discontinued operations	In ₹	(C/ D)	190.87	190.77

3.32 Disclosure as per Ind AS 115 'Revenue from Contracts with Customers' is as under:

Liabilities towards anticipated sales return:

The Company as a trade practice, accepts sales return from market which are primarily in the nature of expired or near expiry products. Liability is created towards such returns on the basis of historical experience, market conditions and business practices. The Company expects to settle the majority of the liability over 2- 3 years.

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Carrying amount at the beginning of the year	2,164.6	2,004.6
Add: Liability accrued during the year	2,265.6	2,012.2
Less: Amount utilized during the year	1,947.8	1,852.2
Carrying amount at the end of the year	**2,482.4**	**2,164.6**

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Non-current	915.4	776.6
Current	1,567.0	1,388.0
Total	**2,482.4**	**2,164.6**

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3.33 Dividend paid and proposed:

Dividends on equity shares were declared and paid by the Company during the year

(₹ in Million)

Particulars	Dividend Per Equity Share (₹)	For the year ended 31 March, 2026	Dividend Per Equity Share (₹)	For the year ended 31 March, 2025
Dividend on equity shares	51.00	6,097.8	42.00	5,021.7
Total		**6,097.8**		**5,021.7**

After the reporting date, the following dividend was proposed by the Board of Directors in its meeting held on 28 May 2026 (previous year: in the Board meeting held on 29 May 2025) subject to the approval at the annual general meeting. Proposed dividend has not been recognised as a liability.

(₹ in Million)

Particulars	Dividend Per Equity Share (₹)	For the year ended 31 March, 2026	Dividend Per Equity Share (₹)	For the year ended 31 March, 2025
Final dividend on equity shares	10.00	1,195.7	8.00	956.5
Total		**1,195.7**		**956.5**

3.34 Segment Reporting

The Company has presented data relating to its segments in its consolidated financial statements. Accordingly, in terms of paragraph 4 of the Indian Accounting Standard 108 (IND AS-108) “Segment Reporting”, no disclosures related to segments are presented in the standalone financial statements.

3.35 Information on related party transactions as required by Indian Accounting Standard 24 (Ind AS 24) on related party disclosures.

The Company’s prinicipal related parties consist of its subsidiaries and associate (Refer list below), Key Managerial Personnel ("KMP"), Close members of KMP and entities in which KMP and their Close members have significant influence ("Affiliates"). The Company’s material related party transactions and outstanding balances are with related parties with whom the Company routinely enters into transactions in the ordinary course of business.

A) Subsidiaries and Step down Subsidiaries

Particulars	Principal Place of Business	% Shareholding and Voting Power	
		As at 31 March, 2026	As at 31 March, 2025
Ascend Laboratories (Pty) Ltd	South Africa	100%	100%
Ascend GmbH	Germany	100%	100%
Alkem Laboratories Corporation	Philippines	100%	100%
S&B Holdings S.a.r.l. (Previously known as S&B Holdings B.V with principle place of business based at Netherlands redomiciled to Luxembourg w.e.f 16 October 2023)	Luxembourg	100%	100%
Pharmacor Pty Limited	Australia	100%	100%
ThePharmaNetwork, LLC (Subsidiary of S&B Holdings S.a.r.l.)	United States of America	100%	100%
Ascend Laboratories SDN BHD.	Malaysia	100%	100%
Ascend Laboratories SpA	Chile	100%	100%
Enzene Biosciences Limited	India	99.55%	99.76%
Alkem Laboratories Korea Inc.	South Korea	100%	100%
Pharmacor Limited	Kenya	100%	100%
The Pharmanetwork, LLP	Kazakhstan	100%	100%
Ascend Laboratories, LLC (Wholly-owned subsidiary of The PharmaNetwork, LLC)	United States of America	100%	100%
Ascend Laboratories SAS	Colombia	100%	100%

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Particulars	Principal Place of Business	% Shareholding and Voting Power	
		As at 31 March, 2026	As at 31 March, 2025
Ascend Laboratories (UK) Limited	United Kingdom	100%	100%
Cachet Pharmaceuticals Private Limited	India	60.63%	60.63%
Indchemie Health Specialities Private Limited	India	51.00%	51.00%
Ascend Laboratories Limited	Canada	100%	100%
Pharma Network SpA (Wholly-owned subsidiary of Ascend Laboratories SpA)	Chile	100%	100%
Alkem Foundation	India	100%	100%
Connect 2 Clinic Private Limited	India	100%	100%
Ascend Laboratories S.A. DE. CV (Wholly-owned subsidiary of Ascend Laboratories SpA)	Mexico	100%	100%
Enzene Inc (Wholly-owned subsidiary of Enzene Biosciences Limited)	United States of America	99.55%	99.76%
Pharmacor Limited (Wholly-owned subsidiary of Pharmacor Pty Limited)	New Zealand	100%	100%
S & B Pharma LLC (Wholly-owned subsidiary of The PharmaNetwork, LLC)	United States of America	100%	100%
Alkem Medtech Private Limited	India	100%	NA
Alkem Medtech Ortho Private Limited (formerly known as Bombay Ortho Industries Private Limited) (acquired on 16 April, 2025)	India	100%	100%
Alixer Nexgen Therapeutics Limited	India	100%	NA
Alkem Wellness Limited	India	100%	NA
Pharmacor SpA (Wholly-owned by Pharmacor Pty Limited)	Chile	100%	NA
Adroit Biomed Limited (acquired on 23 April, 2025)	India	100%	NA
Alkem Pharmaceuticals Scientific Office FZ LLC (w.e.f. 04 February 2026)	United Arab Emirates	100%	NA
Alkem Pharma Trading FZCO (w.e.f. 27 March 2026)	United Arab Emirates	100%	NA

B) Associate

Particulars	Principal Place of Business	% Shareholding and Voting Power	
		As at 31 March, 2026	As at 31 March, 2025
HaystackAnalytics Private Limited	India	7.62%	8.16%

C) Key Managerial Personnel ("KMP")

Mr. Basudeo Narain Singh	Executive Chairman
Mr. Mritunjay Kumar Singh	Executive Director
Mr. Sandeep Singh	Managing Director
Mr. Sarvesh Singh	Executive Director
Mr. Srinivas Singh	Executive Director
Mrs. Madhurima Singh	Executive Director
Mr. A.K.Purwar (upto 12 July, 2025)	Independent Director
Ms. Sangeeta Singh (upto 12 July, 2025)	Independent Director
Ms. Sudha Ravi (upto 12 July, 2025)	Independent Director
Mr. Sujjain Talwar	Independent Director
Mr. Narendra Kumar Aneja	Independent Director
Mr. Rajeev Kher	Independent Director
Mr. Ranjal Laxmana Shenoy (w.e.f. 13 July, 2025)	Independent Director
Ms. Neela Bhattacherjee (w.e.f. 13 July, 2025)	Independent Director
Mr. Diwakar Gupta (w.e.f. 13 July, 2025)	Independent Director
Dr. Vikas Gupta	Chief Executive Officer
Mr. Nitin Agrawal	President - Finance & Chief Financial Officer
Mr. Manish Narang	President - Legal & Company Secretary

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D) Close Members of Key Managerial Personnel ("KMP")

Mr. Satish Kumar Singh	Father of Sandeep Singh and Sarvesh Singh
Mrs. Archana Singh	Daughter of Basudeo Narain Singh
Mr. Sarandhar Singh	Son of Late Balmiki Prasad Singh and Brother of Srinivas Singh
Mrs. Manju Singh	Wife of Late Balmiki Prasad Singh and Mother of Srinivas Singh
Mrs. Premlata Singh	Mother of Sandeep Singh and Sarvesh Singh
Mrs. Seema Singh	Wife of Mritunjay Kumar Singh
Ms. Divya Singh	Daughter of Madhurima Singh
Mr. Aniruddha Singh	Son of Madhurima Singh
Ms. Meghna Singh	Daughter of Mritunjay Kumar Singh
Mr. Shrey Shree Anant Singh	Son of Mritunjay Kumar Singh
Ms.Inderjit Arora	Wife of Sandeep Singh
Mrs. Annapurna Singh	Wife of Sarvesh Singh
Mr. Sreejan Shandilya	Husband of Madhurima Singh's Daughter

E) Others (Entities in which the KMP, Independent Directors and relatives of KMP have control or Significant influence)

Shivanika Foods Private Limited
4Ever 4 Ward Private Limited
Samnan Chemical Private Limited
Shreenika Pioneering Inc.
Nikki Arora Fine Jewellery LLP
India Realty Excellence Fund II LLP
Sureet Propkem Private Limited
Maaiya Social Change Front Foundation
Prospera Ventures Private Limited
Travelon Services Private Limited
IIFL Finance Ltd (Formerly IIFL Holdings Ltd)
Jindal Panther Cement Pvt. Ltd.
Eroute Technologies Pvt Ltd
Jindal Global Capability Centre Pvt Ltd
Sanguine Consultants
Integrated Mumbai Business Park (India) Private Limited (Dubai Ports World)
Integrated Chennai Business Park (India) Private Limited (Dubai Ports World)
Fomento Resorts and Hotels Private Limited
Ascend Laboratories LLC, USA
Economics Law Practice
Aneja Management Consultants Private Limited
Aneja Assurance Private Limited
Aneja Advisory Private Limited
ANSA & Associates LLP
Okiyo Terraces Private Limited
Kukui Advisors (SPOC) Private Limited
Samprada & Nanhamati Singh Family Trust
Amplira Ventures LLP
Basudeo N. Singh HUF
Samnan Bioscience Private Limited
ABCD Technologies LLP
Amplira Group LLP
Amplira Capital Management LLP
Accelya Solutions India Limited

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Details of Transactions with Related Parties

(₹ Million)

Sr. No.	Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
1	**Purchase of stock in trade**		
	Cachet Pharmaceuticals Private Limited	650.5	1,358.4
	Enzene Biosciences Limited	649.5	1,295.7
	Indchemie Health Specialities Private Limited	580.2	498.2
	S & B Pharma LLC	-	17.4
	Alkem Wellness Limited	1.4	-
	Adroit Biomed Limited	40.9	-
	Total	**1,922.5**	**3,169.7**
2	**Sale of finished goods**		
	Ascend Laboratories, LLC	15,715.1	16,562.3
	Pharmacor Pty Limited	2,196.8	2,138.6
	Ascend Laboratories SpA	1,910.4	1,782.4
	Ascend GmbH	2,389.4	1,510.9
	Ascend Laboratories (UK) Limited	677.6	774.6
	The Pharmanetwork, LLP	228.6	649.3
	Ascend Laboratories SAS	490.6	199.3
	Ascend Laboratories (Pty) Ltd	99.2	125.4
	Pharmacor Limited	102.2	113.1
	S & B Pharma LLC	-	20.4
	Ascend Laboratories S.A. DE. CV	236.0	18.1
	Alkem Laboratories Corporation	2.7	10.4
	Alkem Wellness Limited	1,015.9	-
	Total	**25,064.5**	**23,904.9**
3	**Sale of raw and packing materials**		
	Indchemie Health Specialities Private Limited	2.9	2.2
	Cachet Pharmaceuticals Private Limited	0.1	0.0
	Total	**3.0**	**2.2**
4	**Purchase of raw and packing materials**		
	Indchemie Health Specialities Private Limited	8.0	4.7
	Total	**8.0**	**4.7**
5	**Services received**		
	Indchemie Health Specialities Private Limited	189.0	385.0
	Enzene Biosciences Limited	757.6	235.9
	Connect 2 Clinic Private Limited	62.0	94.8
	Cachet Pharmaceuticals Private Limited	29.9	55.0
	Total	**1,038.5**	**770.6**
6	**Services rendered**		
	Alkem Wellness Limited	49.4	-
	Total	**49.4**	**-**
7	**Shared service rendered**		
	Alkem Wellness Limited	154.7	-
	Alkem Medtech Private Limited	27.9	-
	Adroit Biomed Limited	7.8	-
	Alixer Nexgen Therapeutics Limited	1.7	-
	Total	**192.1**	**-**

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to the standalone financial statements for the year ended 31 March, 2026

(₹ Million)

Sr. No.	Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
8	**Rental income**		
	Indchemie Health Specialities Private Limited	16.5	15.8
	Cachet Pharmaceuticals Private Limited	4.3	4.2
	Alkem Wellness Limited	12.0	0.0
	Alkem Medtech Private Limited	0.1	-
	Total	**32.9**	**20.0**
9	**Investments made**		
	Alkem Medtech Private Limited	-	4,500
	HaystackAnalytics Private Limited	44.0	330
	Alkem Wellness Limited	6,500.0	50
	Ascend Laboratories SAS	-	7
	Alixer Nexgen Therapeutics Limited	250.0	2
	Enzene Biosciences Limited, India	3,000.0	-
	Ascend Laboratories Limited, Canada	46.1	-
	Adroit Biomed Limited	1,439.5	-
	Total	**11,279.6**	**4,889**
10	**Loans and advances given to**		
	Alkem Laboratories Corporation	-	84.8
	Total	**-**	**84.8**
11	**Expenses towards corporate social responsibility**		
	Alkem Foundation	308.4	352.9
	Total	**308.4**	**352.9**
12	**Royalty expenses**		
	Cachet Pharmaceuticals Private Limited	0.2	0.3
	Total	**0.2**	**0.3**
13	**Guarantee commission**		
	Enzene Biosciences Limited	16.8	13.7
	Ascend Laboratories SpA	5.3	4.6
	Ascend Laboratories, LLC	4.5	12.7
	Pharma Network SpA	1.1	2.3
	Pharmacor Pty Limited	0.7	-
	The Pharmanetwork, LLP	0.4	-
	Ascend GmbH	0.2	0.0
	Ascend Laboratories (UK) Limited	0.2	-
	Pharmacor Pty Limited	0.1	0.6
	Alkem Laboratories Corporation	0.1	-
	Pharmacor Limited	0.1	-
	Ascend Laboratories S.A. DE. CV	0.1	-
	Ascend Laboratories SAS	0.0	-
	Ascend Laboratories (Pty) Ltd	0.0	-
	Total	**29.6**	**33.9**
14	**Royalty income**		
	Ascend Laboratories, LLC	69.7	79.9
	Enzene Biosciences Limited	55.0	45.8
	Alkem Wellness Limited	26.5	-
	Alkem Medtech Private Limited	0.3	-
	Total	**151.5**	**125.7**

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to the standalone financial statements for the year ended 31 March, 2026

(₹ Million)

Sr. No.	Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
15	**Profit share on sales by subsidiary**		
	Enzene Biosciences Limited	3.2	-
	Total	**3.2**	**-**
16	**Reimbursement of expenses to**		
	Pharmacor Pty Limited	150.8	241.6
	Ascend GmbH	112.6	47.8
	Ascend Laboratories (UK) Limited	43.8	45.7
	Ascend Laboratories, LLC	206.3	39.0
	S & B Pharma LLC	8.1	-
	Ascend Laboratories SpA	14.2	16.2
	Ascend Laboratories S.A. DE. CV	2.2	8.1
	Cachet Pharmaceuticals Private Limited	0.2	4.3
	Indchemie Health Specialities Private Limited	3.7	2.4
	Ascend Laboratories SAS	8.3	1.9
	Alkem Medtech Private Limited	-	0.5
	Ascend Laboratories Limited	10.0	-
	Alkem Wellness Limited	74.6	-
	Connect 2 Clinic Private Limited	0.1	-
	Alixer Nexgen Therapeutics Limited	85.2	-
	Ascend Laboratories SDN BHD.	0.4	-
	The Pharmanetwork, LLP	28.8	
	Total	**749.3**	**407.4**
17	**Reimbursement of expenses from**		
	Pharmacor Pty Limited	6.5	143.7
	Alkem Wellness Limited	238.5	30.3
	Ascend Laboratories SpA	17.6	14.4
	Alixer Nexgen Therapeutics Limited	8.3	9.8
	Pharma Network SpA	3.4	4.0
	Connect 2 Clinic Private Limited	0.3	0.8
	Ascend Laboratories, LLC	9.9	-
	S & B Pharma LLC	8.7	-
	Alkem Medtech Private Limited	202.3	32.4
	Indchemie Health Specialities Private Limited	0.1	-
	Adroit Biomed Limited	2.8	-
	Enzene Biosciences Limited	145.5	-
	Alkem Laboratories Corporation	1.1	
	Total	**645.0**	**235.2**
18	**Interest income on loans given**		
	Alkem Laboratories Corporation	5.0	1.5
	Alkem Laboratories Korea Inc.	0.1	0.1
	Ascend Laboratories SDN BHD.	0.1	0.1
	Total	**5.2**	**1.7**
19	**Dividend received**		
	Pharmacor Pty Limited	-	635.9
	Indchemie Health Specialities Private Limited	40.8	25.5
	Total	**40.8**	**661.4**

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to the standalone financial statements for the year ended 31 March, 2026

(₹ Million)

Sr. No.	Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
20	**Freight income**		
	Ascend Laboratories, LLC	144.5	101.8
	Ascend Laboratories SpA	13.8	24.3
	Pharmacor Pty Limited	3.2	3.2
	Ascend Laboratories SAS	16.6	-
	Ascend Laboratories (Pty) Ltd	0.0	-
	Total	**178.1**	**129.3**
21	**Collections and payments on account of Business Transfer Agreement**		
	Collections on behalf of Alkem Wellness Limited	5,664.5	-
	Payments on behalf of Alkem Wellness Limited	2,219.6	-
23	**Security deposit received**		
	Alkem Wellness Limited	5.0	-
	Total	**5.0**	**-**
22	**Corporate guarantee given for subsidiaries**		
	Alkem Laboratories Corporation	313.0	-
	Ascend Laboratories S.A. DE. CV	313.0	-
	Enzene Biosciences Limited	-	5,951.1
	Ascend Laboratories SpA	-	1,773.6
	Pharma Network SpA	-	564.1
	Pharmacor SPA	-	658.2
	Ascend GmbH	-	1,013.0
	The Pharmanetwork, LLP	-	564.1
	Ascend Laboratories SAS	-	282.1
	Pharmacor Pty Limited	-	269.1
	Ascend Laboratories (UK) Limited	-	243.5
	Pharmacor Limited	-	235.1
	Ascend Laboratories (Pty) Ltd	-	141.0
	Total	**626.0**	**11,694.9**

Note: Amounts mentioned as 0.0 are less than 1 lakh

(₹ Million)

Sr. No.	Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
21	**Key managerial personnel**		
	Key managerial personnel remuneration*		
	Short term employee benefits	957.7	922.0
	Post-employment benefits	125.9	82.3
	Other long-term benefits	7.0	18.9
	Total	**1,090.6**	**1,023.2**
	Rent expenses	3.0	3.0
	Total	**3.0**	**3.0**
	Dividend paid	846.1	731.9
	Total	**846.1**	**731.9**

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to the standalone financial statements for the year ended 31 March, 2026

(₹ Million)

Sr. No.	Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
	Reimbursement of expenses from	113.3	105.1
	Total	**113.3**	**105.1**
22	**Close Members of KMP**		
	Remuneration	178.7	161.2
	Total	**178.7**	**161.2**
	Consultancy fees paid	3.0	3.0
	Total	**3.0**	**3.0**
	Rent expenses	1.1	1.1
	Total	**1.1**	**1.1**
	Dividend paid	634.6	657.4
	Total	**634.6**	**657.4**
	Reimbursement of expenses from	3.2	1.1
	Total	**3.2**	**1.1**
23	**Affiliates**		
	Dividend paid	1,678.8	1,386.4
	Total	**1,678.8**	**1,386.4**

*The remuneration for directors and key executives is determined by the Nomination and remuneration Committee having regard to the performance of the individuals and market trends

All related party transactions are made in the normal course of business and on terms equivalent to those that prevail in an arm's length transactions.

Significant Related party transactions

Sr. No.	Transactions	Related Party relation	Year ended 31 March, 2026	Year ended 31 March, 2025
1	Sale of Finished Goods			
	Ascend Laboratories, LLC	Step Down Subsidiary	15,715.1	16,562.3

Balance due from / to the related Parties

(₹ Million)

Sr. No.	Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
1	**Trade receivables**		
	Ascend Laboratories, LLC	6,295.6	7,479.4
	Pharmacor Pty Limited	690.6	1,089.4
	Ascend GmbH	814.1	826.7
	Ascend Laboratories SpA	804.4	748.8
	The Pharmanetwork, LLP	719.4	698.0
	Ascend Laboratories (UK) Limited	177.1	504.2
	Ascend Laboratories SAS	381.7	170.2
	Enzene Biosciences Limited	35.1	124.3
	Ascend Laboratories (Pty) Ltd	44.5	97.7
	Pharmacor Limited	103.5	91.6

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to the standalone financial statements for the year ended 31 March, 2026

(₹ Million)

Sr. No.	Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
	Alkem Laboratories Corporation	-	31.6
	Alkem Wellness Limited	1,163.1	30.3
	S & B Pharma LLC	1.2	26.4
	Ascend Laboratories S.A. DE. CV	159.1	18.7
	Alixer Nexgen Therapeutics Limited	-	9.8
	Ascend Laboratories Limited	-	6.2
	ThePharmaNetwork, LLC	3.3	3.0
	Pharma Network SpA	-	1.3
	Ascend Laboratories SDN BHD.	-	1.1
	Alkem Medtech Private Limited	-	11.1
	Total	**11,392.7**	**11,969.8**
2	**Trade payables**		
	Ascend Laboratories, LLC	364.1	939.1
	Enzene Biosciences Limited	77.0	301.9
	Pharmacor Pty Limited	198.0	219.2
	Cachet Pharmaceuticals Private Limited	17.8	181.8
	Indchemie Health Specialities Private Limited	102.8	130.1
	S & B Pharma LLC	15.8	62.9
	Ascend GmbH	20.5	59.2
	Ascend Laboratories (UK) Limited	22.1	57.9
	Connect 2 Clinic Private Limited	22.1	25.3
	Ascend Laboratories SpA	33.9	16.9
	Ascend Laboratories S.A. DE. CV	15.5	11.8
	Ascend Laboratories SAS	10.4	1.9
	Alkem Medtech Private Limited	-	0.2
	Ascend Laboratories Limited	10.0	-
	The Pharmanetwork, LLP	28.8	-
	Alkem Laboratories Corporation	13.1	-
	Ascend Laboratories SDN BHD.	0.4	-
	Alixer Nexgen Therapeutics Limited	57.6	-
	Adroit Biomed Limited	41.3	-
	Total	**1,051.0**	**2,008.4**
3	**Other Receivables**		
	Alkem Wellness Limited	154.7	-
	Alkem Medtech Private Limited	229.7	-
	Adroit Biomed Limited	8.5	-
	Alixer Nexgen Therapeutics Limited	1.7	-
	Enzene Biosciences Limited	176.1	-
	Pharma Network SpA	1.2	-
	Ascend Laboratories SDN BHD.	1.2	-
	Ascend Laboratories Limited	7.1	-
	Pharmacor SpA	0.8	-
	Ascend Laboratories, LLC	45.9	-
	Pharmacor Pty Limited	6.7	-
	Ascend Laboratories SAS	3.5	-
	Ascend Laboratories (Pty) Ltd	0.1	-
	Ascend Laboratories SpA	27.5	-
	Alkem Laboratories Corporation	1.2	-

Notes

to the standalone financial statements for the year ended 31 March, 2026

(₹ Million)

Sr. No.	Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
	Ascend GmbH	0.2	-
	Ascend Laboratories S.A. DE. CV	0.1	-
	Ascend Laboratories (UK) Limited	0.2	-
	Pharmacor Limited	0.1	-
	The Pharmanetwork, LLP	0.3	-
	S & B Pharma LLC	8.7	-
	Total	**675.6**	**-**
4	**Advances received**		
	Enzene Biosciences Limited	361.8	-
	Total	**361.8**	**-**
5	**Security deposits payable**		
	Indchemie Health Specialities Private Limited	7.7	7.7
	Cachet Pharmaceuticals Private Limited	1.0	1.0
	Alkem Wellness Limited	5.0	-
	Total	**13.6**	**8.6**
6	**Loans receivable**		
	Alkem Laboratories Corporation	94.8	87.0
	Alkem Laboratories Korea Inc.	2.5	2.2
	Ascend Laboratories SDN BHD.	1.9	1.6
	Total	**99.2**	**90.7**

Note:

1 Disclosure pursuant to regulation 34 (3) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 and Section 186 of the Companies Act, 2013.

a) Loans and advances in the nature of loans to subsidiaries (net of provision for doubtful advances) is for business purpose.

(₹ Million)

Sr. No.	Related Party (Wholly-Owned Subsidiary)	As at 31 March, 2026	Maximum balance outstanding during the year	As at 31 March, 2025	Rate of interest
i	Alkem Laboratories Korea Inc.	2.5	2.5	2.1	6.5% p.a.
ii	Ascend Laboratories SDN BHD.	1.9	1.9	1.6	6.5% p.a.
iii	Alkem Laboratories Corporation	94.8	94.8	87.0	5.7% p.a. for the current year

b) Details of investments made under section 186 of the Act are given in Note 3.2A "Investment in Subsidiaries".

c) Value of assets pledged against loan taken by subsidiaries

(₹ Million)

Sr. No.	Related Party (Wholly-Owned Subsidiary)	As at 31 March, 2026	As at 31 March, 2025
i	Ascend Laboratories SpA, Chile	2,150.0	2,150.0
ii	PharmaNetwork SpA, Chile		

Note: The assets pledged are against loans taken by subsidiaries for the purpose of meeting working capital requirements (Refer note 3.1)

Notes

to the standalone financial statements for the year ended 31 March, 2026

d) The Company has issued corporate guarantee to its subsidiaries/step down subsidiaries as below:

(₹ Million)

Sr. No.	Subsidiary name	Currency	Amount of Corporate Guarantee as on 31 March, 2026 in Foreign Currency in Million	Amount of Corporate Guarantee as on 31 March, 2026 in ₹ Million	Amount of Corporate Guarantee as on 31 March, 2025 in Foreign Currency in Million	Amount of Corporate Guarantee as on 31 March, 2025 in ₹ Million
i	Pharmacor Pty Limited, Australia	AUD	5.0	325.1	5.0	269.1
ii	Ascend Laboratories SpA, Chile	USD	30.3	2,870.7	42.8	3,654.1
iii	Pharma Network SpA (Wholly-owned by Ascend Laboratories SpA), Chile	USD	8.6	815.6	12.1	1,034.2
iv	Enzene Biosciences Limited	USD	55.0	5,215.9	55.0	4,701.1
		INR	1,800.0	1,800.0	1,750.0	1,750.0
v	Ascend Laboratories LLC, USA	USD	50.0	4,741.8	50.0	4,273.8
vi	Ascend GMBH, Germany	EUR	11.0	1,198.9	11.0	1,013.0
vii	The Pharma Network LLP, Kazakhstan	USD	6.6	625.9	6.6	564.1
viii	Pharmacor Ltd , Kenya	USD	2.8	260.8	2.8	235.1
ix	Ascend Laboratories (Pty) Ltd, South Africa	USD	1.7	156.5	1.7	141.0
x	Ascend Laboratories Ltd, UK	GBP	2.2	276.1	2.2	243.5
xi	Ascend Laboratories SAS, Colombia	USD	3.3	313.0	3.3	282.1
xii	Pharmacor SpA, Chile	USD	7.7	730.2	7.7	658.2
xiii	Alkem laboratories Corporation, Philippines	USD	3.3	313.0	-	-
xiv	Ascend Laboratories S.A. DE. CV	USD	3.3	313.0	-	-

Notes

to the standalone financial statements for the year ended 31 March, 2026

3.36 Discontinued operations

The Board of Directors of the Company at their meeting held on 10 December 2024 had approved the transfer of Generic Business Undertaking to Alkem Wellness Limited, a wholly-owned subsidiary of the Company as a going concern, on a slump sale basis. The Company has executed a Business Transfer Agreement (BTA), effective 01 October 2025, and transferred its Generic business to Alkem Wellness Limited.

During the earlier periods, the transfer of the Generic Business had been disclosed as discontinued operations in accordance with Ind AS 105 ""Non - current Assets Held for Sale and Discontinued Operations"". The figures for the previous periods have been restated to give effect to the presentation requirement of Ind AS 105 ""Non - current Assets Held for Sale and Discontinued Operations"".

The financial performance and cash flows for discontinued operations in respect of Generic Business undertaking

i) Analysis of profit from discontinued operations:

(₹ in Million)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Revenue from sale of products	9,181.0	18,974.9
Other operating revenues	-	-
Total revenue from operations	**9,181.0**	**18,974.9**
Other income	-	-
Total income	**9,181.0**	**18,974.9**
Expenses		
Cost of materials consumed	2,995.8	5,518.5
Purchases of stock-in-trade	3,600.3	7,228.9
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(579.1)	(86.8)
Employee benefits expense	511.9	921.3
Finance costs	13.2	19.7
Depreciation and amortisation expense	42.2	58.1
Other expenses	1,106.2	2,376.7
Total expenses	**7,690.5**	**16,036.4**
Profit before tax from discontinued operations	**1,490.5**	**2,938.5**
Tax expense (net)		
Current tax	520.8	1,026.8
Deferred tax	-	-
Total tax expense	**520.8**	1,026.8
Profit after tax for the year from discontinued operations	**969.7**	**1,911.7**
Other comprehensive income for the year		
Items that will not be reclassified subsequently to profit or loss	3.6	6.5
Income tax relating to items that will not be reclassified to profit or loss	(1.2)	(2.3)
Other comprehensive income for the year	**2.3**	**4.2**
Total comprehensive income for the year	**972.0**	**1,915.9**

***Note:** The figures for the year ended 31 March 2026 are not comparable with those of the corresponding period, as they reflect carved-out results upto 30 September 2025, the date on which the generic business was transferred to Alkem Wellness Limited.

ii) Net cash flows attributable to the discontinued operations

(₹ in Million)

Particulars	For the period ended 30 September, 2025	For the year ended 31 March, 2025
Net cash generated from operating activities	170.6	1,510.9
Net cash used in investing activities	(10.3)	(1.0)
Net cash used in financing activities	5.8	(62.5)

Notes

to the standalone financial statements for the year ended 31 March, 2026

iii) Summary of assets and liabilities transferred to Generic Business Undertaking:

(₹ in Million)

Particulars	As at 30 September, 2025	As at 31 March, 2025
Property, plant and equipment	20.7	22.4
Right of use assets	298.9	319.9
Capital work in progress	12.2	-
Other intangible assets	-	0.2
Other financial assets (non - current)	10.9	9.1
Inventories	3,879.8	3,470.6
Trade receivables	4,152.0	4,342.4
Loans (current)	16.6	15.3
Other financial assets (current)	-	4.3
Other current assets	593.4	410.1
Total assets transferred	**8,984.5**	**8,594.3**
Lease liabilities (non - current)	257.1	252.2
Provisions (non - current)	122.7	108.8
Lease liabilities (current)	67.3	87.4
Trade payables	2,558.6	2,345.0
Other financial liabilities (current)	623.8	284.5
Provisions (current)	29.9	25.2
Total liabilities transferred	**3,659.4**	**3,103.1**
Net assets transferred to Generic business undertaking	**5,325.1**	**5,491.3**

3.37 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The Company uses the following hierarchic structure of valuation methods to determine and disclose information about the fair value of financial instruments:

Level 1: Observable prices in active markets for identical assets and liabilities;

Level 2: Observable inputs other than quoted prices in active markets for identical assets and liabilities;

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities

(₹ in Million)

Particulars	As at 31 March, 2026							
	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	-	-	654.5	654.5	-	-	-	-
Other bank Balances	-	-	12,240.2	12,240.2	-	-	-	-
Non-current investments	1,481.1	-	6,955.5	8,436.6	-	1,481.1	-	1,481.1
Current investments	912.5	-	4,499.0	5,411.5	912.5	-	-	912.5
Non-current loans	-	-	99.2	99.2	-	-	-	-
Current loans	-	-	14.2	14.2	-	-	-	-
Trade receivables	-	-	15,672.4	15,672.4	-	-	-	-
Other non-current financial assets	-	-	10,251.9	10,251.9	-	-	-	-
Other current financial assets	-	-	21,083.1	21,083.1	-	-	-	-
Total	**2,393.6**	**-**	**71,470.0**	**73,863.6**	**912.5**	**1,481.1**	**-**	**2,393.6**

Notes
to the standalone financial statements for the year ended 31 March, 2026

(₹ in Million)

Particulars	As at 31 March, 2026							
	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial liabilities								
Other non current financial liabilities	-	-	1,053.5	1,053.5	-	-	-	-
Current borrowings	-	-	5,392.4	5,392.4	-	-	-	-
Trade payables	-	-	14,761.3	14,761.3	-	-	-	-
Lease liabilities	-	-	722.0	722.0	-	-	-	-
Other current financial liabilities	-	-	3,996.4	3,996.4	-	-	-	-
Total	**-**	**-**	**25,925.6**	**25,925.6**	**-**	**-**	**-**	**-**

(₹ in Million)

Particulars	As at 31 March, 2025							
	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	-	-	749.2	749.2	-	-	-	-
Other bank balances	-	-	9,811.9	9,811.9	-	-	-	-
Non-current investments	1,487.1	-	5,636.7	7,123.9	-	1,487.1	-	1,487.1
Current investments	5,764.4	-	788.0	6,552.4	5,017.4	-	747.0	5,764.4
Non-current loans	-	-	90.7	90.7	-	-	-	-
Current loans	-	-	16.5	16.5	-	-	-	-
Trade receivables	-	-	15,598.4	15,598.4	-	-	-	-
Other non-current financial assets	-	-	2,840.4	2,840.4	-	-	-	-
Other current financial assets	-	-	19,246.1	19,246.1	-	-	-	-
Total	**7,251.5**	**-**	**54,777.9**	**62,029.5**	**5,017.4**	**1,487.1**	**747.0**	**7,251.5**
Financial liabilities								
Other non current financial liabilities	-	-	855.5	855.5	-	-	-	-
Current borrowings	-	-	3,712.4	3,712.4	-	-	-	-
Trade payables	-	-	14,637.8	14,637.8	-	-	-	-
Lease liabilities	-	-	674.7	674.7	-	-	-	-
Other current financial liabilities	-	-	3,817.4	3,817.4	-	-	-	-
Total	**-**	**-**	**23,697.8**	**23,697.8**	**-**	**-**	**-**	**-**

B. Measurement of fair values

The Management assessed that cash and bank balances, trade receivables, trade payables, cash credit and other financial assets and liabilities approximate their carrying amounts due to short-term maturities of these instruments.

The following methods and assumptions were used to estimate the fair value :

a) Level 1: The fair value of the quoted investments/units of mutual fund scheme are based on market price/net asset value at the reporting date.

b) Level 2: The fair value of financial instruments that are not traded in an active market (i.e. venture capital funds) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates.

c) Level 3: The fair value of the remaining financial instrument is determined using discounted cash flow analysis. The discount rates used are based on management estimates.

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The significant unobservable inputs used to determine the fair value of investment in fund together with the quantitative sensitivity analysis as at 31 March 2026 and 31 March 2025 are as shown below:

Type	Level	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Units of Avenue Venture Real Estate Fund	Level 3	Income approach (Discounted cash flow method): The valuation model is based on expected EBITDA of the investee.	Revenue, Cost of construction, absorption timelines	The estimated fair value would increase/(decrease) if: • the sale price were higher/(lower); • the cost of construction were lower/(higher); or • the absorption timelines will decrease/(increase).

There have been no transfers between Level 1 and Level 2 during the year.

Level 3 fair values

Reconciliation of Level 3 fair values

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values of Investment in Avenue Venture Real Estate Fund.

Particulars	₹ in Million
Opening Balance (01 April 2024)	1,012.6
Net change in fair value (unrealised)	(25.8)
Repayment	(200.3)
Provision towards investment	(39.5)
Closing Balance (31 March 2025)	**747.0**
Net change in fair value (unrealised)	-
Repayment	-
Provision towards investment*	(747.0)
Closing Balance (31 March 2026)	**-**

***Note:** During the year ended 31 March 2026 year, the Company reviewed its investments in real estate; where recoverability is subject to uncertainties. Accordingly, management has reassessed the carrying value of such investments and recognised a provision for impairment in the Statement of Profit and Loss amounting to **₹ 747 Million**, which has been disclosed as an exceptional item for the quarter and year ended 31 March, 2026.

Transfer out of Level 3

There has been no transfer out of Level 3 during the year.

Sensitivity analysis

For the fair values of Avenue Venture Real Estate Fund investment possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects.

Significant unobservable inputs	31 March, 2026		31 March, 2025	
	Profit or loss		Profit or loss	
	Increase	Decrease	Increase	Decrease
Sale Price - 5%	Not applicable	Not applicable	18.2	(18.2)
Cost of Construction - 5%	Not applicable	Not applicable	(6.0)	6.0
Absorption Timelines - 1 Year	Not applicable	Not applicable	(24.6)	23.9

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

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Risk management framework

The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors have established a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to the limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

i. 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. The Company is exposed to credit risk from its operating activites (primarily trade receivables) and from its financing/investing activities, including investments in debt securities, deposits with banks, equity securities, venture capital and mutual fund investments. The Company has no significant concentration of credit risk with any counterparty.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables

Trade receivables consists of a large number of customers. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, and in some cases bank references. Payment terms with customers vary depending upon the contractual terms of each contract. Sale limits are established for each customer and reviewed quarterly.

At 31 March 2026, the maximum exposure to credit risk for trade receivables by geographic region was as follows:

(₹ in Million)

Particulars	31 March, 2026	31 March, 2025
India	4,458.9	3,335.2
US	6,491.9	7,507.6
Other regions	4,721.6	4,755.6
	15,672.4	**15,598.4**

The Company's exposure to credit risk for trade receivables by type of counter party is as follows:

(₹ in Million)

Particulars	31 March, 2026	31 March, 2025
Stockists/distributors	4,279.7	3,628.6
Subsidiaries	11,392.7	11,969.8
	15,672.4	**15,598.4**

At 31 March, 2026, the carrying amout of the Company's most significant customer (Ascend Laboratories LLC, its wholly-owned step-down subsidiary) is **₹ 6,295.6 Million** (31 March, 2025: ₹ 7,508.9 Million)

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Impairment

As per the simplified approach, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivable are due and the rates as given in the provision matrix.

Refer note 3.8 for ageing of trade receivables that were not impaired.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

(₹ in Million)

Particulars	31 March, 2026	31 March, 2025
Balance as at the beginning of the year	332.5	455.0
Impairment loss recognised	237.5	58.1
Amounts written back	-	(38.4)
Transfer on account of discontinued operations	(141.6)	(142.3)
Balance as at the end of the year	**428.4**	**332.5**

Loans to subsidiaries

The Company has an exposure of **₹ 99.2 Million as at 31 March, 2026** (31 March, 2025: ₹ 90.7 Million) for loans given to subsidiaries. Such loans are classified as financial asset measured at amortised cost.

The Company did not have any amounts that were past due but not impaired at 31 March 2026 or 31 March 2025. The Company has no collateral in respect of these loans.

Investments, Cash and Cash Equivalents and Bank Deposits

Credit risk on cash and cash equivalents, deposits with banks is generally low as the said deposits have been made with the banks who have been assigned high credit rating by international and domestic credit rating agencies.

Investments of surplus funds are made only with approved financial institutions. Investments primarily include investments in subsidiaries, mutual funds, venture capital funds, investment in equity of other companies /LLP, quoted bonds and non-convertible debentures. These mutual funds and counterparties have low credit risk.

Total non-current and current investments as at 31 March, 2026 is **₹ 97,854.2 Million** (31 March, 2025: ₹ 71,235.0 Million)

Debt securities

The Company has an exposure of **₹ 11,454.5 Million** as at 31 March 2026 (31 March 2025: ₹ 6,424.7 Million) for debt securities classified as financial asset measured at amortised cost. All the debt securities have been issued by companies registered in India in Indian Rupees.

There has been no allowance for impairment in respect of such debt securities - financial asset measured at amortised cost till 31 March, 2026.

Credit Rating of debt securities is given below:

(₹ in Million)

Credit Rating	31 March, 2026	31 March, 2025
AAA	11,454.5	6,424.7
Not Rated	-	-
Total	**11,454.5**	**6,424.7**

The Company did not have any debt securities that were past due but not impaired at 31 March 2026 or 31 March 2025. The Company has no collateral in respect of these investments.

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ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The majority of the Company's trade receivables are due for maturity within 21 - 30 days from the date of billing to the customer. Further, the general credit terms for trade payables are approximately 45 - 60 days. The difference between the above mentioned credit period provides sufficient headroom to meet the short-term working capital needs for day-to-day operations of the Company. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, are retained as Cash and Investment in short term and long term deposits with banks. The said investments are made in instruments with appropriate maturities and sufficient liquidity.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ in Million)

31 March, 2026	Carrying amount	Total	2 months or less	2-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Borrowings	5,392.4	5,392.4	5,392.4	-	-	-	-
Trade payables	14,761.3	14,761.3	14,761.3	-	-	-	-
Other current financial liabilities	3,996.4	3,996.4	3,996.4	-	-	-	-
Total	**24,150.1**	**24,150.1**	**24,150.1**	**-**	**-**	**-**	**-**

(₹ in Million)

31 March, 2025	Carrying amount	Total	2 months or less	2-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Borrowings	3,712.4	3,712.4	3,712.4	-	-	-	-
Trade payables	14,637.8	14,637.8	14,637.8	-	-	-	-
Other current financial liabilities	3,817.4	3,817.4	3,817.4	-	-	-	-
Total	**22,167.6**	**22,167.6**	**22,167.6**	**-**	**-**	**-**	**-**

iii. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

Currency risk

The Company is exposed to currency risk on account of its borrowings, other payables, receivables and loans and advances in foreign currency. The functional currency of the Company is Indian Rupee. The Company has exposure to EUR, GBP, USD, AUD, SAR, CNY, CAD, JPY, PLN, NPR, AED, CHF and THB. The Company has formulated hedging policy for monitoring its foreign currency exposure.

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Exposure to currency risk

The currency profile of financial assets and financial liabilities as at 31 March 2026 and 31 March 2025 in there respective currencies are as below (absolute values):

(₹ in Million)

Particulars	31 March, 2026											
	EUR	GBP	USD	AUD	SAR	CAD	JPY	PLN	NPR	AED	CHF	THB
Financial assets												
Non-current loans	-	-	11,21,071	-	-	-	-	-	-	-	-	-
Trade and other receivables	94,24,864	14,12,147	10,58,54,908	1,07,72,606	-	2,12,052	-	-	-	-	-	-
Cash and cash equivalents			41,124									
	94,24,864	**14,12,147**	**10,70,17,103**	**1,07,72,606**	**-**	**2,12,052**	**-**	**-**	**-**	**-**	**-**	**-**
Financial liabilities												
Short term borrowings	-	-	1,10,00,000	-	-	-	-	-	-	-	-	-
Trade and other payables	34,65,844	3,77,274	1,70,70,240	30,14,027	1,35,213	1,46,626	2,37,600	7,517	-	8,75,843	7,990	3,00,405
	34,65,844	**3,77,274**	**2,80,70,240**	**30,14,027**	**1,35,213**	**1,46,626**	**2,37,600**	**7,517**	**-**	**8,75,843**	**7,990**	**3,00,405**
Hedge through forward covers	-	-	9,10,00,030	-	-	-	-	-	-	-	-	-
Net unhedged foreign currency exposure as at 31 March, 2026	**59,59,020**	**10,34,873**	**(1,20,53,167)**	**77,58,579**	**(1,35,213)**	**65,426**	**(2,37,600)**	**(7,517)**	**-**	**(8,75,843)**	**(7,990)**	**(3,00,405)**

Note: The Company has entered into Non-Deliverable Forward (NDF) contracts in Chilean Peso (CLP) equivalent to USD 4 Million to hedge the foreign currency exposure of one of its subsidiaries

(₹ in Million)

Particulars	31 March, 2025											
	EUR	GBP	USD	AUD	CNY	CAD	JPY	PLN	NPR	AED	CHF	THB
Financial assets												
Non-current loans	-	-	10,61,548	-	-	-	-	-	-	-	-	-
Trade and other receivables	1,03,36,781	45,54,766	11,79,57,694	2,02,91,908	-	1,03,777	-	-	-	-	10	-
Cash and cash equivalents	-	-	52,647	-	-	-	-	-	-	-	-	-
	1,03,36,781	**45,54,766**	**11,90,71,889**	**2,02,91,908**	**-**	**1,03,777**	**-**	**-**	**-**	**-**	**10**	**-**
Financial liabilities												
Short term borrowings	-	-	3,55,00,000	-	-	-	-	-	-	-	-	-
Trade and other payables	43,59,923	6,55,272	2,72,66,641	41,70,425	3,04,650	-	3,00,773	-	20,70,322	15,750	-	-
	43,59,923	**6,55,272**	**6,27,66,641**	**41,70,425**	**3,04,650**	**-**	**3,00,773**	**-**	**20,70,322**	**15,750**	**-**	**-**
Hedge through forward covers	-	-	5,00,00,000	-	-	-	-	-	-	-	-	-
Net unhedged foreign currency exposure as at 31 March, 2025	**59,76,858**	**38,99,494**	**63,05,247**	**1,61,21,483**	**(3,04,650)**	**1,03,777**	**(3,00,773)**	**-**	**(20.70,322)**	**(15,750)**	**10**	**-**

Foreign exchange derivatives and exposures outstanding at the year end

(₹ in Million)

Nature of instrument	Currency	Cross Currency	31 March, 2026	31 March, 2025
Forward contracts - Sold	USD	NA	USD 153 Mn	USD 50 Mn
Forward contracts - Bought	NA	NA	NA	NA

Note: The Company uses foreign exchange forward contracts/derivatives for hedging purposes.

For the purpose of financial statement reporting, the currency exposure are measured at the following year-end exchange rates.

INR	Year-end spot rate	
	31 March, 2026	31 March, 2025
EUR	109.00	92.09
GBP	125.51	110.70
USD	94.84	85.48
AUD	65.02	53.81
CNY	13.71	11.75

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INR	Year-end spot rate	
	31 March, 2026	31 March, 2025
CAD	68.15	59.67
JPY	0.59	0.57
KES	0.73	0.66
NPR	0.62	0.62
AED	25.82	23.27
CHF	118.57	96.84
SAR	25.27	-
THB	2.89	-

Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against various foreign currencies at March 31 would have affected the measurement of financial instruments denominated in foreign currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Effect ₹ in Million 31 March, 2026	Profit or (loss) before tax		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
10% movement				
EUR	65.0	(65.0)	42.3	(42.3)
GBP	13.0	(13.0)	8.5	(8.5)
USD	(114.3)	114.3	(74.4)	74.4
AUD	50.4	(50.4)	32.8	(32.8)
CAD	0.4	(0.4)	0.3	(0.3)
JPY	(0.0)	0.0	(0.0)	0.0
AED	(2.3)	2.3	(1.5)	1.5
CHF	(0.1)	0.1	(0.1)	0.1
SAR	(0.3)	0.3	(0.2)	0.2
THB	(0.1)	0.1	(0.1)	0.1
	12.2	**(12.2)**	**8.0**	**(8.0)**

Effect ₹ in Million 31 March, 2025	Profit or (loss) before tax		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
10% movement				
EUR	55.0	(55.0)	35.8	(35.8)
GBP	43.2	(43.2)	28.1	(28.1)
USD	481.3	(481.3)	313.1	(313.1)
AUD	86.7	(86.7)	56.4	(56.4)
CNY	(0.4)	0.4	(0.2)	0.2
CAD	0.6	(0.6)	0.4	(0.4)
JPY	(0.0)	0.0	(0.0)	0.0
NPR	(0.1)	0.1	(0.1)	0.1
AED	(0.0)	0.0	(0.0)	0.0
CHF	0.0	(0.0)	0.0	(0.0)
	666.3	**(666.3)**	**433.5**	**(433.5)**

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Other Price Risk

The Company is mainly exposed to the price risk due to its investment in mutual funds. The price risk arises due to uncertainties about the future market values of these investments. At 31 March 2026, the investments in mutual funds amounts to ₹ **912.5 Million** (31 March 2025: ₹ 5,017.4 Million). These are exposed to price risk. The Company has laid policies and guidelines which it adheres to in order to minimise price risk arising from investments in mutual funds. A 1% increase/(decrease) in prices would increase/(decrease) the profit or loss by the amounts shown below.

Particulars	31 March, 2026		31 March, 2025	
	Profit or loss		Profit or loss	
	Increase	Decrease	Increase	Decrease
Price change by 1%	9.13	(9.13)	50.17	(50.17)

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments, borrowings and loans because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments, borrowings and loans will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Company's interest rate risk arises from borrowings and fixed income securities. Fixed income securities exposes the Company to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments is as follows:

(₹ in Million)

Particulars	31 March, 2026	31 March, 2025
Fixed-rate instruments		
Financial assets	53,234.1	37,346.3
Financial liabilities	2,183.6	628.8
Total	**51,050.5**	**36,717.6**
Variable-rate instruments		
Financial liabilities	3,208.8	3,083.6
Total	**3,208.8**	**3,083.6**

Interest rate sensitivity - fixed rate instruments

The Company's fixed rate borrowings and fixed rate bank deposits are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

Interest rate sensitivity - variable rate instruments

A reasonably possible change of 5% in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Profit or loss			
	31 March, 2026		31 March, 2025	
	5% increase	5% decrease	5% increase	5% decrease
Variable-rate instruments	(7.3)	7.3	(14.6)	14.6
Cash flow sensitivity (net)	(7.3)	7.3	(14.6)	14.6

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3.38 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Company monitors capital using a ratio of 'net debt' to 'total equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings, less cash and cash equivalents. Adjusted equity comprises all components of equity.

The Company's net debt to equity ratio was as follows.

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Total Borrowings	5,392.4	3,712.4
Less : Cash and cash equivalents	654.5	749.2
Net debt	**4,737.9**	**2,963.2**
Total equity	1,39,987.6	1,23,218.3
Net debt to equity ratio	**0.03**	**0.02**

3.39 Payment to auditors (excluding GST)

(₹ in Million)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
As Auditor		
Audit fees	35.0	30.8
In other capacity		
In any other services such as certification, etc.	4.3	1.5
Reimbursement of out of pocket expenses	0.8	0.7
Total	**40.1**	**33.0**

3.40 The gross amount required to be spent by the Company on Corporate Social Responsibility (""CSR"") as per section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 during the year is **₹ 340.8 Million** (Total CSR Obligation **₹ 385.0 Million** less previous year excess set-off of **₹ 44.2 Million**) (31 March, 2025: ₹ 331.0 Million).

The Company has incurred a CSR expenditure of **₹ 341.2 Million** (31 March 2025: ₹ 359.1 Million), of which **₹ 281.4 Million** has been utilised during the current financial year. The balance amount of **₹ 59.8 Million** (31 March 2025: ₹ 2.2 Million) has been transferred to the Unspent CSR Account in respect of ongoing projects, in compliance with Section 135(6) of the Companies Act, 2013, as amended. This includes **₹ 41.3 Million** pertaining to unutilised amounts of FY 2025-26.

Above spend includes a transfer of **₹ 308.4 Million** (31 March 2025: ₹ 350.1 Million) to Alkem Foundation, a subsidiary of the Company, which is a Section 8 registered company under Companies Act, 2013, with the main objectives of working in the areas of social, economic and environmental issues such as healthcare, women empowerment, education, sanitation, conservation of environment, rural development and enable the less privileged segments of the society to improve their livelihood by enhancing their means and capabilities to meet the emerging opportunities.

Amount spent during the year on other than ongoing projects:

(₹ in Million)

Particulars		In Cash	Yet to be paid in cash	Total
i)	Construction/acquisition of any asset	-	-	-
		(-)	(-)	(-)
ii)	On purposes other than (i) above	114.8	-	114.8
		(338.0)	-	(338.0)

Figures in the brackets are the corresponding figures of the previous year.

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Amount spent during the year on ongoing projects under Section 135(6) of the Act:

Opening balance With the Company	In Separate CSR Unspent Account	Amount required to be spent during the year	Amount spent during the year		Closing balance	
			From the Company's bank account	From separate CSR Unspent account	With the Company	In Separate CSR Unspent Account
-	1.3	-	207.9	2.7	-	0.7
(-)	(4.3)	-	(21.1)	(7.2)	-	(1.3)

Figures in the brackets are the comparative figures of the previous year.

Subsequent to 31 March 2026, an amount of **₹ 59.8 Million** (Previous year: ₹ 2.2 Million) has been transferred to the separate CSR Unspent account on 30 April 2026 (Previous year: 30 April 2025) in accordance with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 rules.

3.41 Government Grant

The Company is eligible for government grants which are conditional upon construction of new factories in the Sikkim Region. One of the grants, received in FY 2014-15 amounted to ₹ 72.4 Million with respect to the Kumrek facility. The factory has been constructed and in operation since August 2007. The second grant is with respect to Samardung facility in Sikkim amounting to ₹ 122.1 Million for which the Company has received the claim amount in FY 2018-19. The factory has been constructed and in operation since October, 2012. The third grant is with respect to AHS-3 facility in Sikkim amounting to ₹ 30.6 Million for which the Company has received the claim amount in the previous year. Further, during the previous year, Company has received grant amounting to ₹ 398.7 Million with respect to AHS- 2 facility in Sikkim. These grants, recognised as deferred income, are being amortised over the useful life of the plant and machinery in proportion to the related depreciation expense. The unamortised grant as on 31 March 2026 amounts to **₹ 208.7 Million** (Previous year: ₹ 245.6 Million), the breakup of which is as below:

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Non-current	171.6	208.5
Current	37.1	37.1
Total	**208.7**	**245.6**

3.42 Additional disclosure with respect to Schedule III

i) The Company does not have any Benami property, where any proceeding has been initiated or pending against them for holding any Benami property.

ii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act,1961)

iii) The Company has not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

iv) The Company does not have any changes or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

v) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year

vi) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) or provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries by

Notes

to the standalone financial statements for the year ended 31 March, 2026

the Company to or in any other person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

vii) The Company has not entered into any scheme of arrangement which has an accounting impact on the current or previous financial year.

viii) The Company has complied with the number of layers prescribed under the Companies Act, 2013

3.43 Assets held for sale

In respect of one of the manufacturing units located at Indore, where indicators of impairment were identified, the Company identified the recoverable amount of the CGUs, being the higher of the value in use and fair value less costs of disposal, as compared with the carrying value.

In the previous year; the Company as a part of its ongoing initiative of networking strategy and optimisation of manufacturing facilities has identified divestment of its Indore facility. Consequently, related assets and liabilities are disclosed as held for sale. These assets and liabilities have been carried at cost as the same are lower than the fair value expected out of sale.

(₹ in Million)

Particulars	Net Book value of assets
Property, plant and equipment	878.6
Right of use assets	262.9
Capital work in progress	204.8
Total assets held for sale	**1,346.3**
Lease liabilities	62.9
Total liabilities classified as held for sale	**62.9**
Net book value of assets	**1,283.4**

3.44 Exceptional items

1) During the year ended 31 March 2026 year, the Company reviewed its investments in real estate; where recoverability is subject to uncertainties. Accordingly, management has reassessed the carrying value of such investments and recognised a provision for impairment amounting to **₹ 747 Million**, which has been disclosed as an exceptional item for the year ended 31 March, 2026.

2) During the year, pursuant to the notification and subsequent finalisation of the Central Rules under the Labour Codes by the Government of India, the Company assessed the financial impact of the revised regulatory framework, including the Code on Social Security, 2020, based on detailed evaluation of the notified provisions, professional advice, and actuarial valuation.

   Based on this assessment, the Company recognised an estimated liability towards gratuity and leave encashment for past service cost aggregating **₹ 826.8 Million** for the year ended 31 March 2026. The total impact has been disclosed as an exceptional item in the financial results. The Company will continue to evaluate any further clarifications or implementation guidance issued in relation to the Labour Codes and account for the financial impact, if any, as appropriate.

Notes

to the standalone financial statements for the year ended 31 March, 2026

3) The Company as part of its ongoing initiative of networking, strategy and optimisation of manufacturing facilities had identified divestment of its Indore facility and had impaired the same during financial year 2024. The said facility has been sold during the current year in accordance with the business transfer agreement entered with the buyer. The resulting gain (arising out of reversal of impairment loss) amounting to **₹ 142.9 Million** had been classified and disclosed as an exceptional item in the results for the year ended 31 March, 2026.

3.45 Pursuant to Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Board of Directors ("Board") of Alkem Laboratories Limited (the "Company"/"Transferee Company") at its meeting held on 13 February, 2026 has, inter alia, approved the amalgamation of Adroit Biomed Limited ("ABL"/"Transferor Company") (a wholly-owned subsidiary the Company); (the Company, and ABL are collectively referred to as the "Companies") with and into the Company by way of a scheme of arrangement pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules and / or regulations made thereunder (such scheme referred to as the "Scheme") and in compliance with the provisions of the Income Tax Act, 1961. The Scheme has been approved by the requisite majority of the Shareholders. The scheme is now subject to approvals of NCLT benches at Mumbai as well as other regulatory authorities, as applicable.

3.46 Events after the reporting period

No significant adjusting event occurred between the balance sheet date and date of the approval of these standalone financial statements by the Board of Directors of the Company requiring adjustment or disclosure.

3.47 Ratios

(₹ in Million)

Sr. No	Ratios	Numerator	Denominator	31 March, 2026	31 March, 2025	% Variance	Reason for variance
a)	Current Ratio	Current Assets	Current liabilities	2.9	2.9	-2%	-
b)	Debt-equity Ratio	Total Debt	Shareholder's equity	0.0	0.0	23%	-
c)	Debt service coverage Ratio	Earnings available for debt service	Debt service	3.2	4.4	-28%	Due to increase in OD utilisation during the year.
d)	Return on equity Ratio	Net profit after taxes	Average shareholder's equity	16.6%	18.3%	-9%	-
e)	Inventory turnover Ratio	Cost of goods sold or sales	Average inventory	1.8	1.7	6%	-
f)	Trade receivables turnover Ratio	Net credit sales	Average accounts receivable	6.1	5.2	16%	-
g)	Trade payables turnover Ratio	Net credit purchases	Average trade payables	1.9	1.9	2%	-
h)	Net capital turnover Ratio	Net sales	Working capital	1.9	1.8	4%	-
i)	Net profit Ratio	Net profit after taxes	Net sales	23.1%	24.1%	-5%	-
j)	Return on capital employed	Earnings before interest and taxes	Capital employed	13.9%	14.8%	-6%	-
k)	Return on investment						
	- Quoted			8.5%	10.5%	-20%	-
	- Unquoted			7.3%	7.9%	-7%	-

Notes

to the standalone financial statements for the year ended 31 March, 2026

Earnings available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortisations + Interest + other adjustments like loss on sale of Fixed assets etc.

Debt service = Interest & Lease Payments + Principal Repayments

Net credit sales consist of gross credit sales minus sales return.

Net credit purchases consist of gross credit purchases minus purchase return

Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

For and on behalf of the Board of Directors of Alkem Laboratories Limited
CIN: L00305MH1973PLC174201

B.N. Singh
Executive Chairman
DIN. 00760310
Mumbai, India

Sandeep Singh
Managing Director
DIN. 01277984
Mumbai, India

M.K. Singh
Executive Director
DIN. 00881412
Mumbai, India

Dr. Vikas Gupta
Chief Executive Officer
Mumbai, India
28 May, 2026

Nitin Agrawal
President - Finance &
Chief Financial Officer
Mumbai, India

Manish Narang
President - Legal &
Company Secretary
Mumbai, India
Membership No. F4365

Consolidated Financial Statements

Independent Auditor's Report

To The Members of
Alkem Laboratories Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **ALKEM LABORATORIES LIMITED** (the "Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as the "Group") which includes the Group's share of loss in its associate, which comprise the Consolidated Balance Sheet as at 31 March 2026, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information in which is incorporated the financial information for the year ended on that date of one branch of the Group located at Nepal.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of subsidiaries and associate referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2026, their consolidated profit and their consolidated other comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Overstatement of revenue-cut off** (Refer Notes 3.19 and 3.34) The Group recognises revenue from sale of products based on shipping terms which defines the timing of the transfer of control to the customer. The terms and conditions for sale vary with different customers. For revenue recognised during the period near to the reporting date, it is essential to ensure that the control of goods has been transferred to the customers. Dispatch of goods to customers happens from multiple locations including factories, warehouses, depots and third-party locations. Revenue recognition being subject to the manual exercise of tracking delivery for determining transfer of control, we consider cut-off of revenue as a key audit matter.	Principal audit procedures performed included the following: • Evaluated the Group's revenue recognition policy and assessed compliance with the Indian Accounting Standard (Ind AS). • Performed a walkthrough of the revenue business cycle to obtain an understanding of the relevant risks and controls around the timing of revenue recognition. Tested the design, implementation, and operating effectiveness of the relevant controls. • Assessed the IT environment in which the business system operates and tested the General information technology controls • Basis the sales recorded during the year and near to the period end, reviewed the lead time analysis to arrive at the average time taken for transfer of control to the customers from the date of dispatch. • On statistically selected samples of transactions, tested the underlying documents, which included vouching of sale invoices, shipping documents and lead time/ proof of delivery to test evidence for transfer of control both during the period and at period end.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion & Analysis, Directors' Report, Corporate Governance and Business Responsibility and Sustainability Reports, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries and associate audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries and associate, is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its Associate in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial

statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate 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 branch, entities or business activities within the Group and its associate 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 branch or entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

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

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

Other Matters

(a) We did not audit the financial statements of 25 subsidiaries, whose financial statements reflect total assets of ₹ 31,466.9 Million as at 31 March, 2026, total revenues of ₹ 28,346.1 Million and net cash outflows amounting to ₹ 164.3 Million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of ₹ 19.7 Million for the year ended 31 March, 2026, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate is based solely on the reports of the other auditors.

(b) We did not audit the financial information of 2 subsidiaries whose financial information reflect total assets of ₹ Nil as at 31 March 2026, total revenues of ₹ Nil and net cash flows amounting to ₹ Nil for the year ended on that date, as considered in the consolidated financial statements. This financial information is unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Group.

(c) Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries and associate referred to in the Other Matters section above we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group and its associate including relevant records so far as it appears from our examination of those books and the reports of the other auditors.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Parent as on 31 March 2026 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies and associate company incorporated in India, none of the directors of the Group companies and its associate company incorporated in India is disqualified as on 31 March, 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary companies and associate company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies and associate company incorporated in India, the remuneration paid by the Parent and such subsidiary companies and associate company to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate - Refer Note 3.26 to the consolidated financial statements;

      ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

      iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies and associate company incorporated in India.

      iv) (a) The respective Managements of the Parent and its subsidiaries and associate which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and associate respectively that, to the best of their knowledge and belief, 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 Parent Company or any of such subsidiaries and associate to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company or any of such subsidiaries and associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent Company and its subsidiaries and associate which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, and associate respectively that, to the best of their knowledge and belief, no funds have been received by the Parent Company or any of such subsidiaries and associate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or any of such subsidiaries and associate shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The final dividend proposed in the previous year, declared and paid by the Parent and its subsidiary which are companies incorporated in India, whose financial statements have been audited under the Act, during the year is in accordance with section 123 of the Act, as applicable.

The interim dividend declared and paid by the Parent, whose financial statements have been audited under the Act, during the year and until the date of this report is in compliance with section 123 of the Act, as applicable.

The Board of Directors of the Parent and its subsidiary, whose financial statements have been audited under the Act, where applicable, have proposed final dividend for the year which is subject to the approval of the members of the Parent and the subsidiary at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi) Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries and based on the other auditor's reports of its subsidiary companies and associate company incorporated in India whose financial statements have been audited under the Act, the Parent, its subsidiary company and associate company incorporated in India have used accounting software systems for maintaining their respective books of account for the financial year ended 31 March 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of audit, we and respective other auditors, whose reports have been furnished to us by the Management of the Parent, have not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Parent and above referred subsidiary companies and associate company incorporated in India as per the statutory requirements for record retention.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
(Partner)
(Membership No. 046930)
(UDIN 26046930ZLWYHW2084)

Place: Mumbai
Date: 28 May 2026

ANNEXURE "A" to The Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as at and for the year ended 31 March 2026, we have audited the internal financial controls with reference to consolidated financial statements of Alkem Laboratories Limited (hereinafter referred to as "Parent") and its subsidiary companies, which are companies incorporated in India and its associate company, which is a company incorporated in India, as of that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's management and Board of Directors of the Parent, its subsidiary companies and its associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies and its associate company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies and associate company, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies and its associate company, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

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

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies and its associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March 2026, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to 5 subsidiary companies and an associate company, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
(Partner)
(Membership No. 046930)
(UDIN: 26046930ZLWYHW2084)

Place: Mumbai
Date: 28 May 2026

Consolidated Balance Sheet

as at 31 March, 2026

(₹ in Million)

Particulars	Note no.	As at 31 March, 2026	As at 31 March, 2025
I. ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	3.1	26,949.7	20,639.3
(b) Right of use assets	3.1	3,956.6	3,222.2
(c) Capital work in progress	3.1	1,379.1	4,765.5
(d) Goodwill	3.36	5,236.4	4,231.1
(e) Other intangible assets	3.1	2,567.6	430.5
(f) Intangible assets under development	3.1	1,438.8	715.2
(g) Financial assets			
(i) Investment in associate	3.2	348.1	323.8
(ii) Other investments	3.2	10,966.9	9,108.6
(iii) Other financial assets	3.4	12,157.4	4,753.6
(h) Deferred tax assets (net)	3.7C	18,193.5	17,382.5
(i) Current tax assets (net)	3.7D	799.6	647.1
(j) Other non-current assets	3.5	2,630.8	1,233.4
Total non-current assets		**86,624.5**	**67,452.8**
2 Current assets			
(a) Inventories	3.6	33,332.2	29,224.1
(b) Financial assets			
(i) Investments	3.2	7,373.1	9,022.6
(ii) Trade receivables	3.8	29,791.1	24,662.5
(iii) Cash and cash equivalents	3.9	2,479.1	3,041.4
(iv) Bank balances other than (iii) above	3.10	14,849.9	12,589.4
(v) Loans	3.3	66.3	90.4
(vi) Other financial assets	3.4	25,225.2	21,154.8
(c) Other current assets	3.11	8,988.3	8,326.7
Total current assets		**1,22,105.2**	**1,08,111.9**
3 Assets held for sale	3.44	-	1,346.3
TOTAL ASSETS		**2,08,729.7**	**1,76,911.0**
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	3.12A	239.1	239.1
(b) Other equity	3.12B	1,37,961.9	1,19,609.6
Equity attributable to owners of the Company		**1,38,201.0**	**1,19,848.7**
(c) Non-controlling interests	3.37	5,288.3	4,487.6
Total equity		**1,43,489.3**	**1,24,336.3**
Liabilities			
2 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	3.13	4,924.5	3,109.1
(ii) Lease liabilities	3.29	3,767.8	2,674.2
(iii) Other financial liabilities	3.17	4,077.0	3,520.1
(b) Provisions	3.14	4,312.1	3,382.2
(c) Deferred tax liabilities (net)	3.45	151.2	-
(d) Other non-current liabilities	3.15	180.8	219.5
Total non-current liabilities		**17,413.4**	**12,905.1**
3 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	3.13	11,310.5	7,518.8
(ii) Lease liabilities	3.29	468.8	506.9
(iii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	3.16	1,971.4	879.8
Total outstanding dues of creditors other than micro and small enterprises	3.16	20,470.4	18,493.7
(iv) Other financial liabilities	3.17	7,742.3	6,948.4
(b) Other current liabilities	3.18	3,191.7	3,057.0
(c) Provisions	3.14	2,006.5	1,591.1
(d) Current tax liabilities (net)	3.7D	665.4	611.0
Total current liabilities		**47,827.0**	**39,606.7**
4 Liabilities classified as held for sale	3.44	**-**	**62.9**
Total liabilities		**65,240.4**	**52,574.7**
TOTAL EQUITY AND LIABILITIES		**2,08,729.7**	**1,76,911.0**

Material accounting policies and key accounting estimates and judgements	2A - 2B
Notes to the consolidated financial statements	3.1 - 3.47

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached.
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 046930
Mumbai, India
28 May, 2026

For and on behalf of the Board of Directors of Alkem Laboratories Limited
CIN: L00305MH1973PLC174201

B.N. Singh
Executive Chairman
DIN. 00760310
Mumbai, India

Sandeep Singh
Managing Director
DIN. 01277984
Mumbai, India

M.K. Singh
Executive Director
DIN. 00881412
Mumbai, India

Dr. Vikas Gupta
Chief Executive Officer
Mumbai, India
28 May, 2026

Nitin Agrawal
President - Finance &
Chief Financial Officer
Mumbai, India

Manish Narang
President - Legal &
Company Secretary
Mumbai, India
Membership No. - F4365

Consolidated Statement of Profit and Loss

for the year ended 31 March, 2026

(₹ in Million)

Particulars	Note no.	For the year ended 31 March, 2026	For the year ended 31 March, 2025
1 Income			
(a) Revenue from operations	3.19	1,47,122.7	1,29,645.2
(b) Other income	3.20	5,833.5	4,937.4
Total income		**1,52,956.2**	**1,34,582.6**
2 Expenses			
(a) Cost of materials consumed	3.21	35,653.9	34,403.7
(b) Purchases of stock-in-trade		16,945.0	15,140.2
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	3.22	(1,671.2)	(1,901.3)
(d) Employee benefits expense	3.23	28,371.1	24,539.2
(e) Finance costs	3.24	1,607.8	1,217.0
(f) Depreciation and amortisation expenses	3.1	3,820.6	3,571.6
(g) Other expenses	3.25	37,771.8	32,341.9
Total expenses		**1,22,499.0**	**1,09,312.3**
3 Profit before exceptional items and tax (1) - (2)		**30,457.2**	**25,270.3**
4 Exceptional items	3.43	**(1,748.3)**	-
5 Profit before tax (3) + (4)		**28,708.9**	**25,270.3**
6 Tax expense	3.7A		
(a) Current tax		6,196.6	5,236.0
(b) Deferred tax credit (net)		(1,019.0)	(2,125.7)
Total tax expenses (a + b)		**5,177.6**	**3,110.3**
7 Share in loss after tax of associate		**(19.7)**	(6.2)
8 Profit for the year (5) - (6) + (7)		**23,511.6**	**22,153.8**
9 Other comprehensive income			
(a) (i) Items that will not be reclassified subsequently to profit or loss	3.28	120.9	(218.1)
(ii) Income tax relating to items that will not be reclassified to profit or loss	3.7A	(38.1)	72.1
(b) (i) Items that will be reclassified to profit or loss		1,755.1	343.2
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total other comprehensive income for the year (net of tax)		**1,837.9**	**197.2**
10 Total comprehensive income for the year (8) + (9)		**25,349.5**	**22,351.0**
11 Profit attributable to			
Owners of the Company		23,018.0	21,654.8
Non-controlling interests	3.37	493.6	499.0
12 Other comprehensive income attributable to			
Owners of the Company		1,823.8	207.5
Non-controlling interests	3.37	14.1	(10.3)
13 Total comprehensive income attributable to			
Owners of the Company		24,841.8	21,862.3
Non-controlling interests	3.37	507.7	488.7
14 Basic and diluted earnings per share	3.33	192.51	181.11

Material accounting policies and key accounting estimates and judgements	2A - 2B
Notes to the consolidated financial statements	3.1 - 3.47

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached.
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 046930
Mumbai, India
28 May, 2026

For and on behalf of the Board of Directors of Alkem Laboratories Limited
CIN: L00305MH1973PLC174201

B.N. Singh
Executive Chairman
DIN. 00760310
Mumbai, India

Sandeep Singh
Managing Director
DIN. 01277984
Mumbai, India

M.K. Singh
Executive Director
DIN. 00881412
Mumbai, India

Dr. Vikas Gupta
Chief Executive Officer
Mumbai, India
28 May, 2026

Nitin Agrawal
President - Finance &
Chief Financial Officer
Mumbai, India

Manish Narang
President - Legal &
Company Secretary
Mumbai, India
Membership No. - F4365

Consolidated Statement of Changes in Equity

for the year ended 31 March, 2026

(a) Equity share capital

(₹ in Million)

Balance as at 1 April, 2025	Change in equity share capital during the year	Balance as at 31 March, 2026
239.1	-	239.1

(₹ in Million)

Balance as at 1 April, 2024	Change in equity share capital during the year	Balance as at 31 March, 2025
239.1	-	239.1

(b) Other Equity

(₹ in Million)

Particulars	Attributable to Owners of the Parent								Total other equity attributable to non-controlling interest	Total other equity
	Reserves and Surplus					Items of OCI				
	Capital reserve	Gross obligation to non-controlling interest under put option	Employee stock option outstanding account	General reserve	Retained earnings	Remeasurement of defined benefit plans	Foreign currency translation reserve	Total other equity attributable to owners of the parent		
Balance as at 1 April 2024	5.2	(1,965.6)	195.4	19,872.5	83,097.0	(554.9)	2,231.9	1,02,881.5	4,023.4	1,06,904.9
Total comprehensive income for the year ended 31 March 2024										
Profit for the year	-	-	-	-	21,654.8	-	-	21,654.8	499.0	22,153.8
Other comprehensive income for the year (net of tax)	-	-	-	-	-	(146.0)	353.5	207.5	(10.3)	197.2
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**21,654.8**	**(146.0)**	**353.5**	**21,862.3**	**488.7**	**22,351.0**
Dividend on equity shares (Refer Note 3.35)	-	-	-	-	(5,021.7)	-	-	(5,021.7)	(24.5)	(5,046.2)
Recognition of put option liability during the year	-	(278.6)	-	-	-	-	-	(278.6)	-	(278.6)
Employee compensation expense for the year (Refer Note 3.41)	-	-	166.1	-	-	-	-	166.1	-	166.1
Balance as at 31 March 2025	**5.2**	**(2,244.2)**	**361.5**	**19,872.5**	**99,730.1**	**(700.9)**	**2,585.4**	**1,19,609.6**	**4,487.6**	**1,24,097.2**
Total comprehensive income for the year ended 31 March 2025										
Profit for the year	-	-	-	-	23,018.0	-	-	23,018.0	493.6	23,511.6
Other comprehensive income for the year (net of tax)	-	-	-	-	-	82.8	1,741.0	1,823.8	14.1	1,837.9
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**23,018.0**	**82.8**	**1,741.0**	**24,841.8**	**507.7**	**25,349.5**

(₹ in Million)

Particulars	Attributable to Owners of the Parent							Total other equity attributable to owners of the parent	Total other equity attributable to non-controlling interest	Total other equity
	Reserves and Surplus						Items of OCI			
	Capital reserve	Gross obligation to non-controlling interest under put option	Employee stock option outstanding account	General reserve	Retained earnings	Remeasurement of defined benefit plans	Foreign currency translation reserve			
Transactions with owners of the company										
Dividend on equity shares (Refer Note 3.35)	-	-	-	-	(6,097.8)	-	-	(6,097.8)	(39.2)	(6,137.0)
Compulsorily convertible preference shares issued to NCI	-		-	-	-	-	-	-	261.6	261.6
Recognition of put option liability during the year	-	(370.3)	-	-	-	-	-	(370.3)	-	(370.3)
Employee stock option exercised	-	-	(42.8)	-	-	-	-	(42.8)	43.3	0.5
Employee compensation expense for the year (Refer Note 3.41)	-	-	48.7	-	-	-	-	48.7	-	48.7
Transfer to general reserve from employee stock option outstanding account	-		(12.0)	12.0		-	-	-	-	-
Changes in proportion held by non-controlling interest					(27.3)			(27.3)	27.3	-
Balance as at 31 March 2026	**5.2**	**(2,614.5)**	**355.4**	**19,884.5**	**1,16,623.0**	**(618.1)**	**4,326.4**	**1,37,961.9**	**5,288.3**	**1,43,250.2**

The description of the nature and purpose of each reserve within equity:

Capital reserve: Capital reserve represents investment subsidies from state government.

Employee stock options outstanding account: The fair value of the equity-settled share based payment transactions with employees is recognised in statement of profit and loss with corresponding credit to employee stock options outstanding account.

General reserve: General reserve represents portion of the net profit transferred before declaring dividend pursuant to the provisions of Companies Act 1956 applicable to Company and its Indian subsidiaries. Mandatory transfer to general reserve is not required under the Companies Act 2013.

Retained earnings: Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve and dividends distributed to shareholders

Foreign currency translation reserve: Foreign currency translation reserve represents exchange differences arising on account of conversion of foreign operations to Company's functional currency.

Remeasurement of defined benefit plans: Remeasurement of defined benefit plans represents actuarial gains and losses relating to gratuity.

Gross obligation to non-controlling interest under put option: The amount that may become payable under the option on exercise is initially recognised at fair value within other financial liabilities with a corresponding charge directly to equity. The charge to equity is recognised separately as gross obligation to non-controlling interest under put option in other equity.

As per our report of even date attached.
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 046930
Mumbai, India
28 May, 2026

For and on behalf of the Board of Directors of Alkem Laboratories Limited
CIN: L00305MH1973PLC174201

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Executive Chairman
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Sandeep Singh
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Mumbai, India
28 May, 2026

Nitin Agrawal
President - Finance &
Chief Financial Officer
Mumbai, India

Manish Narang
President - Legal &
Company Secretary
Mumbai, India
Membership No. - F4365

Consolidated Statement of Cash Flow

for the year ended 31 March, 2026

(₹ in Million)

	Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
A	**Cash Flow from Operating Activities:**		
	Profit before tax	**28,708.9**	**25,270.3**
	Adjustments for:		
	Depreciation and amortisation expense	3,820.6	3,571.6
	Liabilities no longer required written back	(244.8)	(155.1)
	Profit on sale of investments (net)	(646.9)	(110.2)
	Unrealised loss/ (gain) on fair valuation of investments (net)	109.1	(418.7)
	(Profit) / loss on sale / write off of property plant and equipment (net)	(127.8)	(46.0)
	Employee stock compensation expenses	48.7	166.1
	Unrealised foreign currency (gain)/loss on revaluation (net)	(160.3)	111.6
	Dividend income	(0.8)	(1.7)
	Interest income	(3,916.4)	(3,587.8)
	Impairment loss on capital work-in-progess and intangible assets under development	-	137.3
	Interest expenses	1,607.8	1,217.0
	Provision for doubtful advances	136.4	20.2
	Expected credit loss on receivables	737.7	133.7
	Subtotal of Adjustments	**1,363.3**	**1,038.0**
	Operating profit before working capital changes	**30,072.2**	**26,308.3**
	Adjustments for changes in working capital:		
	Increase in trade receivables	(3,288.7)	(2,185.5)
	(Increase) / decrease in loans, other financial assets and other assets	(875.4)	249.9
	Increase in inventories	(2,473.1)	(2,612.3)
	Increase in trade payable, other financial liabilities and other liabilities	1,214.2	2,166.5
	Increase in provisions	1,271.3	241.7
	Subtotal of adjustments	**(4,151.7)**	**(2,139.7)**
	Cash generated from operations	**25,920.5**	24,168.6
	Less: Income taxes paid (net of refund)	(6,290.2)	(5,040.2)
	Net cash generated from operating activities	**19,630.3**	**19,128.4**
B	**Cash Flow from Investing Activities:**		
	Purchases of property, plant and equipment (including capital work in progress, other intangible assets and intangible assets under development net off capital advances and capital creditors)	(6,172.6)	(6,756.2)
	Proceeds from disposal of property, plant and equipment	1,303.1	408.4
	Investment made in fixed deposits	(47,355.8)	(37,558.4)
	Redemption of fixed deposits	33,823.9	40,534.2
	Other investments made	(25,056.8)	(19,380.8)
	Redemption of other investments	25,607.4	6,616.4
	Purchase consideration for acquisition of business	(2,054.4)	-
	Investments in associate	(44.0)	(330.0)
	Dividend received	0.8	1.7
	Interest received	3,276.3	3,477.1
	Net cash used in investing activities	**(16,672.1)**	**(12,987.6)**
C	**Cash Flow from Financing Activities:**		
	Proceeds from non-current borrowings	1,794.8	2,879.0
	Repayment of non-current borrowings	(654.0)	-
	Proceeds/ (repayment) of current borrowings (net)	1,345.3	(4,820.1)
	Dividend paid	(6,137.0)	(5,046.2)
	Proceeds from minority interest	262.1	-
	Principal repayment of lease liabilities	(410.4)	(316.5)
	Interest paid	(1,234.8)	(806.1)
	Net cash generated from/ (used in) financing activities	**(5,034.0)**	**(8,109.9)**
D	**Net decrease in Cash and Cash Equivalents (A+B+C)**	**(2,075.8)**	(1,969.1)
E	**Cash & Cash Equivalents as at the beginning of the year (net of loans repayable on demand from banks)**	**(1,200.9)**	**663.1**
	Add/Less: Effect of exchange difference on foreign currency cash and cash equivalents	(144.6)	105.1
F	**Cash & Cash Equivalents as at the end of the year (net of loans repayable on demand from banks) (D+E) (Refer Note 3 below)**	**(3,421.3)**	**(1,200.9)**

Consolidated Statement of Cash Flow

for the year ended 31 March, 2026

Notes:

1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - "Statement of Cash Flows"

2 Debt reconciliation in accordance with Ind AS 7:

(₹ in Million)

Particulars	Lease liabilities	Borrowings
As at 1 April 2024	2,044.4	8,265.5
Cash flows from borrowing during the year (net)	(316.5)	(1,635.3)
Other non cash items (includes foreign exchange impact, interest accrued and new lease liabilities on account of additions during the year)	1,543.2	(74.7)
As at 31 March 2025	**3,271.1**	**6,555.5**
Cash flows from borrowing during the year (net)	(410.4)	2,486.1
Other non cash items (includes foreign exchange impact, interest accrued and new lease liabilities on account of additions during the year)	1,375.9	1,293.0
As at 31 March, 2026	**4,236.6**	**10,334.5**

3 Components of cash and cash equivalents for the purpose of Cash flow as per IND AS 7:

(₹ in Million)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Cash and cash equivalents **(Refer note 3.9)**	2,479.1	3,041.4
Loans repayable on demand from banks **(Refer note 3.13)**	(5,900.4)	(4,242.3)
Total cash and cash equivalents (net of loans repayable on demand from banks)	**(3,421.3)**	**(1,200.9)**

Material accounting policies and key accounting estimates and judgements	2A - 2B
Notes to the consolidated financial statements	3.1 - 3.47

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached.
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 046930
Mumbai, India
28 May, 2026

For and on behalf of the Board of Directors of Alkem Laboratories Limited
CIN: L00305MH1973PLC174201

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Executive Chairman
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Nitin Agrawal
President - Finance &
Chief Financial Officer
Mumbai, India

Manish Narang
President - Legal &
Company Secretary
Mumbai, India
Membership No. - F4365

Notes

to the consolidated financial statements for the year ended 31 March, 2026

1 General Information

Alkem Laboratories Limited ('the Company') was incorporated in 1973 under the provisions of Companies Act, 1956 of India, as a Company with limited liability. The Company is domiciled in India with its registered office address being, Alkem House, Senapati Bapat Marg, Lower Parel, Mumbai - 400013, India. The Company is engaged in pharmaceutical business with global operations. The Company is engaged in the development, manufacture and sale of pharmaceutical products. These consolidated financial statements comprise the financial statement of Alkem Laboratories Limited ('the Parent Company') and its subsidiaries (the Parent Company and its subsidiaries together referred to as 'the Group') and it's associate.

2A MATERIAL ACCOUNTING POLICIES:

2.1 Basis of preparation of Consolidated Financial Statements ("financial statements"):

a) Statement of compliance

The financial statements of the Group as at and for the year ended 31 March 2026 have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified by the Ministry of Corporate Affairs in consultation with the National Advisory Committee on Accounting Standards, under section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and the relevant provisions of the Act.

The financial statements are authorised for issue by the Board of Directors of the Company at its meeting held on 28 May 2026.

b) Basis of preparation and presentation

The preparation of financial statements in accordance with Ind AS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in **Note 2B**. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The Group presents assets and liabilities in Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle*,

b) Held primarily for the purpose of trading,

c) Expected to be realised within twelve months after the reporting period, or

d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

*The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Group's normal operating cycle is twelve months

All other assets are classified as non-current.

A liability is classified as current when:

a) it is expected to be settled in normal operating cycle,

b) it is held primarily for the purpose of trading,

c) it is due to be settled within twelve months after the reporting period

d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

c) Basis of measurement

These financial statements are prepared under historical cost convention except for provision for defined benefit obligations and certain financial instruments measured at fair value at the end of each reporting period as explained in the accounting policies below.

d) Functional and Presentation Currency

These financial statements are presented in Indian rupees, which is the functional currency

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of the Company and the currency of the primary economic environment in which the Company operates. The financial statements are prepared in Indian Rupees in Million, rounded off to the nearest one decimal except for share data and per share data, unless otherwise stated.

e) Going Concern

The directors have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, the Group has applied the going concern basis of accounting in preparing the consolidated financial statements.

2.2 Basis of consolidation

The financial statements incorporate the financial statements of the Parent Company and the entities it controls, both unilaterally and jointly.

(a) Accounting for Subsidiaries

A subsidiary is an entity over which the Group has control. Control is achieved when the Group:

- has the power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee, and
- has the ability to use its power to affects its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Where necessary and relevant adjustments are made to the consolidated financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

The financial statements of subsidiaries are included in the financial statements from the date on which control commences until the date on which control ceases.

The financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year. The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and profits/ losses, unless cost/revenue cannot be recovered.

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The details of the subsidiaries consolidated are as follows:

Name of Subsidiaries	Principal place of Business	% of Shareholding and voting power	
		As at 31 March 2026	As at 31 March 2025
Alkem Laboratories Corporation	Philippines	100.00%	100.00%
Ascend Laboratories Pty Ltd	South Africa	100.00%	100.00%
S&B Holdings S.a.r.l.	Luxembourg	100.00%	100.00%
Ascend GmbH	Germany	100.00%	100.00%
Pharmacor Pty Ltd	Australia	100.00%	100.00%
The PharmaNetwork LLC*	USA	100.00%	100.00%
Ascend Laboratories SpA	Chile	100.00%	100.00%
Ascend Laboratories SDN BHD.	Malaysia	100.00%	100.00%
Enzene Biosciences Limited	India	99.55%	99.76%
Ascend Laboratories, LLC **	USA	100.00%	100.00%
Alkem Laboratories, Korea Inc	South Korea	100.00%	100.00%
Pharmacor Ltd.	Kenya	100.00%	100.00%
The PharmaNetwork, LLP	Kazakhstan	100.00%	100.00%
Ascend Laboratories (UK) Limited	United Kingdom	100.00%	100.00%
Ascend Laboratories SAS	Colombia	100.00%	100.00%
Cachet Pharmaceuticals Private Limited	India	60.63%	60.63%
Indchemie Health Specialities Private Limited	India	51.00%	51.00%
Connect 2 Clinic Private Limited	India	100.00%	100.00%
S & B Pharma LLC **	USA	100.00%	100.00%
Ascend Laboratories Ltd.	Canada	100.00%	100.00%
Pharma Network SpA ***	Chile	100.00%	100.00%
Ascend Laboratories S.A. DE. CV ***	Mexico	100.00%	100.00%
Alkem Foundation	India	100.00%	100.00%
Pharmacor Limited #	New Zealand	100.00%	100.00%
Enzene Inc ##	USA	99.55%	99.76%
Alkem Medtech Private Limited	India	100.00%	100.00%
Alixer Nexgen Therapeutics Limited	India	100.00%	100.00%
Alkem Wellness Limited	India	100.00%	100.00%
Pharmacor SPA****	Chile	100.00%	100.00%
Adroit Biomed Limited	India	100.00%	NA
Alkem Medtech Ortho Private Limited ###	India	100.00%	NA
Alkem Pharmaceuticals Scientific Office FZ LLC (w.e.f 04 February 2026)	United Arab Emirates	100.00%	NA
Alkem Pharma Trading FZCO (w.e.f 27 March 2026)	United Arab Emirates	100.00%	NA

*Ownership interest held through S&B Holdings S.a.r.l. (Previously known as S&B Holdings B.V)

** Ownership interest held through The PharmaNetwork LLC

*** Ownership interest held through Ascend Laboratories SpA

**** Ownership interest held through Pharmacor Pty Ltd

Ownership interest held through Pharmacor Pty Ltd with effect from 1 June 2022

Ownership interest held through Enzene Biosciences Limited with effect from 26 May 2022

Ownership interest held through Alkem Medtech Private Limited with effect from 16 April 2025

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(b) Investment in Associate

Investments in associates are accounted for using the equity method unless otherwise stated. Under the equity method of accounting, on initial recognition the investment in an associate is recognised at cost. The carrying amount of the investment in associates is increased or decreased to recognise the Group's share of the profit and loss after the date of acquisition, unless the share purchase agreement specify otherwise. When necessary, adjustments are made to bring the accounting policies in line with those of the Group. Unrealised gains and losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in those entities. Where unrealized losses are eliminated, the underlying asset is also tested for impairment.

If an entity's share of losses of an associate equal or exceeds its interest in the associate, the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The details of the associate consolidated is as follows:

Name of Associate	Principal place of Business	% of Shareholding and voting power	
		As at 31 March, 2026	As at 31 March, 2025
HaystackAnalytics Private Limited	India	7.62%	8.16%

(c) Non-controlling interests (NCI)

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Group's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance. Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the noncontrolling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

(d) Loss of control

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable Ind ASs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109 when applicable.

(e) Transaction eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against

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the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(f) Business Combination

In accordance with Ind AS 103, the Group accounts for these business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in profit or loss.

Business combination between entities under common control is accounted using pooling of interest method of accounting. Under pooling of interest method of accounting, none of the assets or liabilities are restated to their fair values. Instead, the acquirer incorporates carrying values from the date on which the business combination between entities under common control occurred. The identity of the reserves is preserved and they appear in the financial statements of the Group in the same form in which they appeared in the financial statement of the acquired entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

(g) Goodwill arising on consolidation, of acquisitions represents the excess of (a) consideration paid for acquiring control and (b) acquisition date fair value of previously held ownership interest, if any, in a subsidiary over the Group's share in the fair value of the net assets (including identifiable intangibles) of the subsidiary as on the date of acquisition of control. Where the fair value of the identifiable assets and liabilities exceed the cost of acquisition, the excess is recognised as Capital Reserve. Goodwill on consolidation is allocated to cash generating units or group of cash generating units that are expected to benefit from the acquisition. After initial recognition, goodwill arising on consolidation is tested for impairment annually and measured at cost less accumulated impairment losses, if any. In the event of cessation of operations of a subsidiary, the unimpaired goodwill is written off fully.

2.3 Property, plant and equipment ("PPE")

i) Recognition and measurement

a) The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Items of PPE are carried at cost less accumulated depreciation and impairment losses, if any. The cost of an item of PPE comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the assets to its working condition for its intended use and any trade discount and rebates are deducted in arriving at purchase price. Cost of the assets also includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use incurred up to that date.

b) If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

c) Any gain or loss on disposal of an item of PPE is recognised in statement of profit and loss.

d) Cost of Items of PPE not ready for intended use as on the balance sheet date, is disclosed as capital work in progress. Advances given towards acquisition of PPE outstanding at each balance sheet date are disclosed as capital advance under other non-current assets.

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e) The cost property, plant and equipment at 1 April 2016, the Group's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

ii) Subsequent expenditure

Subsequent expenditure relating to PPE is capitalised only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

iii) Depreciation:

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed under Schedule II to the Act or as per technical assessment. The residual values, useful lives and method of depreciation of PPE is reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on additions / disposals is provided on a pro-rata basis i.e. from / upto the date on which is asset is ready to use / disposed off. Freehold land is not depreciated.

The estimated useful lives of Tangible assets are as under:

PPE	Company and Subsidiaries in India	Subsidiaries in USA	Subsidiary in Australia	Subsidiary in Philippines and United Kingdom	Subsidiary in South Africa	Subsidiaries in Chile and Kenya	Subsidiary in Kazakhstan	Subsidiary in Germany
Buildings*	5-60 years	5 - 40 years	-	-	-	-	-	-
Plant and machinery*	1 - 20 years	5 - 7 years	-	-	-	-	-	-
Furniture and fixtures*	10 years	5 - 7 years	5 years	3 years	6 years	10 years	7 years	-
Office equipment*	3 - 6 years	5 years	2.5 - 5 years	3 years	3 years	3 - 10 years	3 - 10 years	5-10 years
Vehicles*	8 years	5 years	-	3 years	-	5 - 8 years	4 years	-

* For these class of assets, the useful life of assets is different than the prescribed life as per Part C of Schedule II of the Companies Act, 2013 for the Parent Company and it's subsidiaries in India. The different useful life is based on internal technical evaluation by the Parent Company and it's subsidiaries in India and historical usage of assets.

2.4 Intangible Assets:

I. Recognition and measurement

Research and development	Expenditure on research activities is recognised in statement of profit or loss as incurred.
	Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in statement of profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.
Other intangible assets	Other intangible assets, such as computer software and trademarks and patents, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.
Goodwill	Goodwill is initially recognised based on the accounting policy for business combinations **(refer note 2.2 (g))**. These assets are not amortised but are tested for impairment annually.

The cost of Intangible assets at 1 April 2016, the Group's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

II. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates and the cost of the asset can be measured reliably. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in statement of profit and loss as incurred.

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III. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in Statement of profit and loss. The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year-end and adjusted prospectively, if appropriate.

Intangible Assets	Company and Subsidiaries in India	Subsidiaries in USA	Subsidiary in Australia	Subsidiary in Philippines, Kazakhstan	Subsidiary in Chile, Germany and Kenya	Subsidiary in South Africa
Computer Software	3 - 6 years	3 years	2.5 years	2 - 5 years	2 - 6 years	-
Trademark and patents	5 years	5 years	-	-	5 years	5 years
Product related intangibles	5 - 15 years	-	-	-	-	-
Technology	-	15 years	-	-	-	-

IV In-Process Research and Development assets ("IPR&D") or Intangible assets under development

Acquired research and development intangible assets that are under development are recognised as In-Process Research and Development assets ("IPR&D") or Intangible assets under development. 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. Subsequent expenditure on an In-Process Research or Development project acquired separately or in a business combination and recognised as an intangible asset is:

- recognised as an expense when incurred, if it is research expenditure;
- capitalised if the cost can be reliably measured, the product or process is technically and commercially feasible and the Company has sufficient resources to complete the development and to use and sell the asset.

2.5 Impairment of assets:

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. For the purposes of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets, is considered as a cash generating unit. If any such indication exists, the Group estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists or may have decreased, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

2.6 Provision, Contingent Liabilities and Contingent Assets:

A provision is recognised if as a result of a past event, the Group has a present obligation (legal or constructive) that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

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A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are not recognised but only disclosed where an inflow of economic benefits is probable. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date by the Group.

2.7 Financial instruments:

Recognition initial measurement

Trade receivables and debt securities issued are initially recognised when they originate. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. However, trade receivables that do not contain a significant financing component are measured at transaction price

Classification and subsequent measurement

Financial Assets

On initial recognition, a financial asset is classified as measured at

- amortised cost or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated -e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a

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particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued {but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gains or loss on derecognition is also recognised in profit or loss.

Derecognition

Financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership but does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Group also derecognises a financial liability when it terms are modified and the cash flow under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends

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either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.8 Equity instruments:

Equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities and includes no obligation to deliver cash or other financial assets.

2.9 Inventories:

a) Raw materials and packing materials are valued at cost, if the finished products in which they will be incorporated are expected to be sold at or above cost. If the decline in price of materials indicate that the cost of finished goods exceeds net realisable value, the materials are written down to net realisable value; cost is calculated on moving weighted average basis.

b) Finished goods and work-in-progress are valued at lower of cost and net realisable value. In respect of finished goods, cost includes materials, appropriate share of utilities and other overheads. Trading Goods are valued at lower of cost and net realisable value. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

c) Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale on item-by-item basis.

2.10 Revenue recognition and measurement

Revenue from Operations:

a) Revenue from sale of goods is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. The Group assesses promises in the contract that are separate performance obligations to which a portion of transaction price is allocated.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract. Accumulated experience is used to estimate the provision for discounts, probable saleable and non-saleable return of goods from the customers. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Income from services rendered is recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

A chargeback is a claim made by the wholesaler for the difference between the price at which the product is initially invoiced to the wholesaler and the net price at which it is agreed to be procured from the company. Chargeback, rebates, returns and medicaid payments are variable consideration that is recognised and recorded based on historical experience, market conditions and specific contractual terms. The methodology and assumptions used to estimate rebates and returns are monitored and adjusted regularly in line with contractual and legal obligations, trade practices historical trends, past experience and projected market conditions.

Revenues relating to fixed price contracts are recognised based on the percentage of completion method determined based on efforts expended as a proportion to total estimated efforts. The Group monitors estimates of total contract revenue and cost on a routine basis throughout the contract period. The cumulative impact of any change in estimates of the contract revenue or costs is reflected in the period in which the changes become known. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss.

b) Export benefits available under prevalent schemes are accrued in the year in which the goods are exported and no significant uncertainty exist regarding its ultimate collection.

c) 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 production, sales and other measures are recognised by reference to the underlying arrangement.

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Other Income

a) Interest income is recognised using the effective interest rate (EIR) method.

b) Revenue (including in respect of insurance or other claims, interest etc.) is recognised when it is reasonable to expect that the ultimate collection will be made.

Refund liabilities:

A refund liability is the obligation to refund part or all of the consideration received (or receivable) from the customer. The Group has therefore recognised refund liabilities in respect of customer's right to return. The liability is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimate of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

The Group has presented its refund liabilities as required under Ind AS 115 in the financial statements.

2.11 Foreign currency transactions and translations

i. Foreign exchange transactions:

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Ministry of Corporate Affairs (MCA) had notified amendments to the exisiting standards Ind AS 21: The Effects of Changes in Foreign Exchange rates applicable to the Company w.e.f. 1 April 2025, to address concerns about currency exchangeability and provide guidance on estimating spot exchange rates when a currency is not exchangeable. The adoption of this amendment did not have any material impact on the disclosures or on the amounts reported in these financial statements.

ii. Foreign operations:

The assets and liabilities of foreign subsidiaries including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR by applying the appropriate monthly average rate which best approximates the actual rate of the transaction.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant portion of the cumulative amount is re-allocated to NCI. When the Group disposes of only a part of its interest in a joint venture while retaining significant influence or joint control, the relevant proportion of cumulative amount is reclassified to profit or loss.

2.12 Employee Benefits:

a) Post-employment benefits and other long term benefits:

i) Defined contribution plans:

Group's contribution for the year paid/payable to defined contribution retirement benefit schemes are charged to Statement of Profit and Loss in period in which the related service is provided by the employee. The Group's contribution towards provident fund are considered to be defined contribution plan for which the Group makes contribution on monthly basis. The Group's obligation is limited to the contribution it makes.

ii) Defined benefit plans:

Group's liabilities towards defined benefit plans viz. gratuity expected to occur after twelve months, are determined annually by a qualified independent actuary using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the balance sheet date. Actuarial gains and losses are recognised in the Statement of other comprehensive income in the period of occurrence of such gains and losses for gratuity. The retirement benefit obligation recognised in the balance sheet represents

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the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

iii) **Other long-term employee benefits - compensated absences:**

Accumulated absences expected to be carried forward beyond twelve months is treated as long-term employee benefit for measurement purposes. The Group's net obligation in respect of other long-term employee benefit of accumulating compensated absences is the amount of future benefit that employees have accumulated at the end of the year. That benefit is discounted to determine its present value. In respect of compensated absences, actuarial gains/losses, if any, are recognised immediately in the Statement of Profit and Loss. The obligation is measured annually by a qualified actuary using the projected unit credit method. Remeasurements are recognised in profit or loss in the period in which they arise.

b) **Short term employee benefits:**

Short term employee benefits are benefits payable and recognised in 12 months. Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised undiscounted during the year as the related service are rendered by the employee. These benefits include performance incentives. These are expensed as employee benefit expense in the statement of profit and loss in the period in which the related service is provided by the employee.

2.13 Taxes on Income :

Income tax expense represents the sum of the current tax and deferred tax.

i) **Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates and tax laws enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii) **Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. However, deferred tax is not recognised :

- in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination or for transactions that give rise to equal taxable and deductible temporary differences) that affect neither the taxable profit nor the accounting profit
- in case of temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognised

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same

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taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Minimum Alternate Tax (MAT) credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is resonable evidence that the Parent Company and its Indian subsidiaries will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.Minimum Alternate Tax (MAT) Credit are in the form of unused tax credits that are carried forward by the Group for a specified period of time, hence, it is presented as Deferred Tax Asset.

iii) Amendments to Ind AS 12 Income Taxes titled International Tax Reform – Pillar Two Model Rules:

The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and require disclosure of the application of this relief. This relief is effective immediately and applies retrospectively. The Group has reviewed the amendment and based on its evaluation, has determined that it does not have any significant impact on its consolidated financial statements.

2.14 Leases and Right of use ('ROU'):

The Group as a lessee

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

(i) the contract involves the use of an identified asset;

(ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend the lease before the end of the lease term, but the renewal aspect has not been added to the lease term since the option to renew the lease lies with both the lessor and the lessee.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using discount rates generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet.

2.15 Earnings per share ('EPS'):

Basic EPS is calculated by dividing the profit(or loss) attributable to the owners of the Group by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period except where the results would be anti-dilutive.

2.16 Government Grants:

Government grants are recognised when there is reasonable assurance that the Group will comply with the conditions attached to them and the grants will be received.

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Grants related to depreciable assets are treated as deferred income, which is recognised in the Statement of profit and loss on a systematic and rational basis over the useful life of the asset. Such allocation to income is usually made over the periods and in the proportions in which depreciation on related assets is charged. Government Grants of revenue nature is reduced from related expenses in the statement of Profit and Loss in the year of its receipt or when there is a reasonable assurance of it being received.

2.17 Statement of Cash Flows:

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the profit before tax excluding exceptional items for the effects of:

(i) changes during the period in inventories and operating receivables and payables;

(ii) non-cash items such as depreciation, provisions, unrealised foreign currency gains and losses; and

(iii) all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents comprise cash on hand and cash at bank including fixed deposit with original maturity period of three months or less and short-term highly liquid investments with an original maturity of three months or less.

2.18 Borrowing Costs:

Borrowing costs include finance costs calculated using the effective interest method, finance charges in respect of assets acquired on lease and exchange differences arising on foreign currency borrowings, to the extent they are regarded as an adjustment to finance costs. Borrowing costs net of any investment income from the temporary investment of related borrowings that are attributable to the acquisition, construction or production of a qualifying asset are capitalised/inventorised as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.19 Employee stock option scheme:

Equity-settled share-based payments to employees are measured by reference to the fair value of the equity instruments at the grant date using Black Scholes Model.

The excess of fair value of shares over the exercise price determined at the grant date of the equity-settled share-based payments, is charged to Statement of Profit and Loss on the straight-line basis over the vesting period of the option, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. The employee stock option outstanding account is shown net of unamortised deferred employee compensation expenses.

2.20 Assets held for sale:

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the asset is recognised at the date of de-recognition.

Assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Assets classified as held for sale are presented separately from the other assets in the consolidated balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the financial statements.

2.21 Segment reporting:

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker ("CODM") to make decisions

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for which discrete financial information is available. The Group operates in one reportable business segment i.e. "Pharmaceuticals".

2.22 Exceptional items:

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items is disclosed separately as exceptional items.

2B Key accounting estimates and judgements

The preparation of financial statements in conformity with the Ind AS requires judgements, estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements, the reported amounts of revenues and expenses during the reporting period and the disclosures relating to contingent liabilities as of the date of the financial statements. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes different from the estimates. Difference between actual results and estimates are recognised in the period in which the results are known or materialise. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in the current and future periods.

Management considers the accounting estimates and assumptions discussed below to be its critical accounting estimates and, accordingly, provide an explanation of each below. The discussion below should also be read in conjunction with the Group disclosure of material accounting policies which are provided in **Note 2A** to the consolidated financial statements, 'Material accounting policies'.

i) Judgements:

a. Determination of functional currency of foreign operations:

Judgement is required to determine the functional currency of foreign operations, which requires evaluation of the primary economic environment in which the foreign operations operate. Factors that are considered in such evaluation include :-

(i) the currency that mainly influences sales price for goods;

(ii) the currency of the country whose competitive forces and regulations mainly determine the the sales price of goods;

(iii) the currency that mainly influences labour, material and other costs of providing goods or services;

(iv) the currency in which funds from financing activities;

(v) the currency in which receipts from operating activities are usually retained.

(vi) whether the activities of the foreign operation are carried out as an extension of the reporting entity;

(vii) whether transactions with the reporting entity are a high or a low proportion of the foreign operation's activities;

(viii) whether cash flows from the activities of the foreign operation directly affect the cash flows of the reporting entity and are readily available for remittance to it; and

(ix) whether cash flows from the activities of the foreign operation are sufficient to service existing and normally expected debt obligations without funds being made available by the reporting entity.

Differing conclusions around these judgements may materially impact how foreign exchange differences arising on translation of these foreign operations are reported in the consolidated financial statements.

b. The Group uses significant judgement in assessing the lease term (including anticipated renewals). The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

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ii) Estimates:

a Estimate of current and deferred tax:

The Group tax charge on ordinary activities is the sum of the total current and deferred tax charges. The calculation of the Group total tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits/losses and/or cash flows.

The complexity of the Group structure makes the degree of estimation and judgement more challenging. The resolution of issues is not always within the control of the Group and it is often dependent on the efficiency of the legal processes in the relevant taxing jurisdictions in which the Company operates. Issues can, and often do, take many years to resolve. Payments in respect of tax liabilities for an accounting period result from payments on account and on the final resolution of open items. As a result there can be substantial differences between the tax charge in the Consolidated Statement of Profit and Loss and tax payments.

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits.

b. Recognition of MAT credit entitlement:

The credit availed under MAT is recognised as an asset only when and to the extent there is convincing evidence that the Parent Company along with its Indian subsidiaries will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. This requires significant management judgement in determining the expected availment of the credit based on business plans and future cash flows of the Parent Company and its Indian subsidiaries.

c. Estimation of useful life:

The useful life used to amortise or depreciate intangible assets or property, plant and equipment respectively relates to the expected future performance of the assets acquired and management's judgement of the period over which economic benefit will be derived from the asset based on its technical expertise. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the Consolidated Statement of Profit and Loss.

The useful lives and residual values of Group assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology.

d. Provisions and contingent liabilities:

The Group exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, arbitration or government regulation, as well as other contingent liabilities. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision.

e. Fair value measurements and valuation processes:

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

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f. **Defined benefit plans:**

The cost of the defined benefit gratuity plan and other post-employment benefits and present value of the gratuity obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

g. **Liabilities towards anticipated sales return:**

In determining the provision for anticipated sales returns, estimates for probable saleable and non-saleable returns of goods from the customers are made on scientific basis after factoring in the historical data of such returns and its trend.

h. **Chargebacks, rebates and discount:**

Provisions for chargeback, rebates, discounts, other deductions and medicaid payments are estimated and provided for in the year of sales and recorded as reduction of revenue. A chargeback claim is a claim made by the wholesaler for the difference between the price at which the product is initially invoiced to the wholesaler and the net price at which it is agreed to be procured from the Group. Provisions for such chargebacks, rebates and discounts are accrued and estimated based on historical average rate actually claimed over a period of time, current contract prices with wholesalers/other customers and estimated inventory holding by the wholesaler.

i. **Percentage of completion :**

Revenue for fixed price contracts is recognised using percentage of completion method. The Group uses judgement to estimate the future cost to completion of the contracts which is used to determine degree of completion of the performance obligation.

j. **Discount rate for Leases :**

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

k. **Expected credit loss**

In accordance with Ind AS 109 - Financial Instruments, the Group applies ECL model for measurement and recognition of impairment loss on the trade receivables from transactions that are within the scope of Ind AS 115 - Revenue from Contracts with Customers. For this purpose, the Group follows 'simplified approach' for recognition of impairment loss allowance on the trade receivable balances. The application of simplified approach requires expected lifetime losses to be recognised from initial recognition of the receivables based on lifetime ECLs at each reporting date.

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.

In respect of other financial assets (e.g.: debt securities, deposits, bank balances etc), the Group generally invests in instruments with high credit rating and consequently low credit risk. In the unlikely event that the credit risk increases significantly from inception of investment, lifetime ECL is used for recognising impairment loss on such assets.

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3.1 Property, plant and equipment, Intangible assets and Right of use assets

Particulars	Property, plant and equipment								Other Intangible assets					Right of use		
	Freehold land	Leasehold improvements	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipments	Total	Computer software	Trade Mark & patents	Product related intangibles	Technology	Total	Buildings	Land	Total
As at 1 April 2024	1,364.6	107.0	10,226.1	20,831.5	722.1	448.7	1,688.1	35,388.1	803.3	1,169.9	-	210.8	2,184.0	3,144.0	553.6	3,697.6
Additions	-	140.4	289.2	1,784.9	120.8	216.8	461.4	3,013.5	117.3	60.0	-	54.2	231.5	1,375.7	3.6	1,379.3
Deletions	(120.8)	-	(69.9)	(378.2)	(16.7)	(29.3)	(125.2)	(740.1)	(17.4)	-	-	(0.6)	(18.0)	(257.3)	-	(257.3)
Reclassification to assets held for sale **(Refer note 3.43)**	-	-	(787.0)	(864.9)	(17.1)	(1.6)	(23.1)	(1,693.7)	(3.5)	-	-	-	(3.5)	-	(283.4)	(283.4)
Foreign exchange differences on account of foreign operations	1.3	2.7	17.7	21.1	0.5	(4.6)	12.8	51.5	2.0	0.4	-	4.7	7.1	10.2	-	10.2
As at 31 March 2025	**1,245.1**	**250.1**	**9,676.1**	**21,394.4**	**809.6**	**630.0**	**2,014.0**	**36,019.3**	**901.7**	**1,230.3**	**-**	**269.1**	**2,401.1**	**4,272.6**	**273.8**	**4,546.4**
Additions/Adjustments	-	3,106.7	303.0	4,181.4	150.2	50.0	523.4	8,314.7	522.9	17.9	116.7	45.7	703.2	1,207.8	-	1,207.8
Deletions/Derecognition	-	-	(38.6)	(621.1)	(29.3)	(45.2)	(146.7)	(880.9)	(116.6)	-	-	-	(116.6)	(46.8)	-	(46.8)
Assets Acquired in a Business Combination **(Refer note 3.45)**	-	-	-	187.5	5.0	-	2.0	194.5	-	0.5	2,123.0	-	2,123.5	13.2	-	13.2
Foreign exchange differences on account of foreign operations	7.2	219.5	88.5	296.9	6.6	15.0	47.5	681.2	32.2	1.7	-	21.9	55.8	243.7	-	243.7
As at 31 March 2026	**1,252.3**	**3,576.3**	**10,029.0**	**25,439.1**	**942.1**	**649.8**	**2,440.2**	**44,328.8**	**1,340.2**	**1,250.4**	**2,239.7**	**336.7**	**5,167.0**	**5,690.5**	**273.8**	**5,964.3**
Depreciation and Amortisation																
As at 1 April 2024	0.1	8.9	1,687.1	10,389.9	385.4	254.8	1,047.2	13,773.4	611.5	948.0	-	150.4	1,709.9	1,160.1	65.7	1,225.8
Depreciation/amortisation for the year	-	19.7	319.4	2,210.6	64.2	66.0	270.5	2,950.4	133.4	123.9	-	26.3	283.6	330.0	7.6	337.6
Adjustments	-	-	-	(5.3)	(0.6)	1.4	1.7	(2.8)	(2.5)	-	-	-	(2.5)	-	-	-
Deductions	-	-	(34.9)	(358.7)	(16.5)	(22.7)	(111.1)	(543.9)	(17.4)	-	-	-	(17.4)	(230.0)	-	(230.0)
Reclassification to non-current assets held for sale **(Refer note 3.43)**	-	-	(109.9)	(675.4)	(7.3)	(1.4)	(21.1)	(815.1)	(3.5)	-	-	-	(3.5)	-	(20.5)	(20.5)
Foreign exchange differences on account of foreign operations	-	0.2	2.5	9.4	0.4	(2.5)	7.9	17.9	(3.5)	0.4	-	3.6	0.5	11.3	-	11.3
As at 31 March 2025	**0.1**	**28.8**	**1,864.2**	**11,570.5**	**425.6**	**295.6**	**1,195.1**	**15,379.9**	**718.0**	**1,072.3**	**-**	**180.3**	**1,970.6**	**1,271.4**	**52.8**	**1,324.2**
Depreciation/amortisation for the year	-	39.6	400.9	1,938.9	72.3	70.1	343.3	2,865.1	137.8	40.8	178.8	19.1	376.5	571.7	7.3	579.0
(Deductions)/Adjustments	-	(15.0)	10.4	(539.1)	(21.2)	(37.7)	(369.3)	(971.9)	142.3	-	-	45.4	187.7	48.3	-	48.3
Foreign exchange differences on account of foreign operations	-	1.6	19.8	53.2	2.9	8.5	20.0	106.0	33.7	1.7	-	29.2	64.6	56.2	-	56.2
As at 31 March 2026	**0.1**	**55.0**	**2,295.3**	**13,023.5**	**479.6**	**336.5**	**1,189.1**	**17,379.1**	**1,031.8**	**1,114.8**	**178.8**	**274.0**	**2,599.4**	**1,947.6**	**60.1**	**2,007.7**
Net Book Value																
As at 31 March 2025	**1,245.0**	**221.3**	**7,811.9**	**9,823.9**	**384.0**	**334.5**	**819.0**	**20,639.4**	**183.7**	**158.0**	**-**	**88.8**	**430.5**	**3,001.2**	**221.0**	**3,222.2**
As at 31 March 2026	**1,252.2**	**3,521.3**	**7,733.7**	**12,415.6**	**462.5**	**313.3**	**1,251.1**	**26,949.7**	**308.4**	**135.6**	**2,060.9**	**62.7**	**2,567.6**	**3,742.9**	**213.7**	**3,956.6**

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Refer **Note 3.13** on Borrowings, for the details related to charge on Property, plant and equipment of the Group.

1) Addition to Property, Plant and Equipment includes items aggregating **₹ 298.96 Million** (31 March 2025: ₹630.2 Million) located at Research and Development Centres of the Group.

2) Refer **Note 3.27(1)** for contractual commitments with respect to property, plant and equipments and other intangible assets.

3) (a) Exclusive charge by way of hypothecation over the whole of the movable properties (save and except current assets) including its movable plant and machinery, machinery spares, tools and accessories and other movable assets, both present and future subject to a maximum value of **₹ 2,150 Million** (31 March 2025 ₹ 2,150 Million) - situated at Daman and Sikkim in India against issuance of Stand by letter of credit required for loan of **US $ 4.5 Million** (31 March 2025 - US $ 18 Million) advanced by Banco de Chile to Ascend Laboratories SpA, Chile, a wholly-owned subsidiary of the Company and **US $ 2.0 Million** (31 March 2025 - US $ 5.0 Million) advanced to PharmaNetwork SpA, Chile, a wholly-owned subsidiary of Ascend Laboratories SpA, Chile.

   (b) With respect to Enzene Biosciences Limited, first pari passu charge is created on immovable & moveable property to secure Term loan availed from EXIM Bank.(refer footnote to note 3.13)

4) The title deeds of the immovable properties are held in the name of the Group.

5) The Group has not revalued its property, plant and equipment during the financial year ended 31 March, 2026 and 31 March, 2025.

6) Considering internal and external sources of information, the Group has evaluated at the end of the reporting period, whether there is any indication that any intangible asset (including intangible assets under development) may be impaired if any such indication exists. The Group has estimated the recoverable amount of the intangible assets (including intangible assets under development) based on 'value in use' method. The financial projections on the basis of which the future cash flows have been estimated consider (a) reassessment of the discount rates, (b) revisiting the growth rates factored while arriving at terminal value, and these variables have been subjected to a sensitivity analysis. The carrying amount of the intangible assets (including intangible assets under development) represent the Group's best estimate of the recoverable amounts.

Capital work-in-progress

Capital work in progress comprises expenditure in respect of various plants in the course of construction/expansion. Total amount of Capital work in progress is **₹ 1,379.1 Million** as at 31 March 2026 (31 March 2025: ₹ 4,765.5 Million).

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Opening balance	4,765.5	1,484.0
Add:Assets Acquired in a Business Combination **(Refer note 3.45)**	3.9	-
Add: Additions during the year	2,174.1	6,382.8
Less: Capitalised during the year	8,314.7	2,860.9
Less: Provision made for old Capital Work in progress	7.3	35.6
Less: Expensed off during the year	0.6	-
Less: Transferred to assets classified as held for sale	-	204.8
Closing balance	**1,379.1**	**4,765.5**

Capital work-in-progress ageing schedule for the year ended 31 March 2026 and 31 March 2025 is as follows:

Particulars	Amount in CWIP for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progess	**1,296.8**	**65.3**	**1.0**	**11.1**	**1,374.2**
	(4,120.2)	(589.3)	(47.1)	(8.9)	(4,765.5)
Projects temporarily suspended	-	3.3	1.6	-	**4.9**
	(-)	(-)	(-)	(-)	-

Figures in the brackets are the comparative figures of the previous year.

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For capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan, the project wise details of when the project is expected to be completed is given below as of 31 March 2026 and 31 March 2025.

Particulars	To be completed in				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Project 1	4.9	-	-	-	**4.9**
	(-)	(-)	(-)	(-)	(-)

Figures in the brackets are the comparative figures of the previous year

Intangible assets under development

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Opening balance	715.2	101.7
Add: Additions during the year	723.6	715.2
Less: Capitalised / written off during the year	-	101.7
Closing balance	**1,438.8**	**715.2**

Intangible assets under development ageing schedule for the year ended 31 March 2026 and 31 March 2025 is as follows:

Particulars	Amount in Intangible assets under development for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progess	723.6	715.2	-	-	**1,438.8**
	(715.2)	(-)	(-)	(-)	(715.2)
Projects temporarily suspended	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)

Figures in the brackets are the comparative figures of the previous year.

For intangibles assets under development, no projects are overdue or have exceeded its cost compared to its original plan as of 31 March 2026 and 31 March 2025

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3.2 Investments

Non - Current Investments

A) Investment in Associate

(₹ in Million)

Particulars	As at 31 March, 2026 ₹ in Million	As at 31 March, 2025 ₹ in Million
HaystackAnalytics Private Limited	348.1	323.8
Total	**348.1**	**323.8**

Investment in associate - HaystackAnalytics Private Limited comprises equity shares of 1,666 (31 March 2025: 1,666) and preference shares of 18,517 (31 March 2025: 16,654)

B) Other Non-Current Investments

(₹ in Million)

Particulars	As at 31 March, 2026 ₹ in Million	As at 31 March, 2025 ₹ in Million
In Equity Shares of Other Companies and Limited Liability Partnership Firm: Unquoted [at fair value through profit and loss]	479.9	334.9
In Preference Shares of Other Companies : Unquoted [at fair value through profit and loss]	270.9	217.6
Investment In Venture Capital Fund: Unquoted (Non Trade) [at fair value through profit and loss]	1,412.5	1,452.2
Non Convertible Debentures : [Quoted] (at amortised cost)	6,955.5	5,636.7
Investments in bonds : [Quoted] (at amortised cost)	1,848.1	1,467.2
Total	**10,966.9**	**9,108.6**

C) Current Investments

(₹ in Million)

Particulars	As at 31 March, 2026 ₹ in Million	As at 31 March, 2025 ₹ in Million
Investment in funds : (Unquoted) [at fair value through profit and loss]		
Avenue Venture Real Estate Fund (Units of ₹ 100,000 each, fully paid-up) - Refer note (4) below	747.0	747.0
Less: Provision for impairment in value of investments	(747.0)	-
Equity Shares : (Quoted) [at fair value through profit and loss]	24.1	23.2
Investment In Mutual Funds : Quoted (Non-Trade) [at fair value through profit and loss]	2,288.6	6,936.0
Investments in Bonds : (Quoted) (at amortised cost)	561.4	-
Non Convertible Debentures : (Quoted) [at amortised cost]	4,499.0	1,316.4
Total	**7,373.1**	**9,022.6**

Notes:

(₹ in Million)

Particulars	As at 31 March, 2026 ₹ in Million		As at 31 March, 2025 ₹ in Million	
	Book Value	Market Value	Book Value	Market Value
1) Aggregate value of Quoted investments	16,176.7	16,176.7	15,379.4	15,379.4
2) Aggregate value of Unquoted investments	2,511.4	N.A.	3,075.5	N.A.

3) All Investments in Shares & Securities are fully paid up except for investment in Funds **(Refer Note 3.27(2))**.

4) During the year ended 31 March 2016, pursuant to the approval of the Board of Directors in its meeting held on 9 March 2016, the Company in order to focus on its core business activities and for other commercial reasons, restructured its investment in Avenue Venture Real Estate Fund ("Fund") by entering into an Option Agreement with Mr. Tushar Kumar,

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which was in force for a period of 2 years from the execution date i.e. 10 March 2016. The Option Agreement was subsequently renewed for a period of 2 years each by executing First, Second and Third Supplementary agreement till 9 March 2020, 9 March 2022, 9 March 2024 respectively. During the current year, pursuant to the approval of the Board of Directors (through a circular resolution) post 31 March, 2026, the Company has entered into an Option Agreement with Mr. Jyoti Prakash Narayan Singh which is in force for a period of 2 years from execution date i.e 10 March 2026 for grant of unconditional option exercisable without restriction at the option of the option holder to purchase the trust units held by the Company in the Fund at an option price of 102% of the fair market value of each trust unit as on the exercise date

3.3 Loans:

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
A. Current loans		
(Unsecured, considered good unless otherwise stated)		
Loans to employees	66.3	90.4
TOTAL	**66.3**	**90.4**

3.4 Other Financial Assets:

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
A. Other non-current financial assets		
(Unsecured, considered good unless otherwise stated)		
Bank deposits with original and remaining maturity more than 12 months	4,508.3	1,452.8
Deposits with non-banking financial companies	7,357.0	2,302.0
Other receivables	42.3	99.7
Balances with government authorities	-	662.6
Security deposits	249.8	236.5
TOTAL	**12,157.4**	**4,753.6**

Note:

Bank deposits of **₹ 260.8 Million** (31 March 2025: ₹ 198.9 Million) are under lien with the Banks against Overdraft facility

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
B. Other current financial assets		
(Unsecured, considered good unless otherwise stated)		
Bank deposits with original maturity more than 12 months but remaining maturity less than 12 months	19,771.2	17,426.7
Deposits with non-banking financial companies	4,293.8	2,931.3
Other receivables	120.8	240.4
Incentive receivable from government	985.0	541.7
Security deposits	16.9	14.7
Forward contract receivable	37.5	-
TOTAL	**25,225.2**	**21,154.8**

Note:

Bank deposits of **₹ 3,894.1 Million** (31 March 2025: ₹ 3,268.1 Million) are under lien with the Banks against Overdraft facility.

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3.5 Other Non-Current Assets:

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
(Unsecured, considered good unless otherwise stated)		
Capital advances	1,170.9	691.4
Security Deposits	32.5	-
Balances with government authorities	1,380.8	539.8
Other advances	2.2	2.2
Prepaid expenses	44.4	-
TOTAL	**2,630.8**	**1,233.4**

3.6 Inventories:

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Raw and packing materials	10,837.4	9,265.9
Goods-in-transit	43.9	111.0
	10,881.3	**9,376.9**
Work-in-progress	2,388.4	1,293.3
Finished goods	13,595.1	11,137.3
Goods-in-transit	339.9	2,264.5
	13,935.0	**13,401.8**
Stock-in-trade	5,970.5	5,070.2
Goods-in-transit	157.0	81.9
	6,127.5	**5,152.1**
TOTAL	**33,332.2**	**29,224.1**

Notes:

1. The Group follows suitable provisioning norms for writing down the value of inventories towards slow moving, non moving, expired and non saleable inventory. Write down of inventory for the year is **₹ 2,329.6 Million** (31 March 2025: ₹ 1,497.3 Million)
2. **Refer note 3.13** on Borrowings, for the details related to charge on inventories lying with the Group.
3. The cost of inventories recognised as an expense during the year was **₹ 51,841.5 Million** (31 March 2025: 48,414.3 Million).

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3.7 Income taxes

(A) Components of income tax expenses

(i) Amounts recognised in profit and loss

(₹ in Million)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Current tax		
Current year tax	6,196.6	5,236.0
	6,196.6	**5,236.0**
Deferred tax:		
Minimum Alternate Tax (MAT) credit entitlement	(890.3)	(890.3)
Origination and reversal of temporary differences	(128.7)	(1,235.4)
	(1,019.0)	**(2,125.7)**
Tax expense for the year	**5,177.6**	**3,110.3**

(ii) Amounts recognised in other comprehensive income

(₹ in Million)

Particulars	For the year ended 31 March 2026			For the year ended 31 March 2025		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit plans	120.9	(38.1)	82.9	(218.1)	72.1	(146.0)
	120.9	**(38.1)**	**82.9**	**(218.1)**	**72.1**	**(146.0)**

(B) Reconciliation of effective tax rate

(₹ in Million)

Particulars	(%)	For the year ended 31 March, 2026	(%)	For the year ended 31 March, 2025
Profit before tax		28,708.9		25,270.3
Tax using the Company's applicable tax rate	**34.9%**	10,030.9	34.9%	8,829.4
Tax effect of:				
Deduction on profits earned from exempt units	**-24.0%**	(6,901.9)	-26.8%	(6,780.1)
Expense not deductible for tax purposes	**0.6%**	173.1	0.7%	166.1
Unrecognised deferred tax asset in subsidiaries	**0.0%**	-	-0.1%	(17.9)
Permanent disallowance - current year	**3.7%**	1,059.1	2.9%	721.4
Change in tax rate	**-0.1%**	(41.5)	0.0%	-
Deferred tax reversal during tax holiday period	**0.3%**	73.9	0.3%	73.9
Others	**2.7%**	784.0	0.5%	117.5
	18.0%	**5,177.6**	**12.3%**	**3,110.3**

(C) Movement in deferred tax assets and liabilities

(₹ in Million)

Particulars	Net balance 1 April, 2025	Recognised in profit or loss	On account of business combination (Refer 3.45)	On account of change in tax rate	Recognised in OCI	Exchange rate difference	Net balance 31 March, 2026
Deferred tax liabilities							
Property, plant and equipment and intangible assets	(1,946.4)	210.6	(312.3)	459.9	-	-	(1,588.2)
MTM on investments	(384.4)	32.6	-	110.7	-	-	(241.1)
Total deferred tax liabilities	**(2,330.8)**	**243.2**	**(312.3)**	**570.6**	**-**	**-**	**(1,829.3)**

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(₹ in Million)

Particulars	Net balance 1 April, 2025	Recognised in profit or loss	On account of business combination (Refer 3.45)	On account of change in tax rate	Recognised in OCI	Exchange rate difference	Net balance 31 March, 2026
Deferred tax assets							
Inventories	1,830.4	(53.8)	-	-	-	-	1,776.6
Employee benefits	1,743.2	349.6	-	(456.4)	(38.1)	-	1,598.3
Impairment of real estate asset	-	111.0	-	-	-	-	111.0
Expected credit loss on trade receivables	443.8	(98.4)	-	(39.5)	-	-	305.9
Deferred government grant	89.3	(15.0)	-	(19.6)	-	-	54.7
Impairment of assets	145.2	(145.2)	-	-	-	-	-
Other temporary differences	595.8	398.0	-	(96.6)	-	142.4	1,039.6
Tax losses carried forward	563.6	(273.9)	-	-	-	-	289.7
MAT credit entitlement	14,302.0	545.0	-	-	-	-	14,847.0
Total deferred tax assets	**19,713.4**	**817.3**	**-**	**(612.1)**	**(38.1)**	**142.4**	**20,022.8**
Net deferred tax assets	**17,382.5**	**1,060.5**	**-**	**(41.5)**	**(38.1)**	**142.4**	**18,193.5**

Notes:

1) During the year, the Parent Company received an order amounting to ₹ 3,333.3 Million for Assessment Year 2023-24 from the Income Tax Department. The demand raised has been adjusted against the available MAT credit balance by the Income Tax Department. The Parent Company has thereafter filed an appeal before the Commissioner of Income Tax (Appeals) [CIT(A)], as its contentions were not accepted in the said order.

2) Pursuant to the amendments introduced under the Finance Act, 2026, interalia allowing set off of available MAT credit under new tax regime (Section 115BAA of the Income-tax Act, 1961), the Parent Company and one of its Indian subsidiary; have decided to opt for the new tax regime from financial year 2026 - 27. Consequently, deferred tax has been recognised at the substantially enacted rate as at 31 March 2026.

(₹ in Million)

Particulars	Net balance 1 April, 2024	Recognised in profit or loss	On account of business combination	On account of change in tax rate	Recognised in OCI	Exchange rate difference	Net balance 31 March, 2025
Deferred tax liabilities							
Property, plant and equipment and intangible assets	(2,310.2)	363.8	-	-	-	-	(1,946.4)
Investments	(245.7)	(138.7)	-	-	-	-	(384.4)
Total deferred tax liabilities	**(2,555.9)**	**225.2**	**-**	**-**	**-**	**-**	**(2,330.8)**
Deferred tax assets							
Inventories	599.3	1,231.1	-	-	-	-	1,830.4
Employee benefits	1,450.1	221.0	-	-	72.1	-	1,743.2
Expected credit loss on trade receivables	424.1	19.7	-	-	-	-	443.8
Deferred government grant	102.7	(13.4)	-	-	-	-	89.3
Impairment of assets	145.2	-	-	-	-	-	145.2
Other temporary differences	949.4	(390.0)	-	-	-	36.4	595.8

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(₹ in Million)

Particulars	Net balance 1 April, 2024	Recognised in profit or loss	On account of business combination	On account of change in tax rate	Recognised in OCI	Exchange rate difference	Net balance 31 March, 2025
Tax losses carried forward	621.7	(58.1)	-	-	-	-	563.6
MAT credit entitlement	13,411.7	890.3	-	-	-	-	14,302.0
Total deferred tax assets	**17,704.2**	**1,900.5**	**-**	**-**	**72.1**	**36.4**	**19,713.4**
Net tax assets	**15,148.3**	**2,125.7**	**-**	**-**	**72.1**	**36.4**	**17,382.5**

The Group offsets tax assets and liabilities only if it has a legally enforceable right to set off tax assets and tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining recoverability of deferred tax assets. The recoverability of deferred tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred tax assets will be recovered.

(D) Tax assets and liabilities

Particulars	As at 31 March, 2026	As at 31 March, 2025
Current tax assets (net)	799.6	647.1
Current tax liabilities (net)	665.4	611.0

E. Unrecognised deferred tax liability

A deferred tax liability in respect of temporary differences related to undistributed profit in subsidiaries has not been recognised amounting to **₹ 2,301.7 Million** (31 March 2025: ₹ 2,547.9 Million) because the Parent Company controls the dividend policy of its subsidiaries and the management is not expecting to distribute profit in the foreseeable future.

F. Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom.

(₹ in Million)

Particulars	As at 31 March, 2026		As at 31 March, 2025	
	Gross Amount	Unrecognised tax effect	Gross Amount	Unrecognised tax effect
Deductible temporary differences	-	-	93.3	24.3
Tax Losses	8,348.8	2,245.1	3,468.9	857.8
Total	**8,348.8**	**2,245.1**	**3,562.2**	**882.1**

G. Tax Losses carried forward

(₹ in Million)

Particulars	Expiry Date (Financial Year)	As at 31 March, 2026	Expiry Date (Financial Year)	As at 31 March, 2025
Business losses (allowed to carry forward for specified period)	2026-2032	-	2026-2032	811.5
Business losses (allowed to carry forward for specified period)	2036-2038	91.3	2036-2038	351.8
Unabsorbed depreciation (allowed to carry forward for infinite period)		1,461.0		1,341.8
Business losses (allowed to carry forward for specified period)	2027-2033	979.0		-
Total		**2,531.3**		**2,505.0**

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3.8 Trade Receivables:

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
(Unsecured)		
Considered good	31,154.2	25,457.9
Less: Expected Credit Loss	(1,363.1)	(795.4)
TOTAL	**29,791.1**	**24,662.5**

Note :

1. **Refer note 3.38** for information about credit risk and market risk of trade receivables.
2. The above includes factoring of receivables on non-recourse basis for one of the subsidiaries in the group. As at 31 March 2026, the amount of trade receivables de-recognised pursuant to the aforesaid factoring arrangement **₹ 15.6 Million** (31 March 2025: Nil).

Trade receivables ageing schedule for the year ended 31 March 2026 and 31 March 2025

(₹ in Million)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months-1 Year	1-2 Years	2-3 Years	More than 3 years	
i) Undisputed Trade receivables - considered good	23,159.5	5,851.0	881.9	305.6	112.2	453.5	30,763.7
	(20,357.2)	(3,988.8)	(405.9)	(127.2)	(124.2)	(309.4)	(25,312.6)
ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	6.2	1.8	0.1	8.1
	(-)	(-)	(-)	(2.6)	(0.7)	(0.1)	(3.4)
iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
iv) Disputed Trade receivables - considered good	-	-	53.5	50.8	82.4	126.9	313.6
	(-)	(2.5)	(29.8)	(21.0)	(16.0)	(67.2)	(136.5)
v) Disputed Trade receivables - which have significant increase in credit risk	-	61.6	6.2	0.7	-	-	68.5
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
vi) Disputed Trade receivables - credit impaired	-	-	-	-	0.2	0.1	0.3
	(-)	(-)	(1.3)	(4.1)	(-)	(-)	(5.4)
Less: Expected Credit Loss							1,363.1
							(795.4)
Total							**29,791.1**
							(24,662.5)

Figures in the bracket are the comparative figures of the previous year.

The entities included in the Group, covered under the Act, do not have any transactions or balances with struck off Companies.

3.9 Cash and Cash Equivalents:

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Cash on hand	10.7	11.7
Cheques and drafts on hand	353.6	685.9
Balance with banks:		
In Current accounts	1,338.0	1,265.8
In Exchange Earners' Foreign Currency Account	3.9	4.5
Deposit with original maturity less than three months	772.9	1,073.5
TOTAL	**2,479.1**	**3,041.4**

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3.10 Bank balances other than Cash and Cash Equivalents:

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Restricted for use:		
Unpaid dividend account	1.3	1.7
Unspent CSR account	0.7	1.3
Benevolent fund account	13.2	10.7
Bank deposits with original maturity more than 3 months but less than 12 months	14,831.1	12,575.7
Escrow account	3.6	-
TOTAL	**14,849.9**	**12,589.4**

Note:

Bank deposits of **₹ 4,239.7 Million** (31 March 2025: ₹ 3,950.4 Million) are under lien with banks against Overdraft facilities availed.

Details of Deposits (including accrued interest)

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Bank deposits with original and remaining maturity more than 12 months **(Refer Note 3.4A)**	4,508.3	1,452.8
Bank deposits with original maturity greater than 12 months but remaining maturity less than 12 months **(Refer Note 3.4B)**	19,771.2	17,426.7
Bank deposits with original maturity more than 3 months but less than 12 months **(Refer Note 3.10)**	14,831.1	12,575.7
Deposits with non-banking financial companies **(Refer Note 3.4A and 3.4B)**	11,650.8	5,233.3
TOTAL	**50,761.4**	**36,688.5**

3.11 Other Current Assets:

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
(Unsecured, considered good unless otherwise stated)		
Balances with government authorities	6,504.2	5,825.6
Advance to suppliers and employees:		
Considered good	1,157.7	1,306.6
Considered doubtful	2.8	385.3
	1,160.5	**1,691.9**
Less: Provision for doubtful advance	(2.8)	(385.3)
	1,157.7	**1,306.6**
Prepaid expenses	800.2	595.3
Right to return asset	234.0	185.4
Unbilled revenue	257.7	413.8
Other Receivables	34.5	-
	8,988.3	**8,326.7**

3.12A Equity Share Capital:

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Authorised:		
250,000,000 equity shares of ₹2/- each (31 March 2025: 250,000,000 equity shares of ₹ 2/- each)	500.0	500.0
	500.0	**500.0**

Notes

to the consolidated financial statements for the year ended 31 March, 2026

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Issued, Subscribed and Paid up:		
119,565,000 equity shares of ₹ 2/- each fully paid up (31 March 2025: 119,565,000 equity shares of ₹ 2 each fully paid up)	239.1	239.1
TOTAL	**239.1**	**239.1**

(a) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at 31 March, 2026		As at 31 March, 2025	
	Number of shares	(₹ in Million)	Number of shares	(₹ in Million)
At the commencement of the year	11,95,65,000	239.1	11,95,65,000	239.1
Add: Increase in the number of shares	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
At the end of the year	**11,95,65,000**	**239.1**	**11,95,65,000**	**239.1**

(b) Rights, preferences and restrictions attached to equity shares:

The Company has issued one class of equity shares with voting rights having a par value of ₹ 2/- per share. Each shareholder is eligible for one vote per share held. The Company declares dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting.

On winding up of the Company, the holders of equity shares will be entitled to receive residual assets of the Company remaining after distribution of all preferential amounts in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company:

Name of the shareholders	As at 31 March, 2026		As at 31 March, 2025	
	Number of Shares	Percentage of Holding	Number of Shares	Percentage of Holding
Mr. Sarandhar Singh (shares held on behalf of Samprada & Nanhamati Singh Family Trust)	2,24,14,088	18.75%	2,32,14,088	19.42%
Mr. Basudeo Narain Singh	86,95,360	7.27%	86,95,360	7.27%
Mr. Mritunjay Kumar Singh	76,82,000	6.42%	76,82,000	6.42%
Madhurima Singh (Estate of Mr. Dhananjay Kumar Singh)	72,84,429	6.09%	72,84,429	6.09%

(d) Aggregate number of bonus shares issued for the consideration other than cash during the period of five years immediately preceeding the reporting date:

The Company has not issued any bonus shares, shares for consideration other than cash or bought back any shares during five years immediately preceding the reporting date.

Promoters shareholding

Promoter name	No. of shares as at 31 March 2026	No. of shares as at 31 March 2025	% of total shares as of March 2026	% of total shares as of March 2025	% change during the current year
Sarandhar Singh (shares held on behalf of Samprada & Nanhamati Singh Family Trust)	2,24,14,088	2,32,14,088	18.7%	19.4%	-3.4%
Basudeo Narain Singh	86,95,360	86,95,360	7.3%	7.3%	0.0%
Mritunjay Kumar Singh	76,82,000	76,82,000	6.4%	6.4%	0.0%
Madurima Singh	1,09,510	1,09,510	0.1%	0.1%	0.0%
Madhurima Singh (Estate of Dhananjay Kumar Singh)*	72,84,429	72,84,429	6.1%	6.1%	0.0%
Madhurima Singh (on behalf of Dhananjay and Madhurima Singh Trust)	30,92,875	30,92,875	2.6%	2.6%	0.0%

Notes

to the consolidated financial statements for the year ended 31 March, 2026

Promoter name	No. of shares as at 31 March 2026	No. of shares as at 31 March 2025	% of total shares as of March 2026	% of total shares as of March 2025	% change during the current year
Seema Singh	25,79,045	25,79,045	2.2%	2.2%	0.0%
Archana Singh	23,94,050	23,94,050	2.0%	2.0%	0.0%
Jayanti Sinha	12,38,220	29,38,220	1.0%	2.5%	-57.9%
Divya Singh	12,08,971	12,08,971	1.0%	1.0%	0.0%
Aniruddha Singh	12,08,971	12,08,971	1.0%	1.0%	0.0%
Meghna Singh	12,08,650	12,08,650	1.0%	1.0%	0.0%
Shrey Shree Anant Singh	11,95,650	11,95,650	1.0%	1.0%	0.0%
Raj Kumar Singh	5,38,038	5,38,038	0.4%	0.4%	0.0%
Manju Singh	1,00,517	1,00,517	0.1%	0.1%	0.0%
Srinivas Singh	1,02,695	1,02,695	0.1%	0.1%	0.0%
Sarandhar Singh	79,800	79,800	0.1%	0.1%	0.0%
Satish Kumar Singh	72,430	72,430	0.1%	0.1%	0.0%
Inderjit Kaur Arora	7,800	7,800	0.0%	0.0%	0.0%
Sandeep Singh	7	7	0.0%	0.0%	0.0%
Sarvesh Singh	1	1	0.0%	0.0%	0.0%
Annapurna Singh	1	1	0.0%	0.0%	0.0%
Premlata Singh	1	1	0.0%	0.0%	0.0%
Sadhika Raj	-	5,50,000	0.0%	0.5%	-100.0%
Sakshi Sinha	-	5,50,000	0.0%	0.5%	-100.0%
Satyam Sinha	-	5,50,000	0.0%	0.5%	-100.0%
Shikhar Raj	-	5,50,000	0.0%	0.5%	-100.0%

3.12B Other Equity:

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Capital reserve	5.2	5.2
Employee stock options outstanding account	355.4	361.5
General reserve	19,884.5	19,872.5
Retained earnings	1,16,623.0	99,730.1
Other comprehensive income	3,708.3	1,884.4
Gross obligation to non-controlling interest under put option	(2,614.5)	(2,244.2)
	1,37,962.0	**1,19,609.6**

3.13 Borrowings:

A. Non-current borrowings

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Secured:		
Term loans		
- from banks	396.1	-
- from other parties	-	624.2
Unsecured		
External commercial borrowings		
- from banks	**4,528.4**	**2,484.9**
TOTAL	**4,924.5**	**3,109.1**

Notes

to the consolidated financial statements for the year ended 31 March, 2026

Notes :

Term Loan from EXIM Bank by Enzene Biosciences Limited ('EBL')

Particulars	Interest Rate	Maturity Date	Terms of Repayment	As at 31 March, 2026	As at 31 March, 2025
Secured					
Term loan					
Rupee Loan	MCLR (1 Year) + 0.25 bps	1 October, 2028	14 equal quarterly installments	624.2	794.1
Total				**624.2**	**794.1**
less: Current maturities of long term borrowings (included in current borrowings)				228.1	169.9
Non-Current Borrowings				**396.1**	**624.2**

Term loan consist of ₹ 800 Million loan sanctioned by Export-Import Bank of India (EXIM Bank) under Exim Bank's Ubharte Sitaare Programme for a period of 5 years. The loan is obtained for part financing the capital expenditure incurred or to be incurred by the company. The loan carries an interest rate of MCLR + 0.25bps (effective interest rate of 8.50% as on date of loan).

MCLR to be fixed on the date of first disbusrement and to be reset after 12 months form the date of first disbursement and every 12 months thereafter.

The loan is to be repaid in 14 equal quarterly installments after moratorium of 18 months from date of first disbursement.

EBL received **₹ 800 Million** (31 March 2025: ₹ 800 Million) and drawn complete sanctioned amount before 31 December 2024 for capital expenses to be incurred by the Company.

The term loan is secured againt the following:

a) First Pari passu charge on entire Immovable properties, situated at Chakan

b) First Pari passu charge on entire movable fixed assets of the company

c) Cash Deposit of ₹ 91.5 Million by way of Lien maked fixed deposit in favour of EXIM Bank+

(₹ in Million)

Repayment terms of borrowings	As at 31 March, 2026	As at 31 March, 2025
Principal repayment schedule as mentioned below		
Less than one year	228.1	169.9
One to three years	396.1	460.0
More than three years	-	164.2
Total undiscounted cash flows	**624.2**	**794.1**
Current	142.3	-
Non-current	481.9	1,259.4

ECB Loan from HSBC Bank by EBL

Particulars	Interest Rate	Maturity Date	Terms of Repayment	As at 31 March, 2026	As at 31 March, 2025
Unsecured					
External Commercial Borrowings [ECB] in Foreign Currency	3 months SOFR + 125bps	4 December, 2031	20 quarterly installments	2,383.4	1,262.6
Total				**2,383.4**	**1,262.6**

Notes

to the consolidated financial statements for the year ended 31 March, 2026

Particulars	Interest Rate	Maturity Date	Terms of Repayment	As at 31 March, 2026	As at 31 March, 2025
less: Current maturities of long term borrowings (included in current borrowings)				142.3	-
less: Interest accrued (included in current borrowings)				12.5	3.2
Non-Current Borrowings				**2,228.6**	**1,259.4**

External Commercial Borrowings consist of USD 25 Million loan sanctioned by HSBC for a period of 7 years. The ECB is obtained for part financing the capital expenditure incurred or to be incurred by the company. The loan carries an interest rate of 3 months SOFR + 125 bps.

The company has drawn in full ₹ 2,128.6 Million from bank in terms of the sanction letter agreed with the bank and infused the same in Enzene Inc [100% subsidiary of the company].

The loan is to be repaid in 20 quarterly installments after moratorium of 24 months from date of first disbursement.

The ECB is guaranteed against the following:

a) Corporate Guarantee by Alkem Laboratories Limited

The ECB shall rank pari passu with claims of all its other unsecured and unsubordinated creditors.

(₹ in Million)

Repayment terms of borrowings	As at 31 March, 2026	As at 31 March, 2025
Principal repayment schedule as mentioned below		
Less than one year	142.3	-
One to three years	759.0	483.5
More than three years	1,469.6	775.9
Total undiscounted cash flows	**2,370.9**	**1,259.4**
Current	142.3	-
Non-current	2,228.6	1,259.4

ECB Loan from CITI Bank by EBL

Particulars	Interest Rate	Maturity Date	Terms of Repayment	As at 31 March, 2026	As at 31 March, 2025
Unsecured					
External Commercial Borrowings [ECB] in Foreign Currency	3 months SOFR + 65bps	4 February, 2032	20 quarterly installments	2,374.9	1,208.1
Total				**2,374.9**	**1,208.1**
less: Current maturities of long term borrowings (included in current borrowings)				71.1	-
less: Interest accrued (included in current borrowings)				4.0	2.9
Non-Current Borrowings				**2,299.8**	**1,205.2**

External Commercial Borrowings consist of USD 25 Million loan sanctioned by Citi Bank for a period of 7 years. The ECB is obtained for part financing the capital expenditure incurred or to be incurred by the Company. The loan carries an interest rate of 3 months SOFR + 65 bps.

The Company has drawn in full ₹ 2,140.9 Million from bank in terms of the sanction letter agreed with the bank and infused the same in Enzene Inc [100% subsidiary of the Company].

The loan is to be repaid in 20 quarterly installments after moratorium of 24 months from date of first disbursement.

Notes

to the consolidated financial statements for the year ended 31 March, 2026

The ECB is guaranteed against the following:

a) Corporate Guarantee by Alkem Laboratories Limited

The ECB shall rank pari passu with claims of all its other unsecured and unsubordinated creditors.

(₹ in Million)

Repayment terms of borrowings	As at 31 March, 2026	As at 31 March, 2025
Principal repayment schedule as mentioned below		
Less than one year	71.1	-
One to three years	711.3	396.8
More than three years	1,588.5	808.4
Total undiscounted cash flows	**2,370.9**	**1,205.2**
Current	71.1	-
Non-current	2,299.8	1,205.2

B. Current borrowings

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Secured		
Loans repayable on demand from banks	5,900.4	4,242.3
Current maturities of long term borrowings	228.1	169.9
Working capital loan from banks and non-banking finance companies	1,109.4	-
	7,237.9	**4,412.2**
Unsecured		
Working capital loan from banks	3,842.7	3,106.6
Current maturities of long term borrowings	229.9	-
	4,072.6	**3,106.6**
TOTAL	**11,310.5**	**7,518.8**

Notes :

Secured:

The Company:

Loans repayable on demand from Banks include:

1. Overdrafts from banks **2,183.6 Million** (31 March 2025: ₹ 628.8 Million) are secured against pledge of fixed deposits with the banks.
2. Overdraft Facilities carry a rate of Interest ranging between 7.80% to 8.30% p.a., computed on a monthly basis on the actual amount utilized, and are repayable on demand.

Indchemie Health Specialities Private Limited ('IHSPL')

Loans repayable on demand from Banks include:

Overdraft from banks **Nil** (31 March 2025 ₹ 33.8 Million) are secured against fixed deposits placed with respective banks.

Overdraft Facilities carry a rate of Interest ranging between 7.75% to 8.00% p.a., computed on a monthly basis on the actual amount utilized, and are repayable on demand.

Alkem MedTech Private Limited ('AMPL')

Loans repayable on demand from Banks include:

- Working capital loan balance of **₹ 153.8 Million** represents cash credit availed from Kotak Mahindra Bank limited @ interest rate of 7.30 % and is secured by book debts & inventories.

Notes

to the consolidated financial statements for the year ended 31 March, 2026

Enzene Biosciences Limited:

1. Working Capital Loans: Overdraft from banks ₹ **395.6 Million** (31 March 2025: ₹ 1,315.8 Million) are secured against fixed deposits placed with respective banks. Overdraft facilities carry a rate of interest ranging between 5.66% to 9.00% p.a computed on a monthly basis on the actual amount utilised.
2. Current maturities of Long term borrowings: Term loan from Bank amounting to ₹ **228.1 Million** (31 March 2025: ₹ 169.9 Million)
3. Current maturities of Long term borrowings: External Commercial Borrowings amounting to ₹ **229.9 Million** (31 March 2025: ₹ Nil)

Ascend Laboratories SpA, Chile

Loans repayable on demand from Banks include:

Loan facilities of **₹ 1,000.8 Million** (**CLP 9,900 Million**) (31 March 2025: ₹ 1,046.4 Million (CLP 116,39.1 Million) by various banks are fund based facility (working capital credits). The interest rate in the range of 5.76% to 5.77% pa.

Alkem Wellness Limited:

Working capital loan from banks of **₹ 400.5 Million** (31 March 2025: NIL) carries interest rate in the range of 6.65% to 7.0% and are secured against current assets

Ascend Laboratories (UK) Limited:

Loans repyable on demand for working capital from banks of **₹ 37.3 Million** (31 March 2025: NIL) carrying an interest rate of Bank of England rate +1.3%. and are secured by way of corporate guarantee.

The PharmaNetwork, LLC, USA ('TPN')

Loans repayable on demand for working capital of **₹ 2,524.8 Mn (USD 26.6 Mn)** (31 March 2025 ₹ 1,271.5 Mn (USD 14.2 Mn)) from bank includes revolving credit line taken on 3 November 2012 ('closing date') by TPN are secured upto USD 50,000,000 (31 March 2025 USD 50,000,000) by issue of ABF Revolving Credit Facility by JP Morgan Chase which is secured by a continuing lien on security interest in all of the Collateral, whether in the form of cash or other property and whether tangible or intangible as well as Inventory, Receivables, Equipment and intellectual property of the TPN. Interest on this Revolving Credit Facility is payable monthly in arrears on the first business day of each month at a rate equal to **SOFR + 1.25%**. (31 March 2025 1.25% plus daily LIBOR).

Unsecured:

Working Capital loan from Banks include

The Company:

Working capital loan from banks repayable on demand of **₹ 2,165.7 Million** (31 March 2025: ₹ 49.5 Million) carries an average interest rate of **5.75%** (31 March 2025: 7.18%). Further, packing credit in foreign currencies amounts to **₹ 1,043.1 Million** (31 March 2025: ₹ 3,034.1 Million) and carries an average interest rate of **4.64%** (31 March 2025: 5.35%).

Alkem Medtech Private Limited

1. Overdrafts from non banking finance companies **₹ 298.2 Million** (31 March 2025: ₹ Nil) are secured against pledge of fixed deposits with Mahindra & Mahindra Financial Services Limited. Overdraft Facilities carry a rate of interest 7.28% p.a., computed on a monthly basis on the actual amount utilized, and are repayable on demand.
2. Working capital loans from banks of ₹ 15.1 Million with interest rates ranging from 7.10% to 7.50% and is secured by book debts and inventories

Ascend GmbH :

Working Capital loan from CITI Bank amounting to **Nil** (31 March 2025: ₹ 23.0 Million carrying an interest rate of EURIBOR + 1.2 (margin))

Notes

to the consolidated financial statements for the year ended 31 March, 2026

Ascend Laboratories SpA, Chile :

Working Capital loan from HSBC Bank amounting to **₹ 308.1 Million** (31 March 2025: Nil) carrying an interest rate of 1% to 3% + TAB (6.06%) monthly.

The Pharma Network LLP, Kazakhstan :

Working Capital loan from CITI Bank amounting to **₹ 195.2 Million** (31 March 2025: Nil) carrying an interest rate ranging between 18.0% to 18.5% p.a.

Alkem Laboratories Corporation, Philippines :

Working Capital loan from CITI Bank amounting to **₹ 59.8 Million** (31 March 2025: Nil) carrying an interest rate ranging between 6.75% to 7.75% p.a.

Pharmacor Limited, Kenya :

Working Capital loan from CITI Bank amounting to **₹ 70.8 Million** (31 March 2025: Nil) carrying an interest rate of CBR +2%.

3.14 Provisions

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
A. Non-current provision		
Provisions for employee benefits		
Gratuity **(Refer note 3.28)**	2,840.5	2,156.8
Compensated absences	1,471.6	1,225.4
TOTAL	**4,312.1**	**3,382.2**
B. Current provision		
Gratuity **(Refer note 3.28)**	1,441.5	1,070.0
Compensated absences	565.0	521.1
TOTAL	**2,006.5**	**1,591.1**

3.15 Other Non-Current Liabilities

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Deferred income on government grant **(Refer note 3.42)**	180.8	219.5
TOTAL	**180.8**	**219.5**

3.16 Trade Payables:

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Total outstanding dues of micro enterprises and small enterprises	1,971.4	879.8
Total outstanding dues of creditors other than micro and small enterprises	20,470.4	18,493.7
TOTAL	**22,441.8**	**19,373.5**

Notes:

Total outstanding dues of micro enterprises and small enterprises includes creditors for capital goods of **₹ 31.8 Million (31 March 2025: Nil)**

Total outstanding dues of creditors other than micro and small enterprises includes creditors for capital goods of **₹ 1,573.1 Million (31 March 2025: ₹ 979.8 Million)**

Notes

to the consolidated financial statements for the year ended 31 March, 2026

Trade payables ageing schedule for the year ended 31 March 2026 and 31 March 2025

(₹ in Million)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
i) MSME	112.0	1,476.9	364.4	9.0	3.3	5.8	1,971.4
	-	(717.4)	(155.0)	(3.1)	(0.8)	(3.50)	(879.8)
ii) Others	6,321.6	8,099.8	5,498.6	300.3	101.7	148.4	20,470.4
	(3,798.8)	(7,939.2)	(6,653.7)	(50.3)	(3.9)	(47.8)	(18,493.7)
iii) Disputed dues - MSME	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
iv) Disputed dues - Others	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	-

Figures in the brackets are the comparative figures of the previous year.

Relationship with struck off companies:

(₹ in Million)

Name of Struck off company	Nature of Transactions	Transactions during the year 31 March 2026	Balance o/s. at the end of the year as at 31 March 2026	Transactions during the year 31 March 2025	Balance o/s. at the end of the year as at 31 March 2025	Relationship with the Struck off company, if any, to be disclosed
Leela Trade Link Private Limited	Payables	0.0*	0.0*	-	-	Vendor
Veridical Enterprises (Opc) Private Limited	Payables	0.0*	0.0*	1.2	0.0*	Vendor

* Less than 1 lakh

3.17 Other Financial Liabilities

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Non Current		
Put option liability **(Refer note below)**	2,614.5	2,244.2
Liability towards anticipated sales returns **(Refer note 3.34)**	1,458.6	1,270.9
Security deposits	3.9	5.0
TOTAL	**4,077.0**	**3,520.1**

Note:

During the year ended 31 March 2023, the Company and Enzene Biosciences Limited ('Enzene') had entered into an agreement with Eight Roads Ventures India Healthcare IV, L.P. ("Eight Roads Ventures") and F-Prime Capital Partners Life Sciences Fund VI LP ("F-Prime Capital") ('Investors') whereby the Investors have infused **₹ 1,614.8 Million** towards subscription of 4,108,973 Compulsorily Convertible Preference Shares ('CCPS') and 20 Equity Shares. The transaction involved the investment of **₹ 1,614.8 Million** and issuance and allotment of CCPS and equity shares having a face value of ₹ 10 each, by Enzene to Investors in lieu of such investment. The investment towards CCPS and equity shares received on 27 January 2023 is convertible into a fixed number of equity shares of Enzene and hence has been classified as equity in the financial statements of Enzene.

In these consolidated financial statements, CCPS has been reflected as part of non-controlling interests. As per the Shareholders Agreement dated 23 December 2022, the Company will be required to provide various options to enable the Investor to exit over a period of time. In case such exit events do not occur, the Investor may require the Company, to buy them out at certain prices agreed under the arrangement. As of 31 March 2026, the CCPS have been recognised as a financial liability,the fair value of which is **₹ 2,614.5 Million** (**31 March 2025 : ₹ 2,244.2 Million**). CCPS is convertible into equity shares at any time but not later than nineteen years, at the option of the Investors, and is convertible compulsorily and automatically at the agreed conversion date, which is linked to meeting one of the agreed conditions.

Notes

to the consolidated financial statements for the year ended 31 March, 2026

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Current		
Other payable	139.6	-
Employee payables	3,262.3	3,185.5
Security deposits	526.3	475.6
Liabilities towards anticipated sales returns and rebates **(Refer Note 3.34)**	3,428.1	3,274.9
Forward contract payable	384.7	10.7
Unpaid dividend*	1.3	1.7
TOTAL	**7,742.3**	**6,948.4**

* Amounts due for payment to the Investor Education and Protection Fund ("IEPF") under Section 125 of the Companies Act, 2013 ₹ **Nil** (31 March 2025: ₹ Nil). The same has been deposited within the statutory timelines.

3.18 Other Current Liabilities

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Due to statutory authorities	787.7	817.0
Advances from customers	2,346.4	2,201.0
Other Payable	18.6	-
Deferred income on government grant **(Refer note 3.42)**	39.0	39.0
TOTAL	**3,191.7**	**3,057.0**

3.19 Revenue from operations:

(₹ in Million)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Revenue from contract with customers		
Sale of products- (**A**)	1,43,881.6	1,27,570.3
Sale of services- (**B**)	1,441.8	475.9
Revenue from contracts with customers (A) + (B)	**1,45,323.4**	**1,28,046.2**
Other operating revenues:		
Export incentives	394.2	342.7
Scrap sales	162.6	173.7
Budgetary support benefit under GST	647.1	917.2
Miscellaneous income	595.4	165.4
Total other operating revenue: - (C)	**1,799.3**	**1,599.0**
TOTAL (A) + (B) + (C)	**1,47,122.7**	**1,29,645.2**

a) Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Revenue from contract with customers as per contracted price	2,23,879.1	1,91,430.6
Adjustments made to contract price on account of:		
Less: Sales return	5,272.7	2,823.4
Less: Discounts / Rebates / Chargebacks	73,283.0	60,561.0
Revenue from contract with customers	**1,45,323.4**	**1,28,046.2**
Other operating revenue	1,799.3	1,599.0
Revenue from operations	**1,47,122.7**	**1,29,645.2**

b) Disaggregation of revenue from contracts with customers: Refer note 3.30(a)

Notes

to the consolidated financial statements for the year ended 31 March, 2026

3.20 Other income

(₹ in Million)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Interest income on financial assets		
-Bank deposits at amortised cost	3,095.3	3,135.3
-Bonds, debentures and loans at amortised cost	821.1	452.5
Foreign currency transactions and translation gain (net)	849.0	380.0
Liabilities/provisions no longer required written back	244.8	155.1
Profit on sale of investments at FVTPL (net)	646.9	110.2
Profit on sale of property, plant and equipments (net)	-	46.0
(Loss)/gain on fair value of investments through profit and loss	(109.1)	418.7
Miscellaneous income	285.5	239.6
TOTAL	**5,833.5**	**4,937.4**

3.21 Cost of materials consumed:

(₹ in Million)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Raw material consumed	30,194.1	27,973.6
Packing material consumed	5,459.8	6,430.1
TOTAL	**35,653.9**	**34,403.7**

3.22 Changes in inventories of finished goods, work-in-progress and stock-in-trade:

(₹ in Million)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Opening stock:		
Finished goods	13,401.8	10,848.5
Stock-in-trade	5,152.2	5,495.2
Work-in-progress	1,293.3	1,474.1
	19,847.3	**17,817.7**
Inventories aquired on account of Business Combination		-
Finished goods	113.5	-
Work-in-progress	87.7	-
	201.2	**-**
Less: Closing stock:		
Finished goods	13,935.1	13,401.8
Stock-in-trade	6,127.5	5,152.1
Work-in-progress	2,388.4	1,293.3
	22,451.0	**19,847.2**
Effect of foreign exchange translation	731.3	128.2
TOTAL	**(1,671.2)**	**(1,901.3)**

3.23 Employee benefits expense:

(₹ in Million)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Salaries, wages and bonus	26,138.5	22,402.4
Contribution to provident and other funds **(refer note 3.28)**	1,474.2	1,258.3
Staff welfare expenses	709.7	712.4
Employee stock compensation expenses **(Refer note 3.41)**	48.7	166.1
TOTAL	**28,371.1**	**24,539.2**

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3.24 Finance costs:

(₹ in Million)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Interest expenses on		
-Bank overdraft and others at amortised cost	957.4	703.2
-Defined benefit liabilities (**Refer note 3.28**)	202.3	169.2
Other borrowing cost	448.1	344.6
TOTAL	**1,607.8**	**1,217.0**

3.25 Other expenses:

(₹ in Million)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Consumption of stores and spare parts	913.8	771.7
Power and fuel	1,710.3	1,689.9
Processing charges	993.7	600.3
Contract labour charges	1,665.5	1,406.9
Rent **(Refer note 3.29)**	109.8	100.8
Rates and taxes	348.5	279.3
Insurance	709.9	686.0
Marketing, advertisement and promotions	9,691.0	7,612.4
Selling and distribution expenses	4,579.0	4,483.8
Legal and professional fees	3,502.0	2,259.4
Sales commission	938.7	835.1
Travelling and conveyance	4,553.7	3,959.8
Repairs:		
- Buildings	339.3	148.8
- Plant and machineries	777.6	681.1
- Others	735.6	782.2
Loss on sale / write off of property, plant and equipments (net)	15.0	-
Commission to directors	18.6	18.3
Donation *	2.0	2.1
Communication and printing expenses	282.0	224.4
Vehicle expenses	292.5	266.3
Clinical and analytical charges	745.0	1,847.2
Expected credit loss on receivables	737.7	133.7
Corporate Social Responsibility (CSR) expenditure	362.1	377.8
Royalty expenses	151.9	161.2
License, registration & technology fees	1,578.1	945.2
Impairment loss	-	137.3
Miscellaneous expenses	2,018.5	1,930.9
TOTAL	**37,771.8**	**32,341.9**

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3.26 (a) Contingent Liabilities

(₹ in Million)

Sr. No.	Particulars	As at 31 March, 2026	As at 31 March, 2025
	Claims against the Group not acknowledged as debt:		
(i)	Sales Tax / Goods and services tax demand disputed in appeal	1,451.7	1,421.1
(ii)	Custom duty demand disputed in appeal	-	2.4
(iii)	Income Tax demand disputed in appeal	8,932.5	6,638.9
(iv)	Other matters: a. Supply of Goods: **₹ 0.9 Million** (31 March 2025: ₹ 1.4 Million) b. In relation to CCI: **₹ 746.3 Million** (31 March 2025: ₹ 746.3 Million) c. Legal Matters: Nil (31 March 2025: ₹ 0.4 Million)	747.2	748.1
Total		**11,131.4**	**8,810.5**

Notes

i) The Group's pending litigations comprise of proceedings pending with various direct tax, indirect tax and other authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its consolidated financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its consolidated financial statements.

ii) During the year, the Parent Company received an order amounting to ₹ 3,333.3 Million for Assessment Year 2023-24 from the Income Tax Department. The demand raised has been adjusted against the available MAT credit balance by the Income Tax Department. The Parent Company has thereafter filed an appeal before the Commissioner of Income Tax (Appeals) [CIT(A)], as its contentions were not accepted in the said order.

3.27 Commitments

(₹ in Million)

Sr. No.	Particulars	As at 31 March, 2026	As at 31 March, 2025
1	Estimated amount of contracts remaining to be executed on Capital Accounts - net off advances paid **₹ 434.6 Million** (31 March 2025: ₹ 410.9 Million)	2,319.8	1,043.4
2	Uncalled / Unpaid contribution towards investment in funds (Refer note 3.2)	3.0	17.7
3	Pending Export Obligation under advance licence / EPCG Scheme	157.8	80.6

Notes:

i) On 06 March 2026, Alkem Medtech Private Limited, a wholly-owned subsidiairy of the Parent Company has entered into a Share Purchase Agreement to acquire atleast 51% and upto 55% of the total issued equity share capital of M/s. Occlutech Holding AG (""Occlutech""), entity incorporated in Switzerland at an equity value of EUR 180.70 Million

The value of commitment has been presented considering acquisition of upto 55% at an exhange rate of INR 108.995 per Euro.

ii) During the year, the Board of the Parent Company has approved a capital expenditure of ₹ 10,360 Million for the establishment of a greenfield formulations manufacturing facility in Ujjain, Madhya Pradesh. The investment will be undertaken in a phased manner.

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to the consolidated financial statements for the year ended 31 March, 2026

3.28 Disclosure of Employee Benefits as per Indian Accounting Standard 19 is as under:

A. The Company and its Indian subsidiaries:

i) Defined contribution plans:

The Company and its Indian subsidiaries makes contributions towards provident fund. The Company and its Indian subsidiaries is required to contribute a specified percentage of salary cost to the Government Employee Provident Fund, Government Employee Pension Fund, Employee Deposit Linked Insurance and Employee State Insurance, which are recognised in the Consolidated Statement of Profit and Loss on accrual basis. Eligible employees receive the benefits from the said funds. Both the employees and the Company and its indian subsidiaries make monthly contribution to the said funds plan equal to a specific percentage of the covered employee's salary. The Company and its Indian subsidiaries has no obligations other than to make the specified contributions.

The Company and its Indian subsidiaries has recognised the following amounts in the Statement of Profit and Loss

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
- Contribution to Provident Fund	1,208.7	1,072.0
- Contribution to Employee state insurance corporation	14.5	17.4
Total	**1,223.2**	**1,089.4**

i) Defined benefit plan:

The Parent Company and its Indian subsidiaries earmarks liability towards unfunded Gratuity and Compensated absences and provides for payment to vested employees as under:

a) **On Normal retirement/ early retirement/ withdrawal/resignation:**
As per the provisions of Code on Social Security, 2020 with vesting period of 5 years of service.

b) **On death in service:**
As per the provisions of Code on Social Security, 2020 without any vesting period.

The most recent actuarial valuation of the present value of the defined benefit obligation for gratuity was carried out as at 31 March 2026 by an independent actuary. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The following table sets out the status of the gratuity plan and the amounts recognised in the Parent Company's and its Indian subsidiaries financial statements as at 31 March 2026:

(₹ in Million)

Sr. No.	Particulars	As at 31 March, 2026 (Unfunded)	As at 31 March, 2025 (Unfunded)
I)	**Reconciliation in present value of obligations (PVO) – defined benefit obligation :**		
	Current Service Cost	417.9	290.7
	Past Service Cost	843.5	-
	Interest Cost	193.7	169.2
	Actuarial (gain) / loss	(122.4)	218.1
	Additions on account of business combinations	16.9	-
	Benefits paid	(283.4)	(233.4)
	PVO at the beginning of the year	3,217.8	2,773.2
	PVO at end of the year	4,284.0	3,217.8
II)	**Reconciliation of PVO and fair value of plan assets:**		
	PVO at end of year	4,284.0	3,217.8
	Funded status	(4,284.0)	(3,217.8)
	Net (liability) recognised in the balance sheet	(4,284.0)	(3,217.8)

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(₹ in Million)

Sr. No.	Particulars	As at 31 March, 2026 (Unfunded)	As at 31 March, 2025 (Unfunded)
III)	**Net cost for the year**		
	Current Service cost	417.9	290.7
	Past Service Cost	843.5	-
	Interest cost	193.7	169.2
	Actuarial (gain) / loss	(122.4)	218.1
	Net cost	1,332.7	678.0
IV)	**Assumption used in accounting for the gratuity plan:**		
	Discount rate (%)	6.71% - 7.83%	6.56% - 6.70%
	Attrition rate (%)	10% - 26%	10% - 22%
	Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
	Salary escalation rate (%)	7% - 11%	7% - 10%

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Salary escalation rate: The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Attrition rate: (10% to 26 % per annum for year ending March 26 and 10% to 22% for the year endeing March 25) considered is the management's estimate based on the past long-term trend of employee turnover in the Company. The tenure has been considered taking into account the past long-term trend of employees' average remaining service life which reflects the average estimated term of post-employment benefit obligation.

Maturity profile of defined benefit obligation

Projected benefits payable in future years from the date of reporting	As at 31 March, 2026	As at 31 March, 2025
1st following year	1,360.1	1,058.4
2nd following year	475.3	358.6
3rd following year	406.3	313.0
4th following year	377.8	309.7
5th following year	349.3	281.7
Sum of years 6th to 10th	1,319.2	1,116.2
Sum of years 11th and above	1,493.5	1,605.4

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	31 March, 2026		31 March, 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(255.6)	328.3	(144.4)	162.2
Future salary growth (1% movement)	268.7	(205.8)	168.6	(154.1)

The mortality and attrition does not have a significant impact on the liability, hence are not considered a significant actuarial assumption for the purpose of sentitivity analysis.

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is **4.9-8 years** (Previous year: 4.47 - 10.9 years)

Notes

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iii) 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 policy with corresponding charge to the statement of profit and loss amounting to **₹ 465.6 Million** [31 March, 2025: ₹ 419.7 Million] and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.

Funded gratuity plan:

The following table sets out the status of the gratuity plan and the amounts recognised as at 31 March 2026 in one of Indian subsidiary of the Parent; wherein the gratuity is funded:

(₹ in Million)

Sr. No.	Particulars	As at 31 March, 2026 (Unfunded)	As at 31 March, 2025 (Unfunded)
I)	**Reconciliation in present value of obligations (PVO) – defined benefit obligation :**		
	Current Service Cost	13.8	-
	Past Service Cost	45.5	-
	Interest Cost	10.3	-
	Actuarial (gain) / loss	(0.2)	-
	Benefits paid	(35.0)	-
	PVO at the beginning of the year	-	-
	PVO at end of the year	34.4	-
II)	**Reconciliation of PVO and fair value of plan assets:**		
	PVO at end of the year	34.4	-
	Actuarial gain/(losses) on plan assets	(1.7)	-
	Contribution towards plan assets	46.6	-
	Unrecognised actuarial gain/ (loss)	1.8	-
	Net asset/ (liability) recognised in the balance sheet	12.3	-
III)	**Net cost for the year**		
	Current Service cost	13.8	-
	Past Service Cost	45.5	-
	Interest cost	10.3	-
	Expected return on plan assets	(1.8)	-
	Actuarial (gain) / loss	1.5	-
	Net cost	69.2	-
IV)	**Assumption used in accounting for the gratuity plan:**		
	Discount rate (%)	7.22%	
	Attrition rate (%)	7%-25%	
	Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	
	Salary escalation rate (%)	5%	

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Salary escalation rate: The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Attrition rate: (7% to 25 % per annum for year ending March 26) considered is the management's estimate based on the past long-term trend of employee turnover in the Company. The tenure has been considered taking into account the past long-term trend of employees' average remaining service life which reflects the average estimated term of post-employment benefit obligation.

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Maturity profile of defined benefit obligation

Projected benefits payable in future years from the date of reporting	As at 31 March, 2026	As at 31 March, 2025
1st following year	39.8	-
2nd following year	29.1	-
3rd following year	31.4	-
4th following year	16.6	-
5th following year	17.8	-
Sum of years 6th to 10th	71.5	-
Sum of years 11th and above	92.4	-

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	31 March, 2026		31 March, 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(8.9)	9.9	-	-
Future salary growth (1% movement)	6.7	(6.3)	-	-

The mortality and attrition does not have a significant impact on the liability, hence are not considered a significant actuarial assumption for the purpose of sentitivity analysis.

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 7.22 - 7.28 years.

Other long term benefit plan:

Actuarial Valuation for compensated absences is done as at the year end and the provision is made as per one of Indian subsidiary of the Parent policy with corresponding charge to the statement of profit and loss amounting to **₹ 30.6 Million** and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.

B. Foreign subsidiaries:

i) Defined contribution plans:

The foreign subsidiaries have recognised **₹ 251.1 Million** (31 March 2025: ₹168.8 Million) in the Statement of Profit and Loss towards contribution to various funds.

ii) Defined benefit plan:

Alkem Laboratories Corporation, Philippines ("ALC"):

ALC does not have an established retirement plan and only conforms to the minimum regulatory benefit under R.A. 7641 which is of defined benefit type and provides a retirement benefit equal to 22.5 days pay for every year of credited service for employees who attain the normal retirement age of 60 years old with at least five years of credited service. The regulatory benefit is paid in lump-sum upon retirement. For the years ended 31 March 2026 and 31 March 2025, ALC post - employment defined benefit obligation amounted to **₹ 10.2 Million** (PHP 6.6 Million) and **₹ 9.0 Million** (PHP 6.1 Million), respectively.

In determining the amounts of the retirement benefit obligation, the following significant actuarial assumptions were used:

Discount rate - **6.26 %** (31 March 2025 - 6.26%)
Expected salary increase rate - **3.00%** (31 March 2025 - 3.00%)

Particulars	As at 31 March 2026	As at 31 March 2025
Reconciliation in present value of obligations (PVO) – defined benefit obligation :		
Current Service Cost	1.7	1.7
Payments made during the year	(0.4)	-
PVO at the beginning of the year	9.0	7.3
PVO at end of the year	10.3	9.0

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3.29 Leases

Leases as lessee

i. Right of use assets

Right-of-use assets related to leased properties.

(₹ in Million)

Particulars	As at 31 March, 2026			As at 31 March, 2025		
	Land	Buildings	Total	Land	Buildings	Total
Opening balance	221.0	3,001.2	3,222.2	487.9	1,983.9	2,471.7
Depreciation for the year	(7.3)	(571.7)	(579.0)	(7.6)	(330.0)	(337.6)
Assets Acquired in a Business Combination	-	13.2	13.2	-	-	-
Additions to right of use assets	-	1,207.8	1,207.8	3.60	1,375.7	1,379.3
Adjustments to right of use assets	-	(95.1)	(95.1)	-	(24.3)	(24.3)
Transfer to assets held for sale	-	-	-	(262.9)	-	(262.9)
Foreign exchange differences	-	187.5	187.5	-	(1.1)	(1.1)
Closing Balance	**213.7**	**3,742.9**	**3,956.6**	221.0	3,001.2	3,222.2

ii. Lease liability

(₹ in Million)

Particulars	As at 31 March, 2026			As at 31 March, 2025		
	Land	Buildings	Total	Land	Buildings	Total
Maturity analysis of lease liability - undiscounted contractual cash flows						
Less than one year	-	853.5	853.5	-	542.8	542.8
One to three years	-	1,360.4	1,360.4	-	1,399.0	1,399.0
More than three years	-	6,340.2	6,340.2	-	2,785.8	2,785.8
Total undiscounted cash flows	**-**	**8,554.1**	**8,554.1**	**-**	**4,727.6**	**4,727.6**
Current (Discounted)	-	468.8	468.8	-	506.9	506.9
Non-current (Discounted)	-	3,767.8	3,767.8	-	2,674.2	2,674.2

iii. Amount recognised in profit or loss

(₹ in Million)

Particulars	For the Year ended 31 March, 2026			For the Year ended 31 March, 2025		
	Land	Buildings	Total	Land	Buildings	Total
General and administrative expenses						
Short-term lease rent expense	2.9	106.9	109.8	2.9	97.9	100.8
Depreciation and impairment losses						
Depreciation of right of use lease asset	7.3	571.7	579.0	7.6	330.0	337.6
Foreign exchange difference	-	56.2	56.2	-	11.3	11.3
Finance cost						
Interest expense on lease liability	2.8	258.4	261.2	2.8	162.3	165.1
	13.0	**993.2**	**1,006.2**	13.3	601.5	614.9

iv. Amount recognised in statement of cash flows

(₹ in Million)

Particulars	For the Year ended 31 March, 2026			For the Year ended 31 March, 2025		
	Land	Buildings	Total	Land	Buildings	Total
Cash outflow for short-term leases	2.9	106.9	109.8	2.9	97.9	100.8
Principal component of cash outflow for long-term leases	-	410.4	410.4	-	316.5	316.5
Interest component of cash outflow for long-term leases	2.8	258.4	261.2	2.8	162.3	165.1
Total cash outflow for leases	**5.7**	**775.7**	**781.4**	**5.7**	**576.7**	**582.4**

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v. Movement of lease liabilities

(₹ in Million)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Opening balance of lease liability	3,181.1	2,044.4
Addition to lease liability	1,080.2	1,351.0
On account of Business Combination	13.4	-
Interest on lease liability	261.2	165.1
Transfer to assets held for sale	-	(62.9)
Repayment of lease liability	(410.4)	(316.5)
Transferred to Pre-Operative account	111.1	-
Closing lease liability	**4,236.6**	**3,181.1**

The weighted average incremental borrowing rate applied to lease liability is in the range of **6.67% to 8.10%** (31 March, 2025: 7.73% to 8.76%).

3.30 Segment Reporting

Basis for Segmentation

The operations of the Group are limited to one segment viz. Pharmaceuticas.

The operating segments are reported in a manner consistent with the internal reporting provided to the Group's Chief Operating Decision Maker (CODM). The CODM has been identified as the Executive Chairman of the Group who reviews the internal management reports prepared based on an aggregation of financial information for all entities in the Group (adjusted for intercompany eliminations, adjustments etc.) on a periodic basis.

Entity-wide disclosures

The below information analyses the group's revenues and non-current assets by the Group's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of customers and segment assets have been based on the geographic location of the assets.

(₹ in Million)

Sr. No.	Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
a)	**Revenue from Operations:**		
	Country of Domicile - India	99,749.1	91,435.7
	United States of America	29,623.8	24,817.6
	Other Countries	17,749.8	13,391.9
		1,47,122.7	**1,29,645.2**
b)	**Non-current assets (Refer note below)**		
	Country of Domicile - India	27,423.2	23,867.5
	United States of America	13,538.0	9,614.3
	Other Countries	567.0	522.0
		41,528.2	**34,003.8**

Note:-

Non-current assets for this purpose consist of Property, Plant and Equipments, Right of use assets, Capital work in progress, Intangible assets, Intangible assets under development and Goodwill.

c) The Group did not have any external revenue from a particular customer which exceeded 10% of total revenue during the year.

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3.31 Information on related party transactions as required by Indian Accounting Standard 24 (Ind AS 24) on related party disclosures

The Group's prinicipal related parties consist of Key Managerial Personnel ("KMP"), Close Members of KMP and entities in which KMP and their Close Members have significant influence ("Affiliates").

A. Key Managerial Personnel

Mr. Basudeo Narain Singh	Executive Chairman
Mr. Mritunjay Kumar Singh	Executive Director
Mr. Sandeep Singh	Managing Director
Mr. Sarvesh Singh	Executive Director
Mr. Srinivas Singh	Executive Director
Mrs. Madhurima Singh	Executive Director
Mr. A.K.Purwar (upto 12 July, 2025)	Independent Director
Ms. Sangeeta Singh (upto 12 July, 2025)	Independent Director
Ms. Sudha Ravi (upto 12 July, 2025)	Independent Director
Mr. Sujjain Talwar	Independent Director
Mr. Rajeev Kher	Independent Director
Mr. Narendra Kumar Aneja	Independent Director
Mr. Ranjal Laxmana Shenoy (w.e.f. 13 July, 2025)	Independent Director
Ms. Neela Bhattacherjee (w.e.f. 13 July, 2025)	Independent Director
Mr. Diwakar Gupta (w.e.f. 13 July, 2025)	Independent Director
Dr. Vikas Gupta	Chief Executive Officer
Mr. Nitin Agrawal	President - Finance & Chief Financial Officer
Mr. Manish Narang	President - Legal & Company Secretary

B. Close Members of Key Managerial Personnel with whom transaction have taken place during the year

Mr. Satish Kumar Singh	Father of Sandeep Singh and Sarvesh Singh
Mrs. Archana Singh	Daughter of Basudeo Narain Singh
Mr. Sarandhar Singh	Son of Late Balmiki Prasad Singh and Brother of Srinivas Singh
Mrs. Manju Singh	Wife of Late Balmiki Prasad Singh and Mother of Srinivas Singh
Mrs. Premlata Singh	Mother of Sandeep Singh and Sarvesh Singh
Mrs. Seema Singh	Wife of Mritunjay Kumar Singh
Ms. Divya Singh	Daughter of Madhurima Singh
Mr. Aniruddha Singh	Son of Madhurima Singh
Ms. Meghna Singh	Daughter of Mritunjay Kumar Singh
Mr. Shrey Shree Anant Singh	Son of Mritunjay Kumar Singh
Ms.Inderjit Arora	Wife of Sandeep Singh
Mrs. Annapurna Singh	Wife of Sarvesh Singh
Mr. Sreejan Shandilya	Husband of Madhurima Singh's Daughter

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C. Others (Entities in which the KMP, Independent Directors and relatives of KMP have control or Significant influence)

Shivanika Foods Private Limited
4Ever 4 Ward Private Limited
Samnan Chemical Private Limited
Shreenika Pioneering Inc.
Nikki Arora Fine Jewellery LLP
India Realty Excellence Fund II LLP
Sureet Propkem Private Limited
Maaiya Social Change Front Foundation
Prospera Ventures Private Limited
Travelon Services Private Limited
IIFL Finance Ltd (Formerly IIFL Holdings Ltd)
Jindal Panther Cement Pvt. Ltd.
Eroute Technologies Pvt Ltd
Jindal Global Capability Centre Pvt Ltd
Sanguine Consultants
Integrated Mumbai Business Park (India) Private Limited (Dubai Ports World)
Integrated Chennai Business Park (India) Private Limited (Dubai Ports World)
Fomento Resorts and Hotels Private Limited
Ascend Laboratories LLC, USA
Economics Law Practice
Aneja Management Consultants Private Limited
Aneja Assurance Private Limited
Aneja Advisory Private Limited
ANSA & Associates LLP
Okiyo Terraces Private Limited
Kukui Advisors (SPOC) Private Limited
Samprada & Nanhamati Singh Family Trust
Amplira Ventures LLP
Basudeo N. Singh HUF
Samnan Bioscience Private Limited
ABCD Technologies LLP
Amplira Group LLP
Amplira Capital Management LLP
Accelya Solutions India Limited

Details of Transactions with Related Parties

(₹ in Million)

Sr. No.	Particulars	Year ended 31 March 2026			
		Key Managerial Personnel	Close Members of Key Managerial Personnel	Affiliates	Total
		A	B	C	
1	Remuneration*	1,174.4	178.7	-	1,353.1
		(1,103.0)	(161.2)	-	(1,264.2)
2	Consultancy fees paid	-	3.0	-	3.0
		-	(3.0)	-	(3.0)
3	Rent expenses	3.2	1.1	-	4.3
		(3.3)	(1.1)	-	(4.4)
4	Dividend paid	846.1	634.6	1,678.8	3,159.5
		(731.9)	(657.4)	(1,386.4)	(2,775.7)
5	Reimbursement of expenses from	113.3	3.2	-	116.5
		(105.1)	(1.1)	-	(106.2)

Figures in the brackets are the comparative figures of the previous year.

*Key managerial personnel remuneration

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Key managerial personnel remuneration comprise the following :

(₹ in Million)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Short term employee benefits	1,041.5	1,001.8
Post-employment benefits	125.9	82.3
Other long-term benefits	7.0	18.9
Total	**1,174.4**	**1,103.0**

Based on the recommendation of the Nomination and Remuneration Committee, all decisions relating to the remuneration of the directors are taken by the Board of Directors of the Parent Company, are in accordance with shareholders' approval.

All related party transactions are made in the normal course of business and on terms equivalent to those that prevail in an arm's length transactions.

3.32 The aggregate amount of revenue expenditure incurred during the year on Research and Development and shown in the respective heads of account is **₹ 6,173.0 Million** (31 March 2025: ₹ 5,620.0 Million).

3.33 Earnings per share (EPS)

(₹ in Million)

Particulars			For the year ended 31 March, 2026	For the year ended 31 March, 2025
Profit for the year attributable to Owners of the Company	₹ in Million	A	23,018.0	21,654.8
Weighted average number of equity shares outstanding	Nos.	B	11,95,65,000	11,95,65,000
Basic and diluted earnings per equity share (₹) - Face value of ₹ 2 per share	In ₹	(A / B)	192.51	181.11

3.34 Disclosure as per Ind AS 115 'Revenue from Contracts with Customers' is as under:

Liability towards anticipated sales return:

The Group as a trade practice, accepts sales return from market which are primarily in the nature of expired or near expiry products. Liability is calculated for such returns on the basis of historical experience, market conditions and specific contractual terms. The Group expects to settle the majority of the liability over 2- 3 years.

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Carrying amount at the beginning of the year	3,077.1	2,927.5
Add: Liability accrued during the year	3,948.1	3,425.9
Less: Amount utilized during the year	3,320.4	3,276.3
Carrying amount at the end of the year	**3,704.8**	**3,077.1**

Liability towards rebates:

The Group provides the rebate to the customers based on the contractual agreement executed between the group and the insurance agencies. Liability is calculated in the books for the rebates amounts based on the details of sales made to the customers and actual liability arises on account of rebate invoices received from the insurance agencies.

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Carrying amount at the beginning of the year	1,468.7	1,414.6
Add: Liability accrued during the year	2,719.7	911.1
Less: Amount utilized during the year	3,006.5	857.0
Carrying amount at the end of the year	**1,181.9**	**1,468.7**

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(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Non-current liability	1,458.6	1,270.9
Current liability	3,428.1	3,274.9
Total	**4,886.7**	**4,545.8**

3.35 Dividend paid and proposed

Dividends on equity shares were declared and paid by the Parent Company during the year

(₹ in Million)

Particulars	Dividend Per Equity Share (₹)	Year ended 31 March 2026 (₹ in Million)	Dividend Per Equity Share (₹)	Year ended 31 March 2025 (₹ in Million)
Dividend on equity shares	51.00	6,097.8	42.00	5,021.7
Total		**6,097.8**		**5,021.7**

After the reporting date, the following dividend was proposed by the Board of Directors of the Parent Company in its meeting held on 28 May 2026 (previous year: in the Board meeting held on 29 May 2025) subject to the approval at the annual general meeting. Proposed dividend has not been recognised as a liability.

(₹ in Million)

Particulars	Dividend Per Equity Share (₹)	Year ended 31 March 2026 (₹ in Million)	Dividend Per Equity Share (₹)	Year ended 31 March 2025 (₹ in Million)
Final Dividend on Equity Shares	10.00	1,195.7	8.00	956.5
Total		**1,195.7**		**956.5**

3.36 Impairment testing for cash generating unit (CGU) containing goodwill

The goodwill at each CGU level and goodwill acquired separately are tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount is less than its carrying value. The recoverable amount is based on a value-in-use calculation using the discounted cash flow method. The value-in-use calculation is made using pre-tax Budgeted EBITDA projections of the next five years and the Terminal Value at the end of the fifth year (after considering the relevant long-term growth rate) which is considered by the Board as a reasonable period given the long development and life cycle of medicine.

Goodwill acquired through business combinations with indefinite lives has been allocated to the following CGU's

(₹ in Million)

Name of the Entities	As at 31 March, 2026	As at 31 March, 2025
Goodwill		
The PharmaNetwork LLC, United States of America	2,861.4	2,567.9
Pharmacor Pty Ltd, Australia	204.3	169.0
Enzene Biosciences Limited, India	106.0	106.0
Cachet Pharmaceuticals Private Limited, India	487.9	487.9
Indchemie Health Specialities Private Limited, India	900.3	900.3
Adriot Biomed Limited, India	389.6	-
Alkem MedTech Ortho Private Limited, India	286.9	-
Total	**5,236.4**	**4,231.1**

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The table below shows the key assumptions used in the value in use calculations for goodwill at each CGU level:

Particulars	Pre-tax adjusted discount rate (in %)	Long-term growth rate (in %)
The PharmaNetwork LLC, United States of America	11.5%	2.0%
Enzene Biosciences Limited, India	17.3%	2.0%
Pharmacor Pty Ltd, Australia	12.0%	1.0%
Cachet Pharmaceuticals Private Limited, India	12.0%	3.0%
Indchemie Health Specialities Private Limited, India	12.0%	3.0%
Adriot Biomed Limited, India	16.7%	5.0%
Alkem MedTech Ortho Private Limited, India	20.5%	5.0%

Key assumptions used in the value-in-use calculations

Assumptions	How determined
Long-term growth rate	The growth rates are based on industry growth forecasts. Management determines the budgeted growth rates based on past performance and its expectations on market development. The weighted average growth rates used were consistent with industry reports.
Pre-tax risk adjusted discount rate	Management estimates discount rates using pre-tax rates that reflect current market assessments of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the respective entities and its operating segments and is derived from its weighted average cost of capital (WACC).

These assumptions are reviewed annually as part of management's budgeting and strategic planning cycles. These estimates may differ from actual results. The values assigned to each of the key assumptions reflect the Management's past experience as their assessment of future trends, and are consistent with external / internal sources of information.

Based on the above assumptions and analysis, no impairment was identified for any of the CGU and for goodwill acquired separately as at 31 March 2026 and 31 March 2025 as the recoverable value of the CGU and goodwill acquired separately exceeded the carrying value.

The Group has also performed sensitivity analysis calculations on the projections used and discount rate applied. Group has concluded that, given the significant headroom that exists, and the results of the sensitivity analysis performed, there is no significant risk that reasonable changes in any key assumptions would cause the carrying value of goodwill to exceed its value in use.

3.37 Non-controlling interest (NCI)

The following table summarises the information relating to each of the Group's subsidiaries that has non-controlling interest, before any intra-group eliminations.

31 March 2026

(₹ in Million)

Particulars	Cachet Pharmaceuticals Private Limited	Indchemie Health Specialities Private Limited	Enzene Biosciences Limited, India	Total
Non-controlling interest percentage	39.4%	49.0%	0.45%	
Non- current assets	604.5	3,425.6	14,197.8	18,227.9
Current assets	2,500.2	4,468.8	6,047.8	13,016.8
Non-current liabilities	226.2	1,088.2	7,716.5	9,030.9
Current liabilities	1,215.3	1,337.7	4,803.8	7,356.8
Net assets	**1,663.2**	**5,468.5**	**7,725.3**	**14,857.0**

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(₹ in Million)

Particulars	Cachet Pharmaceuticals Private Limited	Indchemie Health Specialities Private Limited	Enzene Biosciences Limited, India	Total
Net assets attributable to the non-controlling interest	654.7	2,679.6	34.8	3,369.1
Add: Transactions with NCI **(Refer note 3.17)**	-	-	1,614.8	1,614.8
Add: Transactions with NCI current year			304.4	304.4
Total attributable to NCI	**654.7**	**2,679.6**	**1,954.0**	**5,288.3**
Revenue from operations	4,807.8	7,583.8	4,923.2	17,314.8
Total Expenses	4,268.5	6,683.3	6,657.0	17,608.8
Profit/(loss) after tax	416.3	686.8	(1,504.9)	(401.8)
Other comprehensive income (net of tax)	(1.1)	28.2	157.1	184.2
Total comprehensive income	**415.2**	**715.0**	**(1,347.8)**	**(217.6)**
Profit/(loss) allocated to non-controlling interest	163.9	336.5	(6.8)	493.6
Changes in proportion held by non-controlling interest	-	-	27.3	27.3
Profit/(loss) attributable to Non-Controlling Interest (a)	163.9	336.5	20.5	520.9
Other comprehensive income allocated to non-controlling interest (b)	(0.4)	13.8	0.7	14.1
Total comprehensive income allocated to non-controlling interest (a + b)	**163.5**	**350.3**	**21.2**	**535.0**
Cash flows from operating activities	134.7	648.0	(264.5)	518.2
Cash flows from investing activities	(116.1)	(405.0)	(3,552.5)	(4,073.6)
Cash flows from financing activities	(14.8)	(215.0)	4,379.3	4,149.5
Net increase (decrease) in cash and cash equivalents	**3.8**	**28.0**	**562.3**	**594.1**

31 March 2025

(₹ in Million)

Particulars	Cachet Pharmaceuticals Private Limited	Indchemie Health Specialities Private Limited	Enzene Biosciences Limited, India	Total
Non-controlling interest percentage	39.4%	49.0%	0.24%	
Non- current assets	866.7	2,934.6	10,745.6	14,546.9
Current assets	1,742.1	4,072.2	5,103.8	10,918.1
Non-current liabilities	193.7	972.9	4,848.5	6,015.1
Current liabilities	1,167.1	1,201.9	5,248.4	7,617.4
Net assets	**1,248.0**	**4,832.0**	**5,752.5**	**11,832.5**
Net assets attributable to the non-controlling interest	491.3	2,367.7	13.8	2,872.8
Add: Transactions with NCI (Refer Note no. 3.17)	-	-	1,614.8	1,614.8
Total attributable to NCI	**491.3**	**2,367.7**	**1,628.6**	**4,487.6**
Revenue from operations	4,593.6	7,111.8	3,636.2	15,341.7
Total expenses	4,190.2	6,440.0	4,925.0	15,555.2
Profit/(loss) after tax	430.9	677.0	(974.9)	133.0
Other comprehensive income (net of tax)	(12.1)	(11.5)	26.5	2.9
Total comprehensive income	**418.8**	**665.5**	**(948.4)**	**135.9**
Profit/(loss) allocated to non-controlling interest	169.6	331.7	(2.3)	499.0
Changes in proportion held by non-controlling interest	-	-	-	-
Profit attributable to Non-Controlling Interest (a)	169.6	331.7	(2.3)	499.0

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to the consolidated financial statements for the year ended 31 March, 2026

(₹ in Million)

Particulars	Cachet Pharmaceuticals Private Limited	Indchemie Health Specialities Private Limited	Enzene Biosciences Limited, India	Total
Other comprehensive income allocated to non-controlling interest (b)	(4.8)	(5.6)	0.1	(10.3)
Total comprehensive income allocated to non-controlling interest (a + b)	**164.9**	**326.1**	**(2.3)**	**488.7**
Cash flows from operating activities	294.2	301.2	(864.3)	(269.0)
Cash flows from investing activities	(174.1)	(51.1)	(3,486.8)	(3,712.0)
Cash flows from financing activities	(34.8)	(250.8)	2,518.3	2,232.7
Net increase (decrease) in cash and cash equivalents	**85.3**	**(0.7)**	**(1,832.8)**	**(1,748.2)**

3.38 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The Group uses the following hierarchic structure of valuation methods to determine and disclose information about the fair value of financial instruments:

Level 1: Observable prices in active markets for identical assets and liabilities;

Level 2: Observable inputs other than quoted prices in active markets for identical assets and liabilities;

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities

(₹ in Million)

Particulars	As at 31 March, 2026							
	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	-	-	2,479.1	2,479.1	-	-	-	-
Other bank balances	-	-	14,849.9	14,849.9	-	-	-	-
Non-current investments	2,163.3	-	9,151.7	11,315.0	-	2,163.3	-	2,163.3
Current investments	2,312.7	-	5,060.4	7,373.1	2,312.7	-	-	2,312.7
Current loans	-	-	66.3	66.3	-	-	-	-
Trade receivables	-	-	29,791.1	29,791.1	-	-	-	-
Other non-current financial assets	-	-	12,157.4	12,157.4	-	-	-	-
Other current financial assets	-	-	25,225.2	25,225.2	-	-	-	
	4,476.0	**-**	**98,781.1**	**1,03,257.1**	**2,312.7**	**2,163.3**	**-**	**4,476.0**
Financial liabilities								
Non Current borrowings	-	-	4,924.5	4,924.5	-	-	-	-
Current borrowings	-	-	11,310.5	11,310.5	-	-	-	-
Trade payables	-	-	22,441.8	22,441.8	-	-	-	-
Lease liabilities	-	-	4,236.6	4,236.6	-	-	-	-
Other financial liabilities	-	-	9,204.8	9,204.8	-	-	-	-
	-	**-**	**52,118.2**	**52,118.2**	**-**	**-**	**-**	**-**

The above table excludes other non-current financial liabilities amounting to **₹ 2,614.5 Million** valued using the fair value methodology (Level 3). The changes in fair value has been accounted directly through other equity.

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(₹ in Million)

Particulars	As at 31 March, 2025							
	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	-	-	3,041.4	3,041.4	-	-	-	-
Other bank balances	-	-	12,589.4	12,589.4	-	-	-	-
Non-current investments	2,004.7	-	7,427.7	9,432.4	-	2,004.7	-	2,004.7
Current investments	7,706.2	-	1,316.4	9,022.6	6,959.2	-	747.0	7,706.2
Current loans	-	-	90.4	90.4	-	-	-	-
Trade receivables	-	-	24,662.5	24,662.5	-	-	-	-
Other non-current financial assets	-	-	4,753.6	4,753.6	-	-	-	-
Other current financial assets	-	-	21,154.8	21,154.8	-	-	-	-
Total	**9,710.9**	**-**	**75,036.1**	**84,747.2**	**6,959.2**	**2,004.7**	**747.0**	**9,710.8**
Financial liabilities								
Non Current borrowings	-	-	3,109.1	3,109.1	-	-	-	-
Current borrowings	-	-	7,518.8	7,518.8	-	-	-	-
Trade payables	-	-	19,373.5	19,373.5	-	-	-	-
Lease liabilities	-	-	3,181.1	3,181.1	-	-	-	-
Other current financial liabilities	-	-	9,204.3	9,204.3	-	-	-	-
Total	**-**	**-**	**42,386.8**	**42,386.8**	**-**	**-**	**-**	**-**

The above table excludes other non-current financial liabilities amounting to ₹ 2,244.2 Million valued using the fair value methodology (Level 3). The changes in fair value has been accounted directly through other equity.

B. Measurement of fair values

The Management assessed that cash and bank balances, trade receivables, trade payables, cash credit and other financial assets and liabilities approximate their carrying amounts largely due to short-term maturities of these instruments.

The following methods and assumptions were used to estimate the fair value

a) **Level 1:** The fair value of the quoted investments/units of mutual fund scheme are based on market price/net asset value at the reporting date.

b) **Level 2:** The fair value of financial instruments that are not traded in an active market (i.e. venture capital funds) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates.

c) **Level 3:** The fair value of the remaining financial instrument is determined using discounted cash flow method. The discount rates used is based on management estimates.

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements:

Details about the methods used to determine the amount of fair value change attributable to change in credit risk including an explanation of why the method is appropriate.

Type	Level	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investment in Avenue Venture Real Estate Fund	Level 3	Income approach (Discounted cash flow method): The valuation model is based on expected EBITDA of the investee.	Revenue, Cost of construction, absorption timelines	The estimated fair value would increase/(decrease) if: • the sale price were higher /(lower); • the cost of construction were lower /(higher); or • the absorption timelines will decrease / (increase).

There have been no transfers between Level 1 and Level 2 during the year.

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Level 3 fair values

Reconciliation of Level 3 fair values

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values of Investment in Avenue Venture Real Estate Fund.

Particulars	₹ in Million
Opening Balance (1 April 2024)	1,012.6
Net change in fair value (unrealised)	(25.8)
Repayment	(200.3)
Provision towards investment	(39.5)
Closing Balance (31 March 2025)	**747.0**
Net change in fair value (unrealised)	-
Repayment	-
Provision towards investment (Refer note 3.43)	(747.0)
Closing Balance (31 March 2026)	**-**

Transfer out of Level 3

There has been no transfer out of Level 3 during the year.

Sensitivity analysis

For the fair values of Avenue Venture Real Estate Fund investment possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects.

Particulars	31 March, 2026		31 March, 2025	
	Profit or loss		Profit or loss	
	Increase	Decrease	Increase	Decrease
Significant unobservable inputs				
Sale Price - 5%	-	-	18.2	(18.2)
Cost of Construction - 5%	-	-	(6.0)	6.0
Absorption Timelines - 1 Year	-	-	(24.6)	23.9

The Group has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

Risk management framework

The Parent Company's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to the limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

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i. 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. The Group is exposed to credit risk from its operating activites (primarily trade receivables) and from its financing/investing activities, including investments in debt securities, deposits with banks, equity securities, venture capital and mutul fund investments. The Group has no significant concentration of credit risk with any counterparty.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, and in some cases bank references. Payment terms with customers vary depending upon the contractual terms of each contract. Sale limits are established for each customer and reviewed quarterly.

The maximum exposure to credit risk for trade receivables by geographic region is as follows:

(₹ in Million)

	Carrying amount	
	31 March, 2026	31 March, 2025
India	8,916.1	9,176.1
US	14,248.5	11,142.1
Other regions	6,626.5	10,275.6
	29,791.1	**24,662.5**

No single customer's balance was more than 10% of the total receivables. (Nil as at 31 March 2025)

Impairment

As per the simplified approach, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivable are due and the rates as given in the provision matrix.

Refer note 3.8 for ageing of trade receivables that were not impaired.

Management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

(₹ in Million)

	For the year ended	
	31 March, 2026	31 March, 2025
Balance as at the beginning of the year	795.4	913.5
Expected credit loss on receivables	737.7	133.7
Amounts written back	(169.9)	(251.8)
Balance as at the end of the year	**1,363.1**	**795.4**

Investments, Cash and Cash equivalents and Bank Deposits

Credit risk on cash and cash equivalents, deposits with banks is generally low as the said deposits have been made with the banks who have been assigned high credit rating by international and domestic credit rating agencies.

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Investments of surplus funds are made only with approved financial institutions. Investments primarily include investments in mutual funds, venture capital funds, quoted bonds and non-convertible debentures. These mutual funds and counterparties have low credit risk.

Total value of investments, cash and cash equivalents and bank deposits as on 31 March 2026 is **₹ 63,764.4 Million** (31 March 2025: ₹ 58,198.6 Million)

Debt securities:

The Group has an exposure of **₹ 13,864.8 Million** as at 31 March 2026 (31 March 2025: ₹ 8,420.3 Million) for debt securities classified as financial asset measured at amortised cost. All the debt securities have been issued by companies registered in India in Indian Rupees.

There has been no allowance for impairment in respect of such debt securities - financial asset measured at amortised cost till 31 March 2026.

Credit Rating of debt securities is given below:

(₹ in Million)

Credit Rating	31 March, 2026	31 March, 2025
A +	10.0	-
A1 +	5.0	5.0
AA	145.7	125.6
AA -	99.9	74.4
AA +	1,340.8	1,261.5
AAA	12,263.4	6,953.8
Not Rated	-	-
Total	**13,864.8**	**8,420.3**

The Group did not have any debt securities that were past due but not impaired at 31 March 2026 and 31 March 2025. The Group has no collateral in respect of these investments.

ii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's trade receivables are due for maturity within one to four months from the date of billing to the customer. Further, the general credit terms for trade payables are approximately 45 - 60 days. The difference between the above mentioned credit period provides sufficient headroom to meet the short-term working capital needs for day-to-day operations of the Group. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, are retained as Cash and Investment in short term deposits with banks. The said investments are made in instruments with appropriate maturities and sufficient liquidity.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ in Million)

		Contractual cash flows					
31 March, 2026	**Carrying amount**	**Total**	**2 months or less**	**2-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-derivative financial liabilities							
Non current borrowings	5,152.5	5,152.5	228.0	-	868.7	3,225.9	829.9
Current borrowings	11,082.4	11,082.5	8,871.5	2,211.0	-	-	-
Trade Payables	22,441.8	22,441.8	22,049.1	392.7	-		

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(₹ in Million)

31 March, 2026	Contractual cash flows						
	Carrying amount	Total	2 months or less	2-12 months	1-2 years	2-5 years	More than 5 years
Other Non current Financial Liabilities	4,077.0	4,077.0	972.5	269.3	215.7	2,614.5	5.0
Other Current Financial Liabilities	7,742.3	7,742.3	6,323.9	1,292.4	65.7	60.3	-
Total	**50,496.0**	**50,496.0**	**38,445.0**	**4,165.3**	**1,150.1**	**5,900.7**	**834.9**

(₹ in Million)

31 March, 2025	Contractual cash flows						
	Carrying amount	Total	2 months or less	2-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Non current borrowings	3,279.0	4,072.5	38.0	344.1	492.4	1,996.4	1,201.6
Current borrowings	7,348.9	7,348.9	7,348.9	-	-	-	-
Trade payables	19,373.6	18,393.6	6,829.0	11,564.5	-	-	-
Other non current financial liabilities	3,539.9	3,539.9	48.5	265.8	981.4	-	2,244.2
Other current financial liabilities	6,948.4	5,890.3	5,699.6	88.0	60.8	41.9	-
Total	**40,489.7**	**39,245.1**	**19,964.0**	**12,262.4**	**1,534.6**	**2,038.3**	**3,445.8**

iii. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Group is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

Currency risk

The Group is exposed to currency risk on account of its borrowings, other payables, receivables and loans and advances in foreign currency. The Group has exposure to EUR, GBP, USD, AUD, CAD, SAR, CNY, JPY, AED, CHF, NPR and THB. The Group has formulated hedging policy for monitoring its foreign currency exposure.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at 31 March 2026, 31 March 2025 in there respective currencies are as below (absolute values):

(₹ in Million)

Particulars	31 March, 2026										
	EUR	GBP	USD	AUD	CAD	SAR	AED	CHF	JPY	NPR	THB
Financial assets											
Trade Receivables	20,44,796	-	1,75,91,138	48,286	1,08,275	-	-	-	-	-	-
Cash and cash equivalents	-	-	41,124	-	-	-	-	-	-	-	-
	20,44,796	**-**	**1,76,32,262**	**48,286**	**1,08,275**	**-**	**-**	**-**	**-**	**-**	**-**
Financial liabilities											
Short Term Borrowings	-	-	1,10,00,000	-	-	-	-	-	-	-	-
Trade Payables	40,68,296	2,01,449	6,33,41,038	66,016	-	1,35,213	8,75,843	7,990	2,37,600	-	3,00,405
Other Current financial liabilities	-	-	-	-	-	-	-	-	-	-	-
	40,68,296	**2,01,449**	**7,43,41,038**	**66,016**	**-**	**1,35,213**	**8,75,843**	**7,990**	**2,37,600**	**-**	**3,00,405**
Hedge through forward covers #			9,90,00,030								
Net unhedged foreign currency exposure as at 31 March 2026	**(20,23,500)**	**(2,01,449)**	**(15,57,08,806)**	**(17,730)**	**1,08,275**	**(1,35,213)**	**(8,75,843)**	**(7,990)**	**(2,37,600)**	**-**	**(3,00,405)**

Note: # The Parent Company has entered into Non-Deliverable Forward (NDF) contracts in Chilean Peso (CLP) equivalent to USD 4 Million to hedge the foreign currency exposure of one of its subsidiaries.

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(₹ in Million)

Particulars	31 March, 2025										
	EUR	GBP	USD	AUD	CAD	CNY	AED	CHF	JPY	NPR	KES
Financial assets											
Trade Receivables	18,61,569	-	1,41,09,364	48,286	-	-	-	10	-	-	-
Cash and cash equivalents	-	-	52,647	-	-	-	-	-	-	-	-
	18,61,569	**-**	**1,41,62,011**	**48,286**	**-**	**-**	**-**	**10**	**-**	**-**	**-**
Financial liabilities											
Short Term Borrowings	-	-	3,55,00,000	-	-	-	-	-	-	-	-
Trade Payables	40,13,618	1,31,873	1,56,93,101	97,659	-	3,04,650	15,750	-	3,00,773	20,70,322	-
Other Current financial liabilities	-	-	-	-	-			-	-	-	-
	40,13,618	**1,31,873**	**5,11,93,101**	**97,659**	**-**	**3,04,650**	**15,750**	**-**	**3,00,773**	**20,70,322**	**-**
Hedge through forward covers			5,00,00,000								
Net foreign currency exposure as at 31 March 2025	**(21,52,049)**	**(1,31,873)**	**(8,70,31,091)**	**(49,373)**	**-**	**(3,04,650)**	**(15,750)**	**10**	**(3,00,773)**	**(20,70,322)**	**-**

For the purpose of financial statement reporting, the currency exposure are measured at the following year-end exchange rates.

Currencies	Year-end spot rate	
	31 March, 2026	**31 March, 2025**
EUR	109.00	92.09
GBP	125.51	110.70
USD	94.84	85.48
AUD	65.02	53.81
CAD	68.15	59.67
CNY	-	11.75
SAR	25.27	-
AED	25.82	23.27
KES	-	0.66
JPY	0.59	0.57
NPR	0.63	0.62
THB	2.89	-
CHF	118.57	96.84

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against various foreign currencies at 31 March would have affected the measurement of financial instruments denominated in foreign currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Effect ₹ in Million 31 March 2026 10% movement	Profit or (loss) before tax	
	Strengthening	**Weakening**
EUR	(22.1)	22.1
GBP	(2.5)	2.5
USD	(1,476.7)	1,476.7
AUD	(0.1)	0.1
CAD	0.7	(0.7)
JPY	(0.0)	0.0
SAR	(0.3)	0.3
AED	(2.3)	2.3
NPR	-	-
THB	(0.1)	0.1
CHF	(0.1)	0.1
	(1,503.4)	**1,503.4**

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Effect ₹ in Million 31 March 2025 10% movement	Profit or (loss) before tax	
	Strengthening	Weakening
EUR	(19.8)	19.8
GBP	(1.5)	1.5
USD	(743.9)	743.9
AUD	(0.3)	0.3
JPY	(0.0)	0.0
CNY	(0.4)	0.4
AED	(0.0)	0.0
NPR	0.1	(0.1)
CHF	0.0	(0.0)
	(766.0)	**766.0**

Other Price Risk

The Group is mainly exposed to the price risk due to its investment in mutual funds. The price risk arises due to uncertainties about the future market values of these investments. At 31 March, 2026, the investments in mutual funds amounts to **₹ 2,288.6 Million** (31 March, 2025: ₹ 6,936.1 Million). These are exposed to price risk. The Company has laid policies and guidelines which it adheres to in order to minimise price risk arising from investments in mutual funds. A 1% increase/(decrease) in prices would increase/(decrease) the profit or loss by the amounts shown below.

Particulars	31 March, 2026		31 March, 2025	
	Profit or loss		Profit or loss	
	Increase	Decrease	Increase	Decrease
Price change by 1%	22.9	(22.9)	69.4	(69.4)

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments, borrowings and loans because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments, borrowings and loans will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Group's interest rate risk arises from borrowings and fixed income securities. Fixed income securities exposes the Group to fair value interest rate risk. The interest rate profile of the Group's interest-bearing financial instruments is as follows.

(₹ in Million)

Particulars	31 March, 2026	31 March, 2025
Fixed-rate instruments		
Financial assets	61,285.2	46,182.1
Financial liabilities	4,924.5	3,109.1
Total	**56,360.7**	**43,073.0**
Variable-rate instruments		
Financial liabilities	11,310.5	7,518.8
Total	**11,310.5**	**7,518.8**

Interest rate sensitivity - fixed rate instruments

The Company's fixed rate borrowings and fixed rate bank deposits are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

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Interest rate sensitivity - variable rate instruments

A reasonably possible change of 5% in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

INR	Profit or loss			
	31 March, 2026		31 March, 2025	
	5% increase	5% decrease	5% increase	5% decrease
Variable-rate instruments	(28.7)	28.7	(20.5)	20.5
Cash flow sensitivity (net)	(28.7)	28.7	(20.5)	20.5

3.39 Capital Management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Group monitors capital using a ratio of 'net debt' to 'total equity'. For this purpose, net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents.

The Group's net debt to equity ratio was as follows.

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Total Borrowings	16,234.9	10,627.9
Less : Cash and cash equivalent	2,479.1	3,041.4
Net debt	**13,755.8**	**7,586.5**
Total equity	1,43,489.3	1,24,336.3
Net debt to equity ratio	**0.10**	**0.06**

3.40 Additional information as required under para 2 of General Instruction for the preparation of Consolidated Financial Statements of Schedule III to the Companies Act, 2013

(₹ in Million)

Name of the entities	31 March 2026							
	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As (%) of consolidated net assets	Amount	As (%) of consolidated profit or loss	Amount	As (%) of consolidated OCI	Amount	As (%) of consolidated TCI	Amount
Parent Company								
Alkem Laboratories Limited	101%	1,39,987.6	95%	21,851.2	3%	48.6	88%	21,899.8
Subsidiaries								
Indian								
Enzene Biosciences Limited & Subsidiary (Enzene Inc)	6%	7,725.4	-7%	(1,504.9)	9%	157.2	-5%	(1,347.7)
Cachet Pharmaceuticals Private Limited	1%	1,663.2	2%	416.3	0%	(1.1)	2%	415.2
Indchemie Health Specialities Private Limited	4%	5,468.8	3%	686.8	2%	28.2	3%	715.0
Alkem Foundation	0%	-	0%	0.4	0%	-	0%	0.4
Connect 2 Clinic Private Limited	0%	36.5	0%	1.8	0%	0.7	0%	2.5
Alkem Medtech Private Limited	3%	4,010.4	-2%	(470.2)	0%	(0.5)	-2%	(470.7)
Adriot Biomed Limited	0%	102.6	0%	(19.1)	0%	1.5	0%	(17.6)
Alixer Nexgen Therapeutics Limited	0%	103.5	-1%	(138.6)	0%	-	-1%	(138.6)
Alkem Wellness Limited	6%	7,769.8	12%	2,739.0	0%	4.4	11%	2,743.4
Foreign								-
Ascend Laboratories (Pty) Ltd	0%	150.8	0%	9.6	1%	21.5	0%	31.1

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to the consolidated financial statements for the year ended 31 March, 2026

(₹ in Million)

Name of the entities	31 March 2026							
	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As (%) of consolidated net assets	Amount	As (%) of consolidated profit or loss	Amount	As (%) of consolidated OCI	Amount	As (%) of consolidated TCI	Amount
Ascend GmbH	0%	89.2	0%	99.8	0%	3.7	0%	103.5
Alkem Laboratories Corporation	0%	(10.8)	0%	(105.1)	0%	2.1	0%	(103.0)
S&B Holdings S.a.r.l.(Previously known as S&B Holdings B.V)	2%	2,092.0	0%	(5.2)	0%	6.5	0%	1.3
Pharmacor Pty Ltd & Subsidiary (Pharmacor Limited & Pharmacor SpA)	1%	1,255.5	1%	245.8	11%	198.7	2%	444.5
The PharmaNetwork LLC & Subsidiaries (Ascend Laboratories LLC and S&B Pharma LLC)	11%	14,805.6	3%	788.6	79%	1,434.8	9%	2,223.4
Ascend Laboratories SDN BHD.	0%	(1.1)	0%	0.1	0%	(0.2)	0%	(0.1)
Ascend Laboratories SpA & Subsidiaries (Pharma Network SpA and Ascend Laboratories S.A. DE C.V.)	1%	1,481.9	1%	269.7	8%	154.3	2%	424.0
Alkem Laboratories, Korea Inc	0%	(2.3)	0%	(0.1)	0%	(0.2)	0%	(0.3)
Pharmacor Ltd.	0%	64.1	0%	0.4	0%	6.0	0%	6.4
The PharmaNetwork, LLP	0%	(20.1)	-1%	(161.6)	0%	(1.4)	-1%	(163.0)
Ascend Laboratories (UK) Limited	0%	141.0	0%	19.7	1%	15.3	0%	35.0
Ascend Laboratories Ltd	0%	31.0	0%	(9.5)	0%	-	0%	(9.5)
Ascend Laboratories SAS	0%	134.6	0%	51.5	1%	21.6	0%	73.1
Total eliminations and adjustments	-32%	(43,589.9)	-5%	(1,235.1)	-14%	(263.8)	-6%	(1,498.9)
Non Controlling Interest	-4%	(5,288.3)	-2%	(493.6)	-1%	(14.1)	-2%	(507.7)
Associates						-		-
HaystackAnalytics Private Limited	-	-	0%	(19.7)	-	-	0%	(19.7)
	100%	**1,38,201.0**	**100%**	**23,018.0**	**100%**	**1,823.8**	**100%**	**24,841.8**

(₹ in Million)

Name of the entities	31 March 2025							
	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As (%) of consolidated net assets	Amount	As (%) of consolidated profit or loss	Amount	As (%) of consolidated OCI	Amount	As (%) of consolidated TCI	Amount
Parent Company								
Alkem Laboratories Limited	103%	1,23,218.3	105%	22,808.9	-55%	(115.0)	104%	22,693.9
Subsidiaries								
Indian								
Enzene Biosciences Limited & Subsidiary (Enzene Inc)	5%	5,752.5	-5%	(974.9)	13%	26.5	-4%	(948.4)
Cachet Pharmaceuticals Private Limited	1%	1,248.1	2%	430.9	-6%	(12.1)	2%	418.8
Indchemie Health Specialities Private Limited	4%	4,833.8	3%	677.0	-6%	(11.5)	3%	665.5
Alkem Foundation	0%	(0.4)	0%	(0.1)	0%	-	0%	(0.1)
Connect 2 Clinic Private Limited	0%	34.0	0%	3.7	0%	(0.0)	0%	3.7
Alkem Medtech Private Limited	4%	4,481.1	0%	(18.9)	0%	-	0%	(18.9)
Alixer Nexgen Therapeutics Limited	0%	(7.9)	0%	(9.9)	0%	-	0%	(9.9)
Alkem Wellness Limited	0%	20.0	0%	(30.0)	0%	-	0%	(30.0)
Foreign								
Ascend Laboratories Pty Ltd	0%	119.7	0%	10.8	4%	8.0	0%	18.8
Ascend GmbH	0%	(14.1)	1%	112.2	-1%	(1.3)	1%	110.9
Alkem Laboratories Corporation	0%	92.2	0%	(57.7)	0%	(0.4)	0%	(58.1)
S&B Holdings S.a.r.l.(Previously known as S&B Holdings B.V)	2%	2,090.6	0%	(7.0)	0%	-	0%	(7.0)
Pharmacor Pty Ltd & Subsidiary (Pharmacor Limited)	1%	811.0	1%	285.9	1%	1.8	1%	287.7
The PharmaNetwork LLC & Subsidiaries	10%	12,582.3	1%	237.2	145%	301.5	2%	538.7
Ascend Laboratories SDN BHD.	0%	(1.1)	0%	(0.0)	0%	(0.1)	0%	(0.1)
Ascend Laboratories SpA & Subsidiaries (Pharma Network SpA and Ascend Laboratories S.A. DE C.V.)	1%	1,057.8	2%	328.6	16%	33.6	2%	362.2
Alkem Laboratories, Korea Inc	0%	(2.1)	0%	(0.1)	0%	0.1	0%	0.0
Pharmacor Ltd.	0%	57.6	0%	9.7	1%	2.1	0%	11.8
The PharmaNetwork, LLP	0%	142.8	0%	8.3	-6%	(13.4)	0%	(5.1)
Ascend Laboratories (UK) Limited	0%	105.8	0%	17.1	2%	4.9	0%	22.0
Ascend Laboratories Ltd	0%	(5.9)	0%	(0.1)	0%	0.2	0%	0.1

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(₹ in Million)

Name of the entities	31 March 2025							
	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As (%) of consolidated net assets	Amount	As (%) of consolidated profit or loss	Amount	As (%) of consolidated OCI	Amount	As (%) of consolidated TCI	Amount
Ascend Laboratories SAS	0%	61.8	0%	(6.6)	-2%	(3.8)	0%	(10.4)
Total eliminations and adjustments	-27%	(32,341.6)	-8%	(1,665.0)	-11%	(23.9)	-9%	(1,688.9)
Non Controlling Interest	-4%	(4,487.6)	-2%	(499.0)	5%	10.3	-2%	(488.7)
Associates								
Haystack Analytics Private Limited	0%	-	0%	(6.2)	0%	-	0%	(6.2)
	100%	**1,19,848.7**	**100%**	**21,654.8**	**99%**	**207.5**	**100%**	**21,862.3**

3.41 Employee Stock option Scheme

ENZENE BIOSCIENCES LIMITED (Subsidiary)

As at 31 March 2026, Subsidiary has following share based payment arrangements for employees:

ESOS 2016

This Scheme shall be called 'Enzene Employee Stock Option Scheme 2016' ("ESOS 2016"/"Scheme").

ESOS 2016 was established with effect from 15 January 2016 on which the Shareholders have approved the Scheme by way of a special resolution and shall continue to be in force until (i) its termination by the Board, or (ii) the date on which all of the Employee Stock Options available for issuance under the ESOS 2016 have been issued and exercised, whichever is earlier. The plan entitles key managerial personnel and senior employees to purchase shares in the subsidiary at the stipulated exercise price, subject to compliance with vesting conditions; all exercised options shall be settled by physical delivery of shares.

The terms and conditions related to the grant of the shares options are as follows:

1	**Date of Grant**	03 March 2016
	Exercise price per Option	₹ 125.80
	Number of Options granted	26,880
	Exercise period	**(a) While in employment** The Exercise Period, for the unexercised Options as on 9 November 2022, shall be until liquidity event from the date of respective vesting of Options. - Liquidity event is defined as a. An IPO b. Strategic sale of part of business / vertical to third party c. Substantial change in shareholding / management d. Merger with another entity **(b) In case of separation** - Resignation/ termination -exercise within 3 months from his last working day - Termination due to Cause - Retirement or early retirement approved by the Holding Company - Death - Permanent disability - Abandonment - Other reasons apart from those mentioned above.
	Vesting Period	1 to 5 years from the date of grant as stated below
	Vesting Schedule	As mentioned below

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Vesting Schedule:

Date of Vesting	Vesting period after the date of grant (years)	Vesting based on time
03 March 2017	1 year from the date of grant	5.0%
03 March 2018	2 years from the date of grant	15.0%
03 March 2019	3 years from the date of grant	20.0%
03 March 2020	4 years from the date of grant	30.0%
03 March 2021	5 years from the date of grant	30.0%
Total		**100%**

2	**Date of Grant**	27 January 2017
	Exercise price per Option	₹ 10
	Number of Options granted	16,920
	Exercise period	**(a) While in employment** The Exercise Period, for the unexercised Options as on 9 November 2022, shall be until liquidity event from the date of respective vesting of Options. - Liquidity event is defined as a. An IPO b. Strategic sale of part of business / vertical to third party c. Substantial change in shareholding / management d. Merger with another entity **(b) In case of separation** - Resignation/ termination -exercise within 3 months from his last working day - Termination due to Cause - Retirement or early retirement approved by the Holding Company - Death - Permanent disability - Abandonment - Other reasons apart from those mentioned above.
	Vesting Period	1 to 4 years from the date of grant as stated below
	Vesting Schedule	As mentioned below

Vesting Schedule:

Date of Vesting	Vesting period after the date of grant (years)	Vesting based on time
27 January 2018	1 year from the date of grant	15.0%
27 January 2019	2 years from the date of grant	25.0%
27 January 2020	3 years from the date of grant	30.0%
27 January 2021	4 years from the date of grant	30.0%
Total		**100.0%**

Reconciliation of outstanding share options

Particulars	No.of Options	
	31 March 2026	**31 March 2025**
Outstanding at 1 April	53,208	53,208
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	**(9,408)**	-
Outstanding at 31 March	**43,800**	**53,208**

1. The estimated grant-date fair value of Stock options granted under ESOS 2016(1) plan is ₹ 69.94
2. The estimated grant-date fair value of Stock options granted under ESOS 2016(2) plan is ₹ 147.43

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The fair values are measured based on the Black-Scholes-Merton formula. Expected volatility, an input in this formula, is estimated by considering historical average of share price volatility of peer companies. The Inputs used in the measurement of grant-date fair values are as follows:

Particulars	ESOS 2016 (1)	ESOS 2016 (2)
Fair value as on Grant Date of Equity Share	148	155
Compounded Risk-Free Interest Rate	7.7%	7.5%
Expected volatility	31.93%	31.93%

Enzene Employee Stock Option Plan ("ESOP 2022")

ESOP 2022 is established with effect from 24 February 2023, on which the Shareholders have approved the plan by way of a Special Resolution and shall continue to be in force until its termination by the Board/ EBL/ the Committee. The plan entitles the employees who as may be decided by the Committee at its own discretion to participate in this option plan to purchase shares in EBL at the stipulated exercise price, subject to compliance with vesting conditions. All exercised options shall be settled by crediting the shares in their Demat account.

The terms and conditions related to the grant of the shares options are as follows:

1	**Date of Grant**	23 July 2023
	Exercise price per Option	₹ 10
	Number of Options granted	795,190 - SCHEME "A"
	Exercise period	The Exercise Period is based on scenarios : 1. Death / Permanent Disability - Until liquidity event 2. Resignation - Until last working day 3. Retirement - Until last working day 4. Termination with clause / Abandonment - Not applicable 5. Other cases - Until Liquidity event - Liquidity event is defined as a. An IPO b. Strategic sale of part of business / vertical to third party c. Substantial change in shareholding / management d. Merger with another entity
	Vesting Period	1 to 4 years from the date of grant as stated below
	Vesting Schedule	As mentioned below

Vesting Schedule:

Date of Vesting	Vesting period after the date of grant (years)	Vesting based on time
22 July 2024	At the end of 12 months from the date of Grant	40.0%
22 July 2025	At the end of 24 months from the date of Grant	20.0%
22 July 2026	At the end of 36 months from the date of Grant	20.0%
22 July 2027	At the end of 48 months from the date of Grant	20.0%
Total		**100.0%**

2	**Date of Grant**	23 July 2023
	Exercise price per Option	₹ 10
	Number of Options granted	Nil, SCHEME "A2"
	Exercise period	The Exercise Period is based on scenarios : 1. Death / Permanent Disability - Until liquidity event 2. Resignation - Until last working day 3. Retirement - Until last working day 4. Termination with clause / Abandonment - Not applicable 5. Other cases - Until Liquidity event - Liquidity event is defined as a. An IPO b. Strategic sale of part of business / vertical to third party c. Substantial change in shareholding / management d. Merger with another entity
	Vesting Period	1 to 4 years from the date of grant as stated below
	Vesting Schedule	As mentioned below

Notes

to the consolidated financial statements for the year ended 31 March, 2026

Vesting Schedule:

Date of Vesting	Vesting period after the date of grant (years)	Vesting based on time
22 July 2024	At the end of 12 months from the date of Grant	20.0%
22 July 2025	At the end of 24 months from the date of Grant	30.0%
22 July 2026	At the end of 36 months from the date of Grant	30.0%
22 July 2027	At the end of 48 months from the date of Grant	20.0%
Total		**100%**

3	**Date of Grant**	1st grant given on -23-07-2023, 2nd grant - 05-08-2023,3rd grant -14-08-2023,4th grant-04-02-2025, 5th grant-23-06-2025
	Exercise price per Option	₹ 10
	Number of Options granted	280,000 SCHEME "B"
	Exercise period	The Exercise Period is based on scenarios : 1. Death / Permanent Disability - Until liquidity event 2. Resignation - Until last working day 3. Retirement - Until last working day 4. Termination with clause / Abandonment - Not applicable 5. Other cases - Until Liquidity event - Liquidity event is defined as a. An IPO b. Strategic sale of part of business / vertical to third party c. Substantial change in shareholding / management d. Merger with another entity
	Vesting Period	1 to 5 years from the date of grant as stated below
	Vesting Schedule	As mentioned below

Vesting Schedule:

Date of Vesting	Vesting period after the date of grant (years)	Vesting based on time
22 July 2024	At the end of 12 months from the date of Grant	5.0%
22 July 2025	At the end of 24 months from the date of Grant	15.0%
22 July 2026	At the end of 36 months from the date of Grant	30.0%
22 July 2027	At the end of 48 months from the date of Grant	30.0%
22 July 2028	At the end of 60 months from the date of Grant	20.0%
Total		**100%**

Share based payment expenses for the year

(₹ in Million)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
ESOS 2022	48.7	166.1
Total Expenses recognised	**48.7**	**166.1**

Reconciliation of outstanding share options

(₹ in Million)

Particulars	No.of Options	
	31 March 2026	31 March 2025
Outstanding at 1 April	13,37,230	12,64,823
Granted during the year	40,000	1,30,007
Forfeited during the year	(1,55,416)	-
Exercised during the year	(1,06,916)	-
Expired during the year	(39,708)	(57,600)
Outstanding at 31 March	**10,75,190**	**13,37,230**

1 The estimated grant-date fair value of Stock options granted under ESOS 2022 Scheme 'A' is ₹ 400.94
The estimated grant-date fair value of Stock options granted under ESOS 2022 Scheme 'A2' is ₹ 399.95
The estimated grant-date fair value of Stock options granted under ESOS 2022 Scheme 'B' is ₹ 424.63

Notes

to the consolidated financial statements for the year ended 31 March, 2026

2 The estimated weighted average exercise price of Stock options granted under ESOS 2022 Scheme 'A' is ₹ 10
The estimated weighted average exercise price of Stock options granted under ESOS 2022 Scheme 'A2' is ₹ 10
The estimated weighted average exercise price of Stock options granted under ESOS 2022 Scheme 'B' is ₹ 10

3 The estimated weighted average life of options granted under ESOS 2022 Scheme 'A' is ₹ 6.50
The estimated weighted average life of options granted under ESOS 2022 Scheme 'A2' is ₹ 4.50
The estimated weighted average life of options granted under ESOS 2022 Scheme 'B' is ₹ 6.45

The fair values are measured based on the Black-Scholes-Merton Formula. Expected volatility, an input in this formula, is estimated by considering historical average of share price volatility of peer companies. The Inputs used in the measurement of grant-date fair values are as follows:

Particulars	ESOP 2022 Scheme 'A'	ESOP 2022 Scheme'A2'	ESOP 2022 Scheme 'B'
Fair value as on Grant Date of Equity Share	407.19	407.19	431.16
Compounded Risk-Free Interest Rate	7.24%	7.17%	6.73%
Expected life	5.75	3.75	5.17
Expected volatility	0.4286	0.4173	0.4171
Dividend	-	-	-

3.42 Government Grant

The Company:

The Company is eligible for government grants which are conditional upon construction of new factories in the Sikkim region. One of the grants, received in FY 2014-15 amounted to ₹ 72.4 Million with respect to the Kumrek facility. The factory has been constructed and in operation since August 2007. The second grant is with respect to Samardung facility in Sikkim amounting to ₹ 122.1 Million for which the Company has received the claim amount in FY 2018-19. The factory has been constructed and in operation since October, 2012. The third grant is with respect to AHS-3 facility in Sikkim amounting to ₹ 30.6 Million for which the Company has received the claim amount in the FY 2023-24. Further, during the FY 2023-24, Company have received grant amounting to ₹ 398.7 Million with respect to AHS- 2 facility in Sikkim. These grants, recognised as deferred income, is being amortised over the useful life of the plant and machinery in proportion to the related depreciation expense. The unamortised grant as on 31 March 2026 amount to **₹ 208.7 Million** (31 March 2025 ₹ 245.6 Million).

Enzene Biosciences Limited (""EBL""):

EBL is eligible for government grant from Biotechnology Industry Research Assistance Council (BIRAC) under National Biopharma Mission. The grant received/receivable includes grant in relation to the assets and grant which are revenue in nature. The grant received/receivable is for specific project for which EBL is incurring the expenditure. Accordingly the eligible amount of revenue grant is deducted from the respective head of expenditure. EBL is also eligible for government grants which are against Capital expenditure incurred by EBL on the specific purchase of assets.These grants, recognised as deferred income, are being amortised over the useful life of the assets in proportion in which the related depreciation expense is recognised. The unamortised grant as on 31 March 2026 amount to **₹ 3.2 Million** (31 March 2025 ₹ 3.5 Million).

Indchemie Health Specialities Private Limited (""IHSPL"")

IHSPL is eligible for government grant which is conditional upon construction of new factory in the Sikkim region under the capital investment subsidy scheme of North East Industrial and Investment Promotion Policy (NEIIPP) 2007. One of the grant is with respect to Kumrek facility in Sikkim [Unit-IV] amounting to ₹ 10.7 Million received in FY 2016-17. The factory has been constructed and in operation since 27 August 2007. The second grant is with respect to Kumrek facility in Sikkim [Unit-V] amounting to ₹ 23.4 Million received in FY 2019-20. The factory has been constructed and in operation since 9 May 2016. These grants, recognised as deferred income, is being amortised over the useful life of the plant and machinery in proportion in which the related depreciation expense is recognised. The unamortised grant as on 31 March 2026 amounts to **₹ 7.9 Million** (Previous year: ₹ 9.4 Million).

Notes

to the consolidated financial statements for the year ended 31 March, 2026

The unamortised grant as on 31 March 2026 of the Group amounts to **₹ 219.8 Million** (Previous year: ₹ 258.5 Million), the breakup of which is as below:

(₹ in Million)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Non-current	180.8	219.5
Current	39.0	39.0
Total	**219.8**	**258.5**

3.43 Exceptional items

Exceptional items include:

1) During the year ended 31 March 2026 year, the Parent Company reviewed its investments in real estate; where recoverability is subject to uncertainties. Accordingly, management has reassessed the carrying value of such investments and recognised a provision for impairment amounting to **₹ 747 Million**, which has been disclosed as an exceptional item for the quarter and year ended 31 March, 2026.

2) During the year, pursuant to the notification and subsequent finalisation of the Central Rules under the Labour Codes by the Government of India, the Parent Company and its Indian subsidiaries assessed the financial impact of the revised regulatory framework, including the Code on Social Security, 2020, based on detailed evaluation of the notified provisions, professional advice, and actuarial valuation.

   Based on this assessment, the Parent Company and its Indian subsidiaries have recognised an estimated liability towards gratuity and leave encashment for past service cost aggregating to **₹ 1,130.6 Million** for the year ended 31 March 2026. The total impact has been disclosed as an exceptional item in the financial results. The Parent Company and its Indian subsidiaries will continue to evaluate any further clarifications or implementation guidance issued in relation to the Labour Codes and account for the financial impact, if any, as appropriate.

3) The Group as part of its ongoing initiative of networking, strategy and optimisation of manufacturing facilities had identified divestment of its Indore facility and had impaired the same during financial year 2024. The said facility has been sold in the quarter ended 30 June 2025 in accordance with the business transfer agreement entered with the buyer. The resulting gain (arising out of reversal of impairment loss) amounting to **₹ 142.9 Million** had been classified and disclosed as an exceptional item in the results for the year ended 31 March 2026.

3.44 Non-current assets held for sale

In respect of one of the manufacturing units of the Parent Company located at Indore, where indicators of impairment were identified, the Parent Company identified the recoverable amount of the CGUs, being the higher of the value in use and fair value less costs of disposal, as compared with the carrying value.

In the previous year; the Parent Company as a part of its ongoing initiative of networking strategy and optimisation of manufacturing facilities has identified divestment of its Indore facility. Consequently, related assets and liabilities are disclosed as held for sale. These assets and liabilities have been carried at cost as the same are lower than the fair value expected out of sale. During the current year, the gain amounting to **₹ 142.9 Million** had been classified and disclosed as an exceptional item in the consolidated financial statements for the year ended 31 March 2026.

(₹ in Million)

Particulars	Net Book value of assets as at 31 March 2025
Property, plant and equipment	878.6
Right of use assets	262.9
Capital work in progress	204.8
Total assets held for sale	**1,346.3**
Lease liabilities	62.9
Total liabilities classified as held for sale	**62.9**
Net book value of assets	**1,283.4**

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to the consolidated financial statements for the year ended 31 March, 2026

3.45 Business Combination

1) Adriot Biomed Limited

During the year, the Parent Company has completed acquisition of 100% stake in Adroit Biomed Limited (ABL) and obtained control on 23 April 2025 from its erstwhile shareholders for a consideration of ₹ 1,389.5 Million (including transaction cost). The Company has determined the fair values of identified assets and liabilities for the purpose of Purchase price allocation.

The acquisition has been accounted for using the acquisition method of accounting as per IND AS 103 ""Business Combination""

The following assets and liabilities were recognised as at the date of acquisition (at fair value):

Particulars	Amount in INR Million
Assets	
Product Related Intangible Assets - Brands	1,242.3
Inventories (Raw Material and Finished Goods)	45.9
Trade Receivables	81.6
Right of use Asset	13.2
Property, Plant and Equipment	1.6
Investments	10.4
Cash & Cash equivalents	0.4
Other financial and other assets (Current and Non Current)	15.1
Total Assets	**1,410.5**
Liabilities	
Trade Payables	33.8
Borrowings	21.5
Lease liabilities	13.4
Other financial and other liabilities (Current and Non Current)	29.2
Total Liabilities	**97.9**
Net Assets	1,312.6
Less: Purchase Consideration	1,389.5
Goodwill (refer note below)	**76.9**
Goodwill (Related to deferred tax liability on intangible asset)	312.7
Total Goodwill	**389.6**

Note:

Goodwill arose in the acquisition of the above said entity because the consideration paid for the combinations effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill is expected to be deductible for income tax purposes.

From the date of acquisition, ABL has contributed total revenue of ₹ 536.6 Million and loss after tax of ₹ 19.1 Million to the Group.

In view of this acquisition, the figures of year ended 31 March, 2025 are not comparable with the current year figures.

2) Alkem MedTech Ortho Private Limited

During the year, Alkem MedTech Private Limited, a wholly-owned subsidiary of the Parent Company has completed acquisition of 100% stake in Alkem MedTech Ortho Private Limited (""AMOPL"") (erstwhile known as Bombay Ortho Industries Private Limited) and obtained control on 16 April, 2025 from its erstwhile shareholders for a consideration of ₹ 882.2 Million. The Group has determined the fair values of identified assets and liabilities for the purpose of Purchase price allocation.

Notes

to the consolidated financial statements for the year ended 31 March, 2026

The acquisition has been accounted for using the acquisition method of accounting.

The following assets and liabilities were recognised as at the date of acquisition (at fair value):

Particulars	Amount in INR Million
Assets	
Product Related Intangible Assets- Technical Knowhow	881.2
Inventories (Raw Material and Finished Goods)	192.8
Trade Receivables	0.8
Property, Plant and Equipment (including CWIP)	197.4
Investments	0.3
Cash & Cash equivalents	95.8
Total Assets	**1,368.3**
Liabilities	
Trade Payables	128.9
Borrowings	490.5
Other financial and other liabilities(Current and Non-current)	2.4
Total Liabilities	**621.8**
Net Assets	746.5
Less: Purchase Consideration	**882.2**
Goodwill (refer note below)	**135.7**
Goodwill (Related to deferred tax liability on intangible asset)	151.2
Total Goodwill	**286.9**

Note:

Goodwill arose in the acquisition of the above said entity because the consideration paid for the combinations effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

From the date of acquisition, AMOPL has contributed total revenue of ₹ 158.8 Million and loss after tax of ₹ 253.5 Million to the Group.

In view of this acquisition, the figures of year ended 31 March, 2025 are not comparable with the current year figures.

3.46 Additional disclosure with respect to Schedule III

i) The entities included in the group, covered under the Act, do not have any Benami property, where any proceeding has been initiated or pending against them for holding any Benami property.

ii) The entities included in the group, covered under the Act, do not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act,1961)

iii) The entities included in the group, covered under the Act, have not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

iv) The entities included in the group, covered under the Act, do not have any changes or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

v) The entities included in the group, covered under the Act, have not traded or invested in Crypto Currency or Virtual Currency during the current or previous financial year.

Notes

to the consolidated financial statements for the year ended 31 March, 2026

vi) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) or provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries by the entities included in the group, covered under the Act, to or in any other person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the entities (Ultimate Beneficiaries).

The entities included in the group, covered under the Act, have not received any fund from any party with the understanding that the entities shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the entities included in the group, covered under the Act, ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

vii) The Group has not entered into any scheme of arrangement which has an accounting impact on the current or previous financial year.

viii) The entities included in the group, covered under the Act, complied with the number of layers prescribed under the Companies Act, 2013, read with the Companies (Restriction on number of layers) Rules, 2017.

3.47 Events after the reporting period

No significant adjusting event occurred between the balance sheet date and date of the approval of these consolidated financial statements by the Board of Directors of the Group requiring adjustment or disclosure.

For and on behalf of the Board of Directors of Alkem Laboratories Limited
CIN: L00305MH1973PLC174201

B.N. Singh
Executive Chairman
DIN. 00760310
Mumbai, India

Sandeep Singh
Managing Director
DIN. 01277984
Mumbai, India

M.K. Singh
Executive Director
DIN. 00881412
Mumbai, India

Dr. Vikas Gupta
Chief Executive Officer
Mumbai, India
28 May, 2026

Nitin Agrawal
President - Finance &
Chief Financial Officer
Mumbai, India

Manish Narang
President - Legal &
Company Secretary
Mumbai, India
Membership No. - F4365

Notice of AGM

(pursuant to Section 101 of the Companies Act, 2013)

NOTICE is hereby given that the Fifty Second (52nd) Annual General Meeting ("AGM") of the Members of Alkem Laboratories Limited (the "Company") will be held on Thursday, 27 August, 2026 at 11:00 am through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

   (a) the Audited Standalone Financial Statements of the Company for financial year ended 31 March, 2026 and the Reports of the Board of Directors and Auditors thereon; and

   (b) the Audited Consolidated Financial Statements of the Company for financial year ended 31 March, 2026 and the Report of Auditors thereon.

2. To confirm the payment of Interim Dividend and to declare Final Dividend on Equity Shares for financial year ended 31 March, 2026.

3. To appoint a Director in place of Mr. Sandeep Singh (DIN: 01277984), who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint a Director in place of Mr. Sarvesh Singh (DIN: 01278229), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

5. Re-appointment of Mrs. Madhurima Singh (DIN: 09137323) as an Executive Director of the Company. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to provisions of Sections 196, 197, 198, 203 read with Schedule V and any other applicable provisions of the Companies Act, 2013, as amended ("the Act") and the rules made thereunder (including any statutory modification(s) from time to time or any re-enactment thereof for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended, the Articles of Association of the Company and as recommended by the Nomination & Remuneration Committee and Audit Committee and approved by the Board of Directors, the consent of the Members of the Company be and is hereby granted for the re-appointment of Mrs. Madhurima Singh (DIN: 09137323) as an Executive Director of the Company, liable to retire by rotation after Company, for a term of 5 (five) consecutive years commencing from 20 December, 2026 upto 19 December, 2031, at a remuneration, not exceeding ₹ 92,71,775/- (Rupees Ninety Two Lakhs Seventy One Thousand Seven Hundred and Seventy Five only) per month and that she shall also be entitled for the following benefits:

(i) Medical Reimbursement:

She shall get medical reimbursement for herself and her family subject to a ceiling of ₹ 16,667/- per month.

(ii) Leave Travel Allowance:

She shall get Leave Travel Allowance for herself and her family once in a year which shall not exceed one month's salary.

(iii) Personal Accident Insurance Premium:

The Company shall also reimburse the Personal Accident Insurance Premium.

(iv) Provident Fund and Family Pension:

She shall get benefit of Provident Fund and Family Pension as per the Company's rules.

(v) Gratuity:

As per the rules of the Company.

(vi) Encashment of Leaves:

As per the rules of the Company.

(vii) Company's Car and Driver:

She shall be entitled for two Company cars with two drivers use on actual basis.

(viii) Club Fees:

She shall be entitled for Entrance and Annual membership fees of any one club.

(ix) Domestic Help:

She shall be entitled for two domestic help personnel.

(x) Hospitalisation Mediclaim/ Group Term Policy:

As per Company's Policy.

Other terms

(a) Leave:

As per rules of the Company.

(b) Sitting fees:

She shall not be entitled for sitting fees for attending the meeting of the Board of Directors of the Company.

(c) She shall be entitled to re-imbursement of expenses incurred in the course of legitimate business purpose of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to approve increments, from time to time during the Service Period, not exceeding 20% p.a. of her last drawn annual remuneration after considering her contribution towards the growth and performance of the Company.

RESOLVED FURTHER THAT any one of the Directors or Company Secretary of the Company be and is hereby authorised to sign, execute, submit and file the relevant forms, documents etc. and to do all acts, deeds and things as may be deemed necessary to give effect to this resolution.

RESOLVED FURTHER THAT a copy of the above resolution certified by any one of the Directors or Company Secretary of the Company be submitted to the concerned authorities and they be requested to act upon the same."

6. Ratification of remuneration to Cost Auditor of the Company for financial year ended 31 March, 2026. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013, as amended, read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014, as amended, the fees, as approved by the Board of Directors, amounting to of ₹ 15,00,000/- (Rupees Fifteen Lakhs only plus applicable taxes and re-imbursement at actuals of out of pocket expenses subject to a maximum limit of 3% of total fees i.e. ₹ 45,000/- (Rupees Forty Five Thousand only) incurred in connection with the audit, payable to Mr. Suresh D. Shenoy, Cost Accountant (Membership No. 8318), who was appointed by the Board of Directors of the Company as Cost Auditor to conduct audit of cost records maintained by the Company for financial year ended 31 March, 2026, be and is hereby ratified.

RESOLVED FURTHER THAT any one of the Directors and/or Company Secretary of the Company be and is hereby authorised to sign, execute, submit and file the relevant forms, documents etc. and to do all acts, deeds and things as may be deemed necessary to give effect to this resolution."

Notes:

1. The Ministry of Corporate Affairs ("MCA") has vide its General Circular dated 05 May, 2020 read with General Circulars dated 08 April, 2020, 13 April, 2020, 28 September, 2020, 31 December, 2020, 13 January, 2021, 08 December, 2021, 05 May, 2022, 28 December, 2022, 25 September, 2023, 19 September, 2024 and 22 September, 2025 as amended (collectively referred to as "MCA General Circulars") permitted holding of the AGM through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI LODR Regulations"), MCA General Circulars and subsequent circulars issued by SEBI, the AGM of the Company is being held through VC/OAVM. The venue of the meeting shall be deemed to be the Registered Office of the Company situated at "ALKEM HOUSE", Senapati Bapat Marg, Lower Parel, Mumbai – 400013.

2. The Explanatory Statement pursuant to Section 102 of the Act relating to the Special Business covered under Item Nos. 5 and 6 to be transacted at the AGM is annexed hereto. In respect of resolutions proposed at Item Nos. 3 and 4 a statement giving additional information on the Directors seeking re-appointment is annexed hereto as required under SEBI LODR Regulations, read with Secretarial Standard – 2 on General Meetings.

3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held through VC/ OAVM, physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of AGM are not annexed to this Notice.

4. Members can login and join 30 minutes prior to the scheduled time of meeting and window for joining shall be kept open till the expiry of 15 minutes after the scheduled time. Members are allowed to participate on first come-first served basis, as participation through video conferencing is limited upto 1000 Members only. However, the participation of Members holding 2% or more, Promoters, Institutional Investors, Directors, Auditors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee etc. are not restricted on first come first served basis.

5. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

6. Members are advised to make nomination in respect of their shareholdings in the Company with their respective Depository Participants.

7. The final dividend on equity shares as recommended by the Board of Directors, if approved at the AGM, will be paid on or after Tuesday, 01 September, 2026 to those Members or their mandates whose names appear:

   a) As Members in the Registrar of Members of the Company on the record date i.e. Friday, 07 August, 2026; and

   b) As beneficial owners on the record date as per the lists to be furnished by Depositories in respect of shares held in electronic form.

8. Members who have not claimed their dividend(s) are requested to make their claim to the Company at the Registered Office or to the Registrar & Share Transfer Agent of the Company at the earliest but not later than the due dates for transfer to Investor Education and Protection Fund (IEPF). The details of unpaid or unclaimed dividend(s), along with the due dates for transfer to the IEPF of the Central Government pursuant to Section 124 of the Act are provided in point no. 14(d) of Corporate Governance Report, which forms part of the Board Report.

9. Members are requested to update their Bank Mandate / NECS / Direct Credit details / Name / Address / Power of Attorney and update their Core Banking Solutions enabled account number with the Depository Participants with whom they maintain their demat accounts.

10. Non-resident Indian Members are requested to immediately inform their Depository Participants about:

    - the change in the residential status on return to India for permanent settlement;
    - the particulars of the NRE account with a Bank in India, if not furnished earlier.

11. Members may note that in terms of the provisions of the Income-Tax Act,2025 ("the IT Act") implemented with effect from 01 April 2026, dividend distributed or paid by a Company shall be taxable in the hands of the Members and the Company shall be therefore required to deduct tax at source (TDS) from dividend paid to the Members at the applicable rates. In order to enable us to determine the appropriate TDS rate

as applicable, Members are requested to submit the following documents in accordance with the provisions of the IT Act.

(i) For Resident Members: TDS shall be made under Section 393(1) [Table Sl. No. 7] read with section 393(4) [Table Sl. No. 10] of the IT Act @ 10% on the amount of dividend declared and paid by the Company during tax year 2026-27 unless exempt under any of the provisions of the IT Act, provided PAN is registered by the Member. However, in case of individuals, TDS would not apply if the aggregate of total dividend distributed to them by the Company during tax year 2026-27 does not exceed ₹ 10,000/-.

TDS shall not be deducted in cases where a Member provides Form 121 provided that the eligibility conditions are being met. Form 121 can be downloaded from the following link https://web.in.mpms.mufg.com/formsreg/submission-of-form-15g-15h.html. Members are requested to click on General Tab, wherein all the forms are available under the head "Form 121/41". Please note that all fields are mandatory and Company may at its sole discretion reject any such form that does not fulfil the requirement of law.

In order to provide exemption from withholding of tax, the following organisations must provide a self-declaration as listed below:

a) **Insurance Companies:** A declaration that they are beneficial owners of shares held.

b) **Mutual Funds**: A declaration that they are governed by the provisions of schedule VII (Table: Sl. No. 20 or 21) to section 11 of the IT Act along with copy of registration documents (self-attested).

c) **Alternative Investment Fund (AIF) established in India:** A declaration that its income is exempt under Schedule V (Table Sl. No. 1) to Section 11 of the IT Act and they are established as Category I or Category II AIF under the SEBI Regulations. Copy of registration documents (self-attested) should be provided.

d) **Other Non-Individual shareholders** who are holding certificate issued by the Income-Tax Department u/s. 395(1) of the IT Act for lower / nil rate or exempt from TDS under provisions of Section 393(4) (Table Sl. No. 10) of the IT Act or who are covered u/s 393 of the IT Act, are required to submit an attested copy of the PAN along with the documentary evidence in relation to the exemption/ lower rate.

Needless to mention, valid PAN and linking of PAN with Aadhar will be required

As per Section 262 of the IT Act, every person who has been allotted a PAN and who is eligible to obtain Aadhaar, shall be required to link the PAN with Aadhaar. In case of failure to comply with this, the PAN allotted shall be deemed to be invalid/inoperative and tax shall be deducted at the rate of 20% as per the provisions of Section 397(2)of the IT Act. The Company will be using functionality of the Income-tax department for the same.

(ii) For Non-Resident Members: Tax is required to be withheld in accordance with the provisions of Section 393(2) [Table Sl. No. 17] read with section 207 of the IT Act at applicable rates in force. As per the relevant provisions of the IT Act, tax shall be withheld @ 20% (plus applicable surcharge and cess) on the amount of dividend payable. However, as per Section 159 of the IT Act, a Non-Resident Member has the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the Member, if they are more beneficial to the Member. For this purpose, i.e. to avail the tax treaty benefits, the Non-Resident Member will have to provide all the following valid documents for tax year 2026-27:

a) Self-attested copy of PAN card, if any, allotted by the Indian Income Tax authorities;

b) Self-attested copy of Tax Residency Certificate ("TRC") obtained from the tax authorities of the country of which the Member is a resident;

c) Form 41 in the digital format as prescribed by the Government;

d) Self-declaration by the Non-Resident Member of having no permanent establishment in India in accordance with the applicable tax treaty;

e) Self-declaration by Non-Resident Member of meeting treaty eligibility requirement and satisfying beneficial ownership requirement under the treaty as modified by the multilateral convention to implement tax treaty related measures to prevent base erosion and profit shifting;

f) In case of Foreign Institutional Investors and Foreign Portfolio Investors, copy of SEBI registration certificate;

g) In case of Member being tax resident of Singapore, proof of satisfying requirement of Article 24 – Limitation of Relief should be provided.

It is recommended that Members should independently satisfy its eligibility to claim DTAA benefit including meeting of all conditions laid down by DTAA.

The documents referred to in point nos. (c) to (e) above can be downloaded from the following link https://web.in.mpms.mufg.com/client-downloads.html. Members are requested to click on General Tab, wherein all the forms are available under the head "Form 121/41".

Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non- Resident Members.

12. Accordingly, in order to enable us to determine the appropriate TDS / withholding tax rate applicable, we request you to provide the details and documents as mentioned above not later than Friday, 07 August, 2026.

13. Kindly note that the aforesaid documents, duly completed and signed are required to be uploaded on the URL: https://web.in.mpms.mufg.com/formsreg/submission-of-form-15g-15h.html on or before Friday, 07 August, 2026 in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. No communication on the tax determination / deduction shall be entertained post Friday, 07 August, 2026.

14. In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details / documents, the Member would still have the option of claiming refund of the excess tax paid at the time of filing their income tax return. No claim shall lie against the Company for such taxes deducted. In case of any queries, kindly write to the Company's Registrar and Share Transfer Agent at rnt.helpdesk@in.mpms.mufg.com (No tax exemption forms should be sent and this email ID is only for queries)

15. Members may note that, since the tax consequences are dependent on facts and circumstances of each case, the Members are advised to consult their own tax consultants with respect to specific tax implications arising out of receipt of dividend.

16. Clearing member should ensure that as on record date no shares are lying in their account and shares are transferred to respective shareholder's account so that dividend is credited directly to shareholder's account and not to the clearing member's account. In terms of Rule 203 of Income Tax Rules 2026, if dividend income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, then such deductee should file declaration with Company in the manner prescribed by the Rules on or before Friday, 07 August, 2026. The Company will not accept any declarations referred to Rule 203 of Income Tax Rules, 2026 on or after Friday, 07 August, 2026.

17. The Securities and Exchange Board of India has mandated the submission of the PAN by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s).

18. In compliance with the aforesaid MCA General Circulars and Regulation 36 (1) SEBI LODR Regulations, Notice of the AGM along with the Annual Report 2025-26 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Further, in compliance with Regulation 36(1)(b) of the Listing Regulations, a letter providing the web-link, including the exact path, where Annual Report for the financial year 2025-26 is available, is being sent to those members whose e-mail address is not registered with the Company / Depositories.

Process for registration of e-mail id for obtaining Notice of the AGM along with Annual Report is as follows:

If your e-mail address is not registered with the Company/Depository Participant, you may register on or before 5:00 p.m. (IST) on Friday, 14 August, 2026 to receive this Notice of AGM along with the Annual Report 2025-26 by completing the process for registration of e-mail address as under:

(a) For permanent registration for demat shareholders:

It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address, in respect of demat holdings with the respective Depository Participant by following the procedure prescribed by the Depository Participant.

(b) For temporary registration for demat shareholders:

The Members of the Company holding equity shares of the Company in Demat Form and who have not registered their e-mail addresses may temporarily get their e-mail addresses registered with M/s. MUFG Intime India Private Limited

(MUFG) by clicking the link: https://web.in.mpms.mufg.com/EmailReg/Email_Register.html on their website https://web.in.mpms.mufg.com/ in the Investor Services tab by choosing the email registration heading and follow the registration process as guided therein. The Members are requested to provide details such as Name, DPID, Client ID/ PAN, mobile number and email ID.

19. Members may note that the Notice and Annual Report 2025-26 will also be available on the Company's website www.alkemlabs.com , websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and Notice of AGM shall also be available on the website of CDSL www.evotingindia.com.

20. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

21. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of Act, and all other documents referred to in the Annual Report, will be available for inspection in electronic mode during the AGM. Members may inspect the same by sending an email to investors@alkem.com.

22. Pursuant to Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI LODR Regulations, the Company is providing facilities for remote e-voting (refer instructions at point no. 23) and voting during the AGM by electronic means (refer instructions at point no. 26) to all Members in proportion to their shareholding as on the cut-off date i.e. 20 August, 2026 (as per the applicable regulations). All the businesses contained in this Notice may be transacted through abovementioned e-voting facilities, being provided by Central Depository Services Limited (CDSL).

23. **The instructions for shareholders for remote e-voting are as under:**

(i) The voting period begins on Monday, 24 August, 2026 at 9.00 a.m. and ends on Wednesday, 26 August, 2026 at 5.00 p.m. During this period, Members of the Company, as on the cut-off date i.e. Thursday, 20 August, 2026 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. on 26 August, 2026. The e-voting rights of the Shareholders shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. 20 August, 2026.

(ii) Shareholders 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 09 December, 2020, under Regulation 44 of SEBI LODR Regulations, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders 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 shareholders.

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 09 December, 2020 on e-voting facility provided by listed entities, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email ID in their demat accounts in order to access e-voting facility.

Pursuant to abovesaid SEBI Circular, login method for e-voting and joining virtual meetings for individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	1) Users who have opted for CDSL's Easi / Easiest facility, can login through their existing user ID and password. Option will be made available to reach e-voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by Company. On clicking the e-voting 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 are links provided to access the system of all e-voting Service Providers i.e. CDSL/NSDL/KARVY/MUFG INTIME, so that the user can visit the e-voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered mobile & email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where e-voting is in progress and also able to directly access the system of all e-voting service providers.
Individual Shareholders holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a personal computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), password/OTP and a verification code as shown on the screen. 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 Shareholders (holding securities in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on Company name or e-voting service provider name and you will be redirected to e-voting service provider's website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022-4886 7000 and 022 2499 7000

(v) Login method for e-voting and joining virtual meeting for **shareholders other than individual shareholders & physical shareholders**

- The shareholders 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. Shareholders 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 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 Shareholders holding shares in demat form other than individual and physical form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/MUFG or contact MUFG.
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 as mentioned in instruction.

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Click on the EVSN for 'Alkem Laboratories Limited' on which you choose to vote.

(viii) 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.

(ix) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.

(x) 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.

(xi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xii) You can also take a print of the votes cast by clicking on "Click here to print" option on the voting page.

(xiii) 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.

(xiv) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xv) Additional facility for Non-Individual Shareholders and Custodians – for remote e-voting only

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian 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.
- 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 scrutiniser to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorised signatory who are authorised to vote, to the Scrutiniser and to the Company at the email address investors@alkem.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

24. **Process for those shareholders whose email addresses are not registered with the Depositories for obtaining login credentials for e-voting for the resolutions proposed in this Notice:**

(i) For demat shareholders - please update your email ID & Mobile No. with your respective Depository Participant (DP).

(ii) For Individual demat shareholders – please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-voting & joining virtual meetings through Depository.

25. **The details of the process and manner for participating in AGM through VC/OAVM are explained herein below:**

(i) The procedure for attending meeting & e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

(ii) 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 remote e-voting.

(iii) Shareholders 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.

(iv) Shareholders are encouraged to join the meeting through Laptops / IPads having audio/video facility for better experience and internet with a good speed to avoid any disturbance during the meeting.

(v) 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.

(vi) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request via email at investors@alkem.com in advance atleast 3 (three) days prior to the date of meeting i.e. on or before 23 August, 2026 mentioning your name, demat account number/ folio number, email ID, mobile number. The shareholders who do not wish to speak during the AGM but have queries may send their queries via email at investors@alkem.com in advance atleast 5 (five) days prior to the date of meeting i.e. on or before 21 August, 2026 mentioning their name, demat account number/folio number, email id, mobile number. These queries will be replied to by the Company suitably by email.

(vii) Only those shareholders who have registered themselves as speakers will be allowed to express their views/ask questions during the meeting.

26. **The instructions for shareholders for e-voting during the AGM are as under:**

(i) The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

(ii) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.

(iii) If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

27. If you have any queries or issues regarding attending AGM & e-voting from the e-voting system, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi - AVP, 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 at toll free no. 1800 21 09911.

28. **Details of Scrutiniser and result of e-voting:**

    (i) The Company has appointed CS Mannish L. Ghia, Partner, M/s. Manish Ghia & Associates, Practicing Company Secretaries, Mumbai (Membership No. 6252) to act as the Scrutiniser, to scrutinise the entire e-voting in a fair and transparent manner.

    (ii) The Scrutiniser shall submit his report to the Chairman of the meeting or any person authorised by him within two working days of the conclusion of the AGM. The results declared along with the report of Scrutiniser shall be placed on the website of the Company www.alkemlabs.com and on website of CDSL immediately after declaration of results by the Chairman or person authorised by him in this behalf. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

    (iii) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of AGM.

For and on behalf of the Board

Registered Office:
"ALKEM HOUSE",
Senapati Bapat Marg,
Lower Parel,
Mumbai – 400013.

Basudeo N. Singh
Executive Chairman
DIN: 00760310

Mumbai, 28 May, 2026

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM NO. 5

The Members of the Company, through Postal Ballot resolution passed on 10 February, 2022, had approved the appointment of Mrs. Madhurima Singh as a Whole Time Director of the Company designated as an Executive Director, liable to retire by rotation, for a period of 5 (five) consecutive years effective from 20 December, 2021 upto 19 December, 2026, at a remuneration of ₹ 59,96,100/- (Rupees Fifty Nine Lakhs Ninety Six Thousand One Hundred only) per month and other perquisites and further authorised the Board of Directors of the Company to approve the increment in remuneration to be paid to Mrs. Madhurima Singh, from time to time, not exceeding 20% p.a. of her last drawn annual remuneration after considering her contribution towards the growth and performance of the Company.

Brief Profile:

Mrs. Madhurima Singh is an Executive Director on the Board of Alkem since 2021. She has been instrumental in driving Alkem's transformative initiatives, bringing a distinctive combination of strategic clarity, organisational depth, and measured leadership to the company's growth journey. Her ability to integrate operational rigour with a people-centric approach has contributed significantly to strengthening institutional capabilities across the organisation. She has also played an important role in the continued expansion of the Company's Active Pharmaceutical Ingredients (API) segment and medical device segments. Her work in the areas of sustainability, social impact, and the adoption of new-age technologies reflects her long-term vision and active role in shaping the organisation that Alkem is becoming one that is as prepared for the demands of the future as it is grounded in the strengths of its past. She holds a Master of Science degree specialising in Microbial & Molecular Genetics. She was recognised among Business Today's Most Powerful Women in Business in 2025.

Considering her experience and contribution towards the growth of the Company and based on the recommendation of Nomination & Remuneration Committee and Audit Committee, the Board at its meeting held on 28 May, 2026, subject to the approval of shareholders of the Company, approved the re-appointment of Mrs. Madhurima Singh as an Executive Director of the Company, liable to retire by rotation, for a term of 5 (five) consecutive years commencing from 20 December, 2026 upto 19 December, 2031 on such terms and conditions as detailed in resolution set out under Item No. 5 hereinabove.

Further, Mrs. Madhurima Singh shall also be entitled to payment of increments, from time to time during the Service Period, not exceeding 20% per annum of her last drawn annual remuneration after considering her contribution towards the growth and performance of the Company.

The Board recommends the Ordinary Resolution as set out in Item No. 5 of the Notice for approval of the Members. Disclosure as required under Regulation 36 of SEBI LODR Regulations and Secretarial Standard-2 on General Meetings is given as an Annexure to this Explanatory Statement.

Except Mrs. Madhurima Singh and Mr. Basudeo N. Singh and their relatives, none of the other Promoters, Directors, Key Managerial Personnel and their respective relatives is concerned or interested in the proposed Ordinary Resolution.

ITEM NO.06

The Board of Directors at its meeting held on 29 May, 2025, upon the recommendation of the Audit Committee had approved the re- appointment of Mr. Suresh D. Shenoy, Cost Accountant (Membership No. 8318) as the Cost Auditor of the Company to conduct audit of cost records maintained by the Company for financial year ended 31 March, 2026 at a fee of ₹ 15,00,000/- (Rupees Fifteen Lakhs only) plus applicable taxes and re-imbursement at actuals of out of pocket expenses subject to a maximum limit of 3% of total fees i.e. ₹ 45,000/- (Rupees Forty Five Thousand only) incurred for the purpose of the above audit.

In accordance with Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 including any statutory modification(s) or enactments thereof, for the time being in force, the fees payable to Cost Auditor is required to be ratified by the Members of the Company.

Accordingly, the Board of Directors recommends for your approval the Ordinary Resolution set out at item no. 6 of the Notice for ratification of fees payable to Cost Auditor for financial year 2025-26.

None of the Directors / Key Managerial Personnel of the Company and / or their relatives is, in any way, concerned or interested, in the aforesaid resolution.

For and on behalf of the Board

Registered Office:
"ALKEM HOUSE",
Senapati Bapat Marg,
Lower Parel,
Mumbai – 400013.

Basudeo N. Singh
Executive Chairman
DIN: 00760310

Mumbai, 28 May, 2026

ANNEXURE TO ITEM NOS. 3, 4 and 5 OF THE NOTICE

Profile of Directors seeking re-appointment at the forthcoming Annual General Meeting

(in pursuance of Regulation 36 of the SEBI LODR Regulations, read with Secretarial Standard – 2 on General Meetings)

Name of Director	Sandeep Singh	Sarvesh Singh	Madhurima Singh
DIN	01277984	01278229	09137323
Date of Birth	23 July, 1982	27 August, 1981	02 October, 1965
Age (in years)	43	44	60
Qualifications	Bachelor's degree in Commerce	Bachelor of Arts (2nd Year)	MSc (Botany) with specialization in Plant Pathology and Genetics, Diploma in entrepreneurship, B.A in Astronomy
Experience	Over 20 years	Over 20 years	Entrepreneurial professional having an extensive experience in various fields
Expertise in specific functional areas	Pharmaceutical (Domestic and International), Finance, Regulatory Compliance & Governance and Risk Management.	Sales and Marketing in the Pharmaceutical Industry	Legal and Compliance, Financial Management, Human Resources, Supply Chain Management and Marketing
Brief Profile	Mr. Sandeep Singh has been associated with Alkem since 2004 and joined the Board in 2013 and currently serves as the Managing Director of the Company. He has been at the centre of Alkem's growth in both ambition and scope, consolidating its domestic position while enhancing presence in global markets and expanding into new segments. Over the years, he has helped shape Alkem into a more diversified and forward-looking organisation by balancing scale with agility and building capabilities across both established and emerging areas of healthcare. He has also been closely involved in expanding Alkem's presence in biosimilars, CDMO and medical device segments, reflecting a clear strategic focus on areas that will define the next phase of healthcare innovation and growth. Mr. Singh was recognised as the Emerging Pharma Leader of the Year in 2016 and featured in the ET & Spencer Stuart 40 Under 40 list in 2021.	Mr. Sarvesh Singh has been associated with Alkem since 2004 and joined the Board in 2019. Over twenty years with the Company, he has built a deep understanding of market dynamics in which Alkem operates, its customer base, and commercial operations through sustained involvement in the business. His focus within the organisation has been on the chronic therapies segment, where he has contributed to portfolio expansion, market development, and business execution. He additionally contributes to the CSR initiatives of the Company. He is actively involved in strengthening business processes and supporting the organisation's efforts to build scale with consistency across functions.	Refer item no. 5 of explanatory statement
Date of appointment on the Board	Original Appointment: 09 August, 2013 Appointment at current designation: 17 October, 2017	Original Appointment: 11 November, 2019	Original Appointment: 20 December, 2021
Terms and conditions of appointment	On such terms and conditions as mentioned in the resolution passed in the 48th Annual General Meeting held on 25 August, 2022.	On such terms and conditions as mentioned in the resolution passed in the 50th Annual General Meeting held on 30 August, 2024.	On such terms and conditions as proposed in the resolution no. 5 of the Notice.
Remuneration drawn during FY 2025-26	₹ 78.9 Million (including commission)	₹ 45.4 Million	₹ 111.5 Million
Number of shares held in the Company as on 31 March, 2026	7 Equity Shares of ₹ 2 each	1 Equity Share of ₹ 2	73,93,939 Equity Shares of ₹ 2 each
List of Directorships held in other listed companies	NIL	NIL	NIL
List of Directorships in listed companies from which the person has resigned in the past three years	NIL	NIL	NIL

Name of Director	Sandeep Singh	Sarvesh Singh	Madhurima Singh
Chairmanship/ Membership of Audit and Stakeholders' Relationship Committees across Public Companies including Alkem Laboratories Limited	1. Member of Audit Committee of Alkem Laboratories Limited 2. Member of Audit Committee of Enzene Biosciences Limited	NIL	Member of Stakeholders' Relationship Committee of Alkem Laboratories Limited
Relationship between Directors inter se	Brother of Mr. Sarvesh Singh, Executive Director	Brother of Mr. Sandeep Singh, Managing Director	Daughter-in-law of Mr. Basudeo N. Singh, Executive Chairman of the Company.
Number of Board Meetings attended during the year 2025-26 (out of total 07 Board Meetings held)	06	06	07

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