Corporate Office:
Solara Active Pharma Sciences Limited
TICEL Bio Park, 6th Floor,
Module No. 601, 602, 603, Phase II – CSIR Road,
Taramani, Chennai, Tamil Nadu – 600113.
Tel: +91 44 4344 6700
Fax: +91 44 47406190
E-mail: investors@solara.co.in
Website: www.solara.co.in

Date: August 25, 2026

The BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

Scrip Code: 541540, 890202

The National Stock Exchange of India Limited
Exchange Plaza, Bandra-Kurla Complex,
Bandra (E), Mumbai – 400 051

Symbol: SOLARA, SOLARAPP1

Dear Sir / Madam,

Subject: Notice of Ninth Annual General Meeting and Annual Report for the financial year 2025-26

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Notice convening Ninth Annual General Meeting (AGM) along with the Annual Report for the financial year 2025-26 which will be circulated to the shareholders through electronic mode. The Ninth AGM is scheduled to be held on Friday, September 18, 2026, at 10.30 A.M (IST) through Video Conference (VC) / Other Audio-Visual Means (OAVM), in accordance with the Circulars issued by Ministry of Corporate Affairs (MCA), SEBI and applicable provisions of the Companies Act, 2013 and the Rules made thereunder.

The Notice along with the Annual Report for the financial year 2025-26 made available on the Company's website at https://solara.co.in/investor-relations/annual-reports/#annual

The schedule of AGM is as set out below:

Particulars	Details
Date and Time of AGM	Friday, September 18, 2026 at 10.30 AM (IST).
Eligible to vote – Cut-off date	Friday, September 11, 2026
Remote e-voting start date and time	Tuesday, September 15, 2026; 9.00 AM (IST)
Remote e-voting end date and time	Thursday, September 17, 2026; 5.00 PM (IST)
Website of CDSL for remote e-voting and participation in the AGM	https://www.evotingindia.com/ or https://eservices.nsdl.com

Kindly take the above information on records.

Thanking You,

Yours Faithfully,
For Solara Active Pharma Sciences Limited

POOJA JAYA KUMAR
Digitally signed by POOJA JAYA KUMAR
Date: 2026.08.25 15:53:25 +05'30'

Pooja Jaya Kumar
Company Secretary & Compliance Officer
ICSI Membership No.: A57415

Solara Active Pharma Sciences Limited
CIN: L24230MH2017PLC291636
Registered Office: Cyber One', Unit No. 902, Plot No. 4 & 6, Sector 30A,
Vashi, Navi Mumbai - 400 703;
Tel: +91-22-20870033
Corporate Office: TICEL Bio Park, 6th Floor, Module No. 601, 602, 603,
Phase II – CSIR Road, Taramani, Chennai, Tamil Nadu – 600113.
Tel: +91 44 4344 6700
E-mail: investors@solara.co.in
Website: www.solara.co.in

NOTICE

NOTICE is hereby given that the Ninth Annual General Meeting of the Members of the Company will be held on **Friday, September 18, 2026, at 10.30 A.M.** through Video Conferencing (**"VC"**) / Other Audio-Visual Means **("OAVM")** to transact the following businesses.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2026, together with the Reports of the Board of Directors and the Auditors thereon, and in this regard, to consider and if thought fit, to pass the following resolution as **Ordinary Resolution**:

   "RESOLVED THAT the Audited Standalone Financial Statement of the Company for the financial year ended March 31, 2026 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2026, together with the Report of the Auditors thereon, and in this regard, to consider and if thought fit, to pass the following resolution as **Ordinary Resolution**:

   "RESOLVED THAT the Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2026 and the report of Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

3. To appoint Mr. Arun Kumar Pillai (DIN: 00084845), who retires by rotation and being eligible offers himself for re-appointment as a Non - Executive Director, and in this regard, to consider and if thought fit, to pass the following resolution as **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of section 152 of the Companies Act, 2013 and rules made thereunder (including any statutory modification and re-enactment thereof and other applicable provisions, if any of the Companies Act, 2013), Mr. Arun Kumar Pillai, (DIN: 00084845) who retires by rotation, be and is hereby re-appointed as a Non-Executive Director of the Company, liable to retire by rotation.

SPECIAL BUSINESS

4. To ratify the remuneration payable to Cost Auditors for the financial year ending March 31, 2027, and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration of ₹ 4,75,000/- (Rupees Four Lakhs Seventy-Five Thousand only), plus reimbursement of out-of-pocket expenses and applicable taxes, payable to Mr. K. Suryanarayanan, Practising Cost Accountant (Membership No. 24946), who was appointed as the Cost Auditor of the Company for the financial year ending March 31, 2027, by the Board of Directors of the Company on the recommendation of the Audit Committee, be and is hereby ratified and confirmed.

   RESOLVED FURTHER that any Director or the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things and to execute and deliver all such necessary documents for the purpose of giving effect to the aforesaid resolution."

5. To approve Material Related Party Transactions/ Contracts/ Arrangements with Strides Pharma Science Limited up to ₹ 480 crores, and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED that pursuant to the applicable provisions of the Companies Act, 2013 (**"the Act"**) read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the **"SEBI Listing Regulations"**) including any amendments, modification(s) or re-enactment thereof for the time being in force, the Company's Policy on Related Party Transactions and basis the approval and recommendations of the Audit Committee and the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded to the Company to enter / continue to enter into contracts, arrangements, transactions in connection with sales and purchase of goods and/ or services, lease, and other transactions (in terms of Regulation 2(1)(zc)(i) of the Listing Regulations) with Strides Pharma Science Limited (**"Strides"**), on such terms and conditions as may be mutually agreed upon between the Company and Strides for an aggregate amount up to ₹ 480 crores (Rupees Four Hundred and Eighty Crores), provided that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at arm's length basis and in the ordinary course of business of the Company, from the date of this Annual General Meeting (**"AGM"**) up to the date of next AGM to be held in the calendar year 2027, for the purposes as set out in the explanatory statement annexed hereto.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include the Audit Committee of the Board and any duly constituted committee empowered to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion, to delegate all or any of its powers conferred under this resolution to any Director or Key Managerial Personnel or any officer / executive of the Company and to resolve all such issues, questions, difficulties or doubts whatsoever that may arise in this regard and all action(s) taken by the Company in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.

By Order of the Board
For **Solara Active Pharma Sciences Limited**

Pooja Jaya Kumar
Company Secretary & Compliance Officer
Membership No.: A57415

Place: Bengaluru
Date: August 21, 2026

Registered Office:
'Cyber One', Unit No. 902, Plot No. 4 & 6,
Sector 30A, Vashi, Navi Mumbai - 400 703
Tel: +91-22-20870033
Corporate Office:
TICEL BIO PARK., 6th floor
Module No. 601, 602, 603, Phase II – CSIR Road,
Taramani, Chennai, Tamil Nadu – 600113.
Tel: +91 44 4344 6700
Fax: +91 44 47406190
E-mail: investors@solara.co.in
Website: www.solara.co.in
CIN: L24230MH2017PLC291636

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 under item nos. 4 to 5 set out above and additional information, pursuant to Regulation 36 of the LODR Regulations and Secretarial Standard 2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI"), forms part of this Notice.

2. Relevant details of directors being re-appointed pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India is enclosed as Annexure 1 to this Notice.

3. Pursuant to General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 02/2022 dated May 5, 2022 and subsequent circulars issued in this regard, the latest being 3/2025 dated September 22, 2025, issued by the Ministry of Corporate Affairs, (collectively referred to as MCA Circulars) and such other applicable circulars issued by MCA and Securities and Exchange Board of India (SEBI) (the Circulars), the Company is convening the 9th Annual General Meeting (AGM) through Video Conferencing (VC)/ Other Audio Visual Means (OAVM).

   Central Depository Services (India) Limited (CDSL) shall be providing facility for voting through remote e-voting, for participation in the AGM through VC/ OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM is provided at Note No. 25 below.

4. 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 pursuant to MCA Circulars through VC / OAVM, physical attendance of 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 and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.

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

6. Corporate members intending to send their authorized representatives to attend the AGM through VC / OAVM are requested to send a certified copy of the Board Resolution to the Scrutinizer by mail from its registered email address.

7. 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 the directors are interested, maintained under Section 189 of the Act and the Certificate from the Secretarial Auditor relating to the Company's Stock Options under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e., Friday, September 18, 2026. Members seeking to inspect such documents can send an email to investors@solara.co.in.

8. Deemed venue for the AGM shall be Registered Office of the Company.

9. Members whose shareholding is in demat mode are requested to notify any change in address or bank account details to their respective depository participant(s) (DP). Members holding shares in physical form are requested to notify / send the following at the earliest:

   - Any change in their address/ mandate/ bank details;
   - Particulars of their bank account, in case the same have not been sent earlier, to the Company's Registrar and Transfer Agent at Cameo Corporate Services Limited, Address: Subramanian Building, #1, Club House Road, Chennai 600 002 – India Ph: 91-44 - 2846 0390, Fax: 91-44 - 2846 0129, email id- Investor@cameoindia.com, Online Investor Portal: wisdom.cameoindia.com

10. All documents that have been referred to in the accompanying notice and Explanatory Statement are open for inspection at the Registered Office of the Company from 10.30 A.M. to 12.00 noon on working days up to the date of the Annual General Meeting.

11. Members are requested to apply for consolidation of folios, in case their holdings are maintained in multiple folios.

12. SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655,dated03.11.2021andSEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated 14.12.2021, has mandated the submission of the Permanent Account Number (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). Members holding shares in physical form are required to submit their PAN details to the RTA by e-mail to Investor@cameoindia.com. In case of Members holding shares in physical form, you are

advised to convert shareholding into demat form by approaching depository participant.

13. In compliance with the aforesaid MCA Circulars and Listing Regulations, Notice of the AGM, instructions for e-voting, along with the Annual Report 2025-26 are being sent only through electronic mode to those members whose email addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report will also be available on the Company's website www.solara.co.in websites of the Stock Exchanges i.e. BSE Ltd. and National Stock Exchange of India Ltd. at www.bseindia.com and www.nseindia.com and on the website of CDSL www.evotingindia.com/.

14. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses to receive all communications including Annual Report, Notices, Circular, etc. from the Company in electronic mode. Members holding shares in demat mode, who have not registered their email addresses, are requested to register their email addresses with their respective DP, and members holding shares in physical mode are requested to update their email addresses with the Company's RTA, CAMEO Corporate Services Limited at Investor@cameoindia.com. A letter containing the weblink for accessing the Notice of the AGM and the Annual Report will be dispatched to the shareholders who have not registered their email IDs.

    Members who require communication in physical form in addition to e-communication or have any other queries may write to us at investors@solara.co.in

15. This Notice is emailed to Members, whose names appear in the Register of Members/ list of Beneficial Owners as on Friday, August 14, 2026.

    Members holding shares either in physical or dematerialized mode, as on the cut-off date, (i.e.) Friday, September 11, 2026, may cast their votes electronically. The e-voting period will commence at 9.00 a.m. (IST) on Tuesday, September 15, 2026, and will end at 5.00 p.m. (IST) on Thursday, September 17, 2026.

    The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. Friday, September 11, 2026. Members are eligible to cast vote electronically only if they are holding shares as on that date. Members who have acquired shares after the dispatch of the Annual Report and before the cut-off date may approach the Registrar for issuance of the User ID and Password for exercising their right to vote by electronic means. A person who is not a member as on the cut-off date is requested to treat this Notice for information purposes only.

16. In terms of Sections 108 and other applicable provisions of the Act, as amended, read together with the Rules and MCA & SEBI Circulars and in compliance with Regulation 44 of the Listing Regulations as amended from time to time and the Circulars issued by the Securities and Exchange Board of India from time to time, the Company is pleased to offer remote e-voting facility to all the Members of the Company holding shares as on Cut-off date. The Company has appointed CDSL to facilitate remote e-voting to enable the Members to cast their votes electronically.

17. The Board has appointed Mr. Preetham Hebbar (CoP No. 21431) of M/s. Preetham Hebbar & Co., Practicing Company Secretaries, as the Scrutinizer to scrutinize the e-voting process and voting done through physical ballot paper at the AGM in a fair and transparent manner.

    The Scrutinizer shall submit a consolidated Scrutinizer's report of the total votes cast in Favor or Against, not later than two working days after the conclusion of AGM to the Chairman of the Company. The Chairman or any other person authorized by him, shall declare the results of voting forthwith.

18. The result along with the Scrutinizer's report will be placed on the Company's website and on the website of CDSL after the result is declared by the Chairman/ any other person authorized by him, and the same shall be communicated to the stock exchanges where the shares of the Company are listed.

19. Members wishing to claim dividends that remain unclaimed are requested to correspond with the RTA as mentioned above, or with the Company Secretary, at the Company's registered office or at investors@solara.co.in . Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund (IEPF). Shares on which dividend remains unclaimed for seven consecutive years shall be transferred to the IEPF as per Section 124 of the Act, read with applicable IEPF rules.

20. Effective April 1, 2024, SEBI has mandated that the shareholders, who hold shares in physical mode and whose folios are not updated with any of the KYC details [viz., (i) PAN (ii) Choice of Nomination (iii) Contact Details (iv) Mobile Number (v) Bank Account Details and (vi) Signature], shall be eligible to get dividend only in electronic mode. Shareholders are requested to complete their KYC by writing to the Company's RTA. The forms for updating the same are available at Companies Website at https://solara.co.in/investor-relations/share-holder-communication/ and RTA's Website at https://cambridge.cameoindia.com/Module/Downloadable_Formats.aspx.

List of forms for easy reference of shareholders, who hold shares in physical mode.

Particulars	Forms
Form for availing investor services to register PAN, email address, bank details and other KYC details or changes/ update thereof for securities held in physical mode	Form ISR – 1
Update of signature of securities holder- Confirmation of Signature of securities holder by the Banker	Form ISR – 2
Declaration to opt out and cancellation/withdrawal of nomination by the holder	Form ISR-3 and SH-14
Form for requesting issue of Duplicate Certificate for shares held in physical form	Form ISR-4
Request for transmission of Securities by Nominee or Legal Heir	Form ISR-5

21. As per Section 72 of the Act, members holding shares in physical mode may submit their nomination by submitting SH-13 which can be downloaded from the Company's website at https://solara.co.in/investor-relations/share-holder-communication/. Members holding shares in demat mode may contact their respective DPs to update the nomination.

    List of forms for easy reference of shareholders, who hold shares in physical mode.

Particulars	Forms
For nomination as provided in the Rules 19 (1) of Companies (Share capital and debenture) Rules, 2014	Form SH-13
Change of Nominee	Form SH-14

22. Members may please note that SEBI vide its Circular No. SEB/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificate/ folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR -4, the format of which is available on the Company's website. Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/electronic form to get inherent benefits of dematerialization and also considering that physical transfer of equity shares/ issuance of equity shares in physical form have been disallowed by SEBI.

23. Special window for Re-Lodgement of transfer requests of physical shares

Members who had submitted transfer deeds for physical shares before April 1, 2019, and whose requests were rejected, returned, or remained unprocessed due to deficiencies, have been provided a special re lodgement window till February 4, 2027, to re-lodge the transfer requests.

Transfers would be approved, if all the requisite documents are in place. The transfer under this window will be credited only in dematerialized form and will carry a one year lock-in period from the date of transfer registration. Members can contact the Company/RTA, for assistance in this regard.

24. The instructions of shareholders for remote e-voting and e-voting during AGM and joining meeting through VC/OAVM are as under:

CDSL e-Voting System – For e-voting and Joining Virtual meetings.

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) The voting period begins at 9.00 a.m. (IST) on Tuesday, September 15, 2026, and ends at 5.00 p.m. (IST) on Thursday, September 17, 2026. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, September 11, 2026, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(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/2020/242dated09.12.2020,** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions.

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.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual 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 CDSL/NSDL is given below**:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & My Easi New (Token) Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with **NSDL Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual 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 : 022 - 4886 7000 and 022 - 2499 7000

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form**.

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on "Shareholders" module.

3) 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.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
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/RTA or contact Company/RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login will be mapped automatically & can be delinked in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; Investors@solara.co.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. 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/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Speaker Registration: Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request during the period starting from Thursday, September 10, 2026 (09:00 hrs IST) up to Monday, September 14, 2026 (17:00 hrs IST), mentioning their name, demat account number/folio number, email id, mobile number at ("Investors@solara.co.in").

   Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

   When a pre-registered speaker is invited to speak at the meeting but he/ she does not respond, the next speaker will be invited to speak.
8. The shareholders who do not wish to speak during the AGM but have queries may also send their queries during the period starting from Thursday, September 10 , 2026 (09:00 hrs IST) up to Monday, September 14, 2026 (17:00 hrs IST), mentioning their name, demat account number/folio number, email id, mobile number at ("Investors@solara.co.in"). These queries will be replied to by the company suitably by email.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to nagaraj@cameoindia.com and Investor@cameoindia.com.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. **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.**

   If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911

   All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, AVP, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Pursuant to Section 102 of the Companies Act, 2013 (Act), Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and the applicable Secretarial Standards, the following explanatory statement sets out all the material facts relating to the business mentioned under Item No. 4 to 5 of this Notice:

Item 4:

Pursuant to Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to audit its cost records by a cost accountant in practice. The Board, after considering the recommendation of the Audit Committee, approved appointment of Mr. K. Suryanarayanan, Cost Accountant, bearing Membership No. 24946 as the Cost Auditor of the Company for the financial year ending March 31, 2027 on a remuneration of ₹ 4,75,000/- (Rupees Four Lakhs Seventy-Five Thousand only) plus out of pocket expenses and applicable taxes.

In making the decision on the appointment and remuneration of the Cost Auditors, the Audit Committee of Directors considered the Cost Auditors' performance during the previous year(s) in examining and verifying the accuracy of the cost accounting records maintained by the Company.

Mr. K. Suryanarayanan, Cost Accountant, has furnished a certificate regarding his eligibility for appointment as Cost Auditors of the Company. He has vast experience in the field of cost audit and has conducted the audit of the cost records of the Company for previous years under the provisions of the Act.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules, 2014, the aforesaid remuneration approved by the Board of Directors is required to be ratified by the Shareholders.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution.

The Board recommends passing the proposed resolution stated in Item 4 as an Ordinary Resolution and requests your approval for the same.

Item 5:

Pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), material related party transactions ('RPTs') and subsequent material modifications thereto require prior approval of the shareholders of a listed entity.

Under the SEBI Listing Regulations, the materiality threshold for RPTs is determined based on the annual consolidated turnover of the listed entity as per its last audited financial statements. Based on the consolidated turnover of ₹ 1,368.98 crores for the financial year ended March 31, 2026, the applicable materiality threshold for the Company is ₹ 136.89 crores, being 10% of the annual consolidated turnover of the Company.

Accordingly, the RPT exceeding the aforesaid RPT Materiality Threshold require prior approval of the shareholders in compliance with Regulation 23 of the SEBI Listing Regulations.

The proposed Related Party transactions with Strides Pharma Science Limited (Strides) may exceed the above-mentioned materiality threshold of the Company and hence, the Audit Committee and the Board of Directors at their meeting held on May 15, 2026 and July 23, 2026 have reviewed and recommended the approval of material RPTs to the Members. Further, these transactions are in the ordinary course of business and will be carried out at arm's length basis.

The Company now seeks approval from the shareholders of the Company to enter into and/or continue contracts/ arrangements and transactions with Strides, within the limits and subject to the terms and conditions set out in the resolution at Item No. 5. The approval is being sought to facilitate the seamless and uninterrupted contracting for, and rendering and/or availing of, products and services between the Company and Strides, as may be required in the ordinary course of business.

The details of transactions as required under Regulation 23(4) of the Listing Regulations read with Section III-B of the SEBI Master Circular bearing reference no. SEBI/HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026 ("SEBI Master Circular") along with details as required under the Industry Standards on "Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions" ("RPT Industry Standards") are set forth below:

Minimum Information to be provided to the shareholders for approval of Material RPTs

Sl. No	Particulars of the information	Details
1	Summary of information as placed before the Audit Committee in the format as specified in the RPT Industry Standards, to the extent applicable.	Refer table A and B
2	Justification as to why the proposed transaction is in the interest of the listed entity, basis for determination of price and other material terms and conditions of RPT	Refer table A(5)

Sl. No	Particulars of the information	Details
3	Disclose the fact that the Audit Committee has reviewed the certificates provided by the CEO/ Managing Director/ Whole Time Director/ Manager and CFO of the Listed Entity as required under the RPT Industry Standards.	The Audit Committee has reviewed the certificate issued by the Managing Director and CFO of the Company, as required under the RPT Industry Standards.
4	Disclosure that the material RPT or any material modification thereto, has been approved by the Audit Committee and the Board of Directors recommends the proposed transaction to the shareholders for approval.	The material RPT has been approved by the Audit Committee, and the Board recommend the proposed transaction(s) to the shareholders for approval.
5	Provide web-link and QR Code, through which shareholders can access the valuation report or other reports of external party, if any, considered by Audit Committee while approving the RPT.	Not Applicable
6	The Audit Committee and Board of Directors, while providing information to the shareholders, can approve redaction of commercial secrets and such other information that would affect competitive position of listed entity and affirm that, in its assessment, the redacted disclosures still provides all the necessary information to the public shareholders for informed decision making.	Not Applicable
7	Any other information that may be relevant.	All relevant / important information forms part of this statement setting out material facts pursuant to Section 102 of the Companies Act.

Table A - Minimum Information of proposed RPT between Company and Strides:

Sl. No	Particulars of the information	Details
A (1) Basic Details of Related Party (RP)		
1	Name of the Related Party	Strides Pharma Science Limited ("Related party")
2	Country of incorporation of the Related Party	India
3	Nature of business of the Related Party	Manufacturing Pharmaceutical products
A(2) Relationship and Ownership of the Related Party		
1	Relationship between Solara (**"Listed Entity"**) and the related party – including nature of its concern (financial or otherwise)	Common Promoter and Director. Mr. Arun Kumar Pillai is a Promoter of both Solara Active Pharma Sciences Limited and Strides Pharma Science Limited and serves as a Non-Executive Director of Solara and Non-Executive Chairman of Strides Pharma Science Limited and has significant influence.
	· Shareholding of the listed entity whether direct or indirect, in the related party	Nil
	· Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity	Not applicable
	· Shareholding of the related party, whether direct or indirect, in the listed entity	Nil
A(3) Details of previous transactions with the Related Parties		
1	· Total amount of all the transactions undertaken by the listed entity with the related party during the last financial year.	Amount (₹ in crores) **Nature of transactions** — **F.Y. 2025-26** Sale of Goods — 329.47 Reimbursement of expenses to Strides — 0.27 Reimbursement of expenses from Strides — 8.51 Lease rent paid to Strides — 0.88
2	· Total amount of all the transactions undertaken by the listed entity with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	RPTs with Strides amounted to ₹258.68 crore from the last AGM to June 30, 2026. Shareholders' approval for RPTs with Strides up to ₹400 crore was obtained at the last AGM, and all transactions were within the approved limit.
3	· Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.	No default

<table>
<tr><th>Sl. No</th><th>Particulars of the information</th><th>Details</th></tr>
<tr><td colspan="3">A (4) Amount of Proposed Transaction</td></tr>
<tr><td>1</td><td>Amount of the proposed transactions being placed for approval in the meeting of Audit Committee and Shareholders.</td><td>Not exceeding ₹ 480 Crores (Rupees Four Hundred and Eighty Crores), for a period commencing from the date of 9th Annual General Meeting ("AGM") up to the date of 10th AGM of the Company to be held in the year 2027. Segregation provided below:</td></tr>
<tr><td></td><td>Proposed Transactions</td><td>
<table>
<tr><th>Nature of proposed transactions</th><th>Amount (₹ in crores)</th></tr>
<tr><td>Sale of goods</td><td>450.00</td></tr>
<tr><td>Sale of services</td><td>10.00</td></tr>
<tr><td>Purchase of goods</td><td>0.95</td></tr>
<tr><td>Purchase of services</td><td>2.00</td></tr>
<tr><td>Reimbursement of expenses to Strides</td><td>2.00</td></tr>
<tr><td>Reimbursement of expenses from Strides</td><td>15.00</td></tr>
<tr><td>Lease rent payable to Strides</td><td>0.05</td></tr>
<tr><td>Total</td><td>480.00</td></tr>
</table>
</td></tr>
<tr><td>2</td><td>Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?</td><td>Yes</td></tr>
<tr><td>3</td><td>Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year.</td><td>35.07% of annual consolidated turnover of Solara Active Pharma Sciences Limited for the financial year 2025-26.</td></tr>
<tr><td>4</td><td>Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)</td><td>NA</td></tr>
<tr><td>5</td><td>Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.</td><td>9.88% of annual consolidated turnover of Strides Pharma Science Limited for the financial year 2025-26.</td></tr>
<tr><td>6</td><td>Financial performance of the related party for the immediately preceding financial year (based on standalone financials for FY 2025-26)</td><td>
<table>
<tr><th>Sl. No</th><th>Particulars</th><th>Amount (₹) In Crores</th></tr>
<tr><td>1</td><td>Turnover</td><td>2,180.14</td></tr>
<tr><td>2</td><td>Profit After Tax</td><td>183.64</td></tr>
<tr><td>3</td><td>Net Worth</td><td>3,283.52</td></tr>
</table>
</td></tr>
<tr><td colspan="3">A(5) Basic Details of the Proposed Transaction</td></tr>
<tr><td>1</td><td>Specific type of the proposed transaction</td><td>
- Sale of goods: Includes the sale of Active Pharmaceutical Ingredients (APIs).
- Sale of services: Includes product development services and related fees.
- Purchase of goods and/or services.
- Reimbursement of expenses from Strides: Pertains to support services rendered to Strides, including Zero Liquid Discharge (ZLD) treatment costs, supply of steam, and other expenses incurred by Solara on behalf of Strides.
- Reimbursement of expenses to Strides: Pertains to support services rendered by Strides on behalf of Solara and other expenses incurred by Strides on behalf of Solara.
- Payment of lease rent: In relation to the registered office premises.
</td></tr>
<tr><td>2</td><td>Details of each type of the proposed transaction</td><td>Please refer the details given in point no. A(4)1 & A(5)1</td></tr>
</table>

Sl. No	Particulars of the information	Details
3	Tenure of the proposed transaction (In years / months)	For period commencing from the date of 9th Annual General Meeting ("AGM") up to the date of 10th AGM of the Company to be held in the year 2027.
4	Whether omnibus approval is being sought?	Yes
5	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	Not exceeding ₹ 480 crore (Rupees Four Hundred and Eighty Crores)
6	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	- Transactions with the related party provide stable order volumes and improved visibility for production planning. Additionally, the credit risk is considered lower due to the established relationship and financial standing of the related party. - The proximity and established relationship with the related party enable better coordination in procurement planning, reduced lead times, and improved inventory management, leading to enhanced operational efficiency. - The services availed are directly related to the Company's business operations and are necessary for maintaining competitiveness in regulated and data-driven pharmaceutical markets. - The Company operates common utilities such as steam generation systems, power infrastructure, and ETP facilities. Sharing these resources with the related party ensures optimal utilization of installed capacities and improves overall operational efficiency. - The Company has its registered office at Mumbai, which is subleased from Strides.
7	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. a. Name of the director / KMP b. Shareholding of the director / KMP, whether direct or indirect, in the related party	- Mr. Arun Kumar Pillai, Promoter & Non -Executive Director in Solara holds 2.02%(Direct) & 13.44%(Indirect) shareholding in Related party - Dr. Kausalya Santhanam, who is an Independent Director of Strides and Solara holds nil shares in Related party None of the Promoters, Directors and/ or Key Managerial Personnel of the Company and/ or their relatives are deemed to be concerned or interested, financially or otherwise in the said resolution except to the extent of their shareholding and aforesaid common directorships as disclosed above.
8	Web-link and QR Code providing access to the valuation report or other external party report, if any, considered by the Audit Committee while approving the RPT.	Not Applicable
9	Other information relevant for decision making.	All relevant/ important information forms part of this Explanatory statement

Table B - Other Details

Sl. No	Particulars of the information	Details
B (1) Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances		
1	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	The transaction is proposed to be entered into with a related party considering business synergies, operational requirements, and efficiency. No bidding or competitive selection process was undertaken for the proposed transaction
2	Basis of determination of price.	The price of goods/services is determined on an arm's length basis, in accordance with the Company's pricing policy for similar services and is aligned with prevailing market rates and comparable third-party transactions.
3	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction– Specify	Not Applicable
	a. Amount of Trade advance	Not Applicable
	b. Tenure	Not Applicable
	c. Whether same is self-liquidating?	Not Applicable

Members may note that RPT Policy of the Company may be accessed at https://solara.co.in/investor-relations/policies-and-guidelines/

Members may note that the said Related Party Transactions, placed for Members' approval, shall, at all times, be subject to prior approval of the Audit Committee of the Company and shall continue to be in the ordinary course of business and at arm's length. The transactions shall also be reviewed/ monitored on periodic basis by the Audit Committee of the Company in terms of the applicable provisions of SEBI Listing Regulations and relevant circular(s) made thereunder and shall remain within the proposed amount(s) being placed before the Members.

The Audit Committee has reviewed the certificate(s) provided by the Managing Director & CEO and Chief Financial Officer of the Company, in compliance of the RPT Industry Standards.

Pursuant to Regulation 23 of SEBI Listing Regulations, Members may also note that no related party of the Company shall vote to approve the item no 5 whether the entity is a related party to the particular transaction or not.

Except Mr. Arun Kumar Pillai, Promoter and Non - Executive Director of the Company and also Promoter and Non-Executive Chairman of Strides; Dr. Kausalya Santhanam, who is an Independent Director of Strides and Solara, and common promoters of Strides and Solara, none of the other Promoters/ Directors/ Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in the said resolution except to the extent of their shareholding as Members, if any.

The Board recommends the resolution as set out in Item 5 of the notice for approval of Members as an **Ordinary Resolution**.

By Order of the Board
For Solara Active Pharma Sciences Limited

Pooja Jayakumar
Company Secretary & Compliance Officer
Membership No.: A57415

Place: Bengaluru
Date: August 21, 2026

Registered Office:
'Cyber One', Unit No. 902, Plot No. 4 & 6,
Sector 30A, Vashi, Navi Mumbai - 400 703
Tel: +91-22-20870033

Corporate Office: TICEL BIO PARK., 6th floor, Module No. 601, ,
602, 603, Phase II – CSIR Road, Taramani, Chennai, Tamil Nadu – 600113.
Tel: +91 44 4344 6700 | Fax: +91 44 47406190
E-mail: investors@solara.co.in | Website: www.solara.co.in

CIN: L24230MH2017PLC291636

ANNEXURE 1

DETAILS OF DIRECTORS SEEKING APPOINTMENT

[Pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard 2 on General Meetings]

Sl No	Name of Director	Mr. Arun Kumar Pillai
1.	DIN:	00084845
2.	Age:	65 Years
3.	Nationality	Indian
4.	Date of first appointment to the Board	August 4, 2021
5.	Brief Resume	Mr. Arun Kumar Pillai is the Promoter of Solara Active Pharma Sciences Limited and serves as a Non-Executive Director on the Board of the Company. He is a distinguished first-generation entrepreneur known for his exceptional ability to identify and build businesses in complex and high-value sectors. In 1990, he founded Strides Pharma Science Limited and successfully guided the Company to global prominence through a distinctive business model that has created significant value for stakeholders. He holds a bachelor's degree in commerce and through his family office established in the early 2000s, he has led strategic investments across multiple businesses. The businesses under his leadership operate in over 100 countries, employ more than 7,000 people and include over 25 manufacturing facilities worldwide. Mr. Arun Kumar Pillai has played a pivotal role in the formation and growth of Solara, providing strategic direction and industry expertise that have helped strengthen the Company's position in the Active Pharmaceutical Ingredients (API) industry. His extensive experience in the pharmaceutical sector continues to contribute to Solara's long-term growth, business development, and value creation initiatives. Mr. Arun Kumar Pillai was conferred the Ernst & Young Entrepreneur of the Year Award for the Healthcare Industry in 2000. In 2014, he received the "India's Best CEO Award" (Mid-Sized Companies Category) and the "Best CEO in the Pharma and Healthcare Industry" award from Business Today in recognition of his outstanding leadership and contributions to the healthcare sector.
6.	Qualifications	
7.	Experience/Expertise in specific functional area	
8.	No. of shares held in the Company, including shareholding as a beneficial owner	16,68,463 Equity shares
9.	List of Directorships held in other Companies including listed entities	1. Strides Pharma Science Limited 2. OneSource Specialty Pharma Limited
10.	Names of listed entities from which appointee has resigned in the past three years	Nil
11.	No. of board meetings attended during the year (FY 25-26)	4 out of 5 meetings held during the year 2025-26
12.	Chairman/ Member in the Committees of the Boards of companies in which he is Director viz. Audit Committee and Stakeholders Relationship Committee;	**Strides Pharma Science Limited.** Stakeholder Relationship Committee – Member Nomination & Remuneration Committee - Member
13.	Skills and capabilities required for the role of Independent Director and the manner in which the proposed person meets such requirements	Not applicable
14.	Relationship between director inter-se and other Key Managerial Personnel of the company	None
15.	Remuneration details (including sitting fees & Commission)	Nil
16.	Last drawn remuneration in Solara (including sitting fees & Commission) (FY 25-26) (In Crores)	Nil
17.	Other terms and conditions of appointment	This is reappointment of the director, who is liable to retire by rotation, hence the terms and conditions are covered at the time of his initial appointment.

SOLARA
Active Pharma Sciences

FINISHING STRONG,

BUILDING FOR GROWTH

Solara Active Pharma Sciences Limited

Annual Report 2025-26

CONTENTS

HIGHLIGHTS OF FY2025-26

Financial

OVERALL

₹1,375.14 Crores
Revenue
▲ 7%

₹665.86 Crores
Gross profit (after S&D cost)
▲ 3%

₹191.54 Crores
EBITDA
▼ 10%

Environment

ENERGY

69.9
Kilo joules per rupee of turnover in FY2025-26

Social

₹0.76 Crores
Investment in CSR activities

▲▼ YoY Growth/De-growth

BASE BUSINESS*

₹1,041.40 Crores
Revenue
▲ 6%

₹573.20 Crores
Gross profit (after S&D cost)
▲ 6%

₹244.50 Crores
EBITDA
▲ 0.25%

IBUPROFEN BUSINESS^

₹333.74 Crores
Revenue
▲ 9%

₹92.66 Crores
Gross profit (after S&D cost)
▼ 12%

₹(52.96) Crores
EBITDA
▼ 76%

*Base business is excluding the commodity ibuprofen business
^Ibuprofen business represents only the commodity ibuprofen business

SCOPE 1 & 2 GHG EMISSIONS

27.15
Metric tonnes of CO_2 per crore of turnover FY2025-26

WATER

27.7
Milliliters per rupee of turnover in FY2025-26

Governance

4
Independent Directors on the Board, including one Woman Director

The global pharmaceutical industry continues to undergo significant transformation, driven by rising healthcare needs, evolving regulatory standards, geopolitical shifts in supply chains, and rapid technological advancement. As innovation in chemical synthesis, process development, and biotechnology reshapes the pharmaceutical ecosystem, customers increasingly seek partners who can consistently deliver quality, reliability, compliance, and innovation. In this dynamic environment, API manufacturers with strong regulatory credentials, diversified capabilities, and operational excellence are becoming indispensable contributors to the global healthcare value chain.

FINISHING STRONG, BUILDING FOR GROWTH

At Solara Active Pharma Sciences Limited, we remain well positioned to strengthen our role as a preferred global API partner. Our focused API business model, diversified product portfolio, established presence across regulated markets, and globally compliant manufacturing network provide a strong platform to serve the evolving needs of customers worldwide. Backed by advanced process capabilities, multipurpose manufacturing assets, and a culture rooted in quality and compliance, we continue to support our customers across a broad range of complex and high-value pharmaceutical products.

FY2025-26 was a year that tested the resilience of the industry, yet also underscored the strength of our operating model. While pricing pressures and continued weakness in the commodity Ibuprofen segment persisted, the steady growth of our core API business enabled us to navigate these challenges effectively. Through disciplined execution, customer focus, and operational agility, we delivered a resilient performance and concluded the year on a stronger footing.

Our performance reflects not only the strength of our business fundamentals but also the commitment of our employees, the confidence of our customers, and the support of our stakeholders. Their trust continues to be a key driver of our progress.

As we look ahead, our priorities remain clear. We are focused on strengthening our technological capabilities, expanding our development portfolio, and enhancing manufacturing excellence to improve competitiveness and accelerate growth. Investments in advanced chemistry, process engineering, analytical sciences, and specialised manufacturing platforms are enabling us to develop and commercialise increasingly complex molecules with greater efficiency, scalability, and reliability.

The fundamentals of our business remain strong. A robust regulatory track record, deep customer relationships, global market access, and a commitment to continuous improvement provide a solid foundation for the future. As the pharmaceutical industry continues to evolve, we believe Solara is well positioned to capture emerging opportunities, create sustainable value, and contribute meaningfully to improving global healthcare outcomes.

With a sharper strategic focus and a renewed commitment to execution excellence, we enter the new year with confidence, determination, and optimism about the opportunities that lie ahead.

Finishing strong has strengthened our foundation. Building for growth will define our future.

Key facts

6
Manufacturing facilities and 1 R&D centre

~1,700
Employees driving execution

75%
Of revenues from Regulated Markets

60+
Countries with active global presence

60+
Commercial products

3
Successful USFDA audits across different sites in FY2025-26

50+
Scientists advancing innovation and product development.

About Us

STRENGTHENING OUR PROMINENCE IN COMMERCIAL APIS

Solara Active Pharma Sciences Limited (“Solara”, “the Company”, “we”, “our”, or “us”) has established itself as a leading global manufacturer of commercial Active Pharmaceutical Ingredients (APIs), serving pharmaceutical customers across more than 60 countries. With a diversified product portfolio, deep process expertise, and a strong presence in regulated markets, we are well positioned to support the evolving needs of the global pharmaceutical industry.

Our integrated manufacturing network comprises six state-of-the-art API facilities that operate in accordance with stringent global quality, safety, and regulatory standards. These facilities are approved by leading international regulatory agencies, including the United States Food and Drug Administration (USFDA), European Union Good Manufacturing Practice (EU GMP), and Japan's Pharmaceuticals and Medical Devices Agency (PMDA). This strong regulatory track record reflects our unwavering commitment to quality, compliance, and manufacturing excellence, while reinforcing our standing as a trusted partner to global pharmaceutical companies.

As the pharmaceutical industry continues to evolve, driven by changing healthcare needs, resilient supply chain requirements, and increasing regulatory expectations, we remain focused on strengthening our competitive position through operational excellence, innovation, and customer-centricity. Our ongoing investments in product development, process optimisation, technology platforms, and manufacturing capabilities are enabling us to enhance efficiency, accelerate commercialisation, and expand our presence in complex and differentiated API segments.

We continue to build on our strengths through disciplined execution and a relentless focus on quality, reliability, and innovation. Supported by strong customer relationships, robust compliance systems, and a culture of continuous improvement, we are enhancing our ability to create long-term value for stakeholders while contributing meaningfully to the global healthcare ecosystem.

With a resilient business model, proven execution capabilities, and a clear strategic direction, Solara is well positioned to strengthen its leadership in commercial APIs and capture the opportunities emerging across global pharmaceutical markets.

Our Purpose

Collaborate for a Healthier Future

Our Vision

Aspire to be among the Top 10 Pure Play API Company Globally

Our Mission

To be a customer-centric organisation delivering APIs of high quality

Our Core Values

Respect

We treat each other and our partners with respect. We value each other's time and always respect our competition.

Integrity

Our business stands on the pillars of integrity, honesty and fairness. Everything we do stands the test of public scrutiny.

Transparency

Through timely communication, we keep our stakeholders, suppliers and customers informed about how we conduct our business.

Efficiency

We strive to achieve the highest levels of efficiency through a focused approach to customer centricity and continuous improvement. We empower our employees to deliver the highest standards of customer service in the industry.

Our Business

ADVANCING HEALTHCARE THROUGH API INNOVATION

Improving healthcare outcomes remains at the core of Solara's purpose. Through innovation-led development and manufacturing of Active Pharmaceutical Ingredients (APIs), we support the evolving needs of pharmaceutical companies worldwide with high-quality, reliable, and globally compliant solutions. Our commitment extends beyond manufacturing excellence to enabling broader access to essential therapies, supporting better patient outcomes, and creating sustainable value across the healthcare ecosystem.

Innovation continues to be a key driver of our growth strategy. Guided by scientific expertise, deep process knowledge, and a customer-centric approach, we are continuously strengthening our API portfolio through focused research, process development, and product differentiation. Our development efforts are aligned with evolving market dynamics and customer requirements, enabling us to build a resilient pipeline of opportunities while enhancing our competitiveness across global pharmaceutical markets.

Over the years, we have developed strong capabilities in the development and commercialisation of complex and differentiated APIs across a diverse range of therapeutic categories. Our expertise spans specialised polymer-based APIs, injectable products, and technologically intensive molecules that require advanced chemistry, robust process engineering, and stringent quality standards. Supported by integrated manufacturing capabilities, strong regulatory credentials, and a culture of continuous innovation, we deliver high-value solutions that address the growing needs of the global pharmaceutical industry.

Today, our portfolio comprises more than 60 commercial APIs, supported by a growing pipeline of products under development. This diversified portfolio enables us to serve a broad customer base while creating multiple avenues for future growth and value creation.

Our products address several key therapeutic segments, including pain management, anti-infectives, anti-malarials, anthelmintics, anaesthetics, anticonvulsants, antipsychotics, and anti-hyperkalemia therapies. In addition, our specialised capabilities in polymer-based and iron-based products further strengthen our differentiated market positioning. We continue to focus on opportunities that offer sustainable growth, technological differentiation, and long-term relevance, while maintaining a disciplined approach to quality, operational efficiency, and regulatory compliance.

As global healthcare needs continue to evolve, we remain committed to advancing our innovation capabilities, expanding our portfolio of differentiated products, and strengthening our ability to deliver reliable, high-quality APIs that support better therapeutic outcomes and long-term stakeholder value.

Base business*

Scaling a Higher-Growth, Higher-Margin Business

Our base business continued to demonstrate strong growth momentum and a superior profitability profile during FY2025-26, reflecting the success of our strategic focus on differentiated APIs, regulated markets, and operational excellence. As the contribution from our core API portfolio increased, the business delivered improved revenues and margins, reinforcing the strength and resilience of our operating model.

The continued expansion of the base business is progressively reducing our exposure to commodity-driven market cycles and supporting a more sustainable earnings profile. With a diversified product portfolio, deep customer relationships, and strong execution capabilities, we remain well positioned to drive profitable growth over the long term.

*Base business is excluding commodity Ibuprofen business

Key highlights, FY2025-26

- Delivered steady year-on-year growth in revenues and gross margins, reflecting improving business momentum and operational performance.
- Achieved strong sequential and annual revenue growth, marking a continued shift towards a more sustainable and profitable business mix.
- Maintained healthy gross and EBITDA margins despite modest increases in supply chain and logistics costs.
- Sustained a strong profitability profile, positioning the business among the leading API manufacturers in India.
- Continued growth of the base business reduced exposure to commodity pricing volatility and challenges associated with oversupply in the Ibuprofen market.
- Regulated markets remained a significant contributor to revenues, supported by a diversified product portfolio and strong customer engagement.

Ibuprofen Business^

Navigating a Challenging Market Environment

The Ibuprofen business continued to face a difficult operating environment during FY2025-26, characterised by persistent pricing pressure, global oversupply, and a subdued margin profile. While revenues recorded modest growth during the year, profitability remained impacted by unfavourable market dynamics.

Despite these challenges, we continued to leverage our long-standing relationships with leading pharmaceutical companies and global customers, enabling stable business continuity and better pricing realisations. We remain focused on evaluating strategic alternatives to maximise long-term value from this business.

^Ibuprofen business represents only the commodity Ibuprofen business

Key highlights, FY2025-26

- Recorded marginal year-on-year revenue growth despite a challenging market environment.
- Gross margin pressures led to moderation in profitability and EBITDA margins during the year.
- Continued to operate in an environment characterised by excess industry capacity, weak pricing, and limited margin recovery.
- Maintained business continuity through strategic relationships with leading pharmaceutical companies and marquee global customers.
- Appointed external advisors to evaluate strategic options for the Ibuprofen business and assess pathways for long-term value creation.
- Deferred the proposed carve-out of the Polymers and CRAMS businesses pending completion of the strategic review of the Ibuprofen business, expected during H1 FY27.

Road ahead: Building a Stronger and More Sustainable Growth Platform

As we look ahead, our strategic priorities remain centred on strengthening competitiveness, accelerating growth, and enhancing profitability. We have identified several key growth drivers that will support long-term value creation and reinforce our position as a leading global API manufacturer.

Strategic Priorities

Reinvigorating the R&D Engine

We remain committed to strengthening our innovation pipeline through consistent DMF filings and focused product development. Expanding our pipeline of differentiated products will support sustainable growth and create new opportunities across regulated and emerging markets.

Driving Operational Excellence

Our continued focus on productivity enhancement, cost optimisation, and targeted improvement programmes will help strengthen margins and improve operational efficiency across the organisation.

Investing in High-Value Capacity Expansion

Selective capital investments aimed at debottlenecking and expanding capacities for high-margin products will enable us to capture incremental demand and support future growth opportunities.

Expanding Global Market Reach

We will continue to deepen our presence in existing regulated markets while pursuing growth opportunities across emerging markets and the Rest of the World (RoW), thereby broadening our customer base and diversifying revenue streams.

Enhancing Cash Generation and Financial Discipline

Working capital optimisation, disciplined capital allocation, and sustained focus on free cash flow generation will remain key priorities as we strengthen our balance sheet and improve financial flexibility.

With a stronger base business, a focused growth strategy, and continued emphasis on innovation and execution excellence, we believe Solara is well positioned to deliver sustainable growth, improve profitability, and create long-term value for all stakeholders.

Manufacturing

ADVANCING WITH CORE COMPETENCIES AND CAPABILITIES

At Solara, our core competencies and integrated capabilities form the foundation of our growth strategy and competitive advantage. Supported by globally compliant manufacturing facilities, advanced technological expertise, robust governance frameworks, and deep customer relationships, we continue to strengthen our position as a trusted partner to pharmaceutical companies worldwide.

Our state-of-the-art API manufacturing facilities operate in accordance with stringent global quality and regulatory standards and hold approvals from leading international regulatory authorities. Equipped with versatile and technologically advanced manufacturing platforms, these facilities support both large-scale commercial production and specialised, high-value API requirements.

By leveraging advanced technologies, process innovation, and manufacturing excellence, we deliver a diversified portfolio of products that reduces concentration risks and addresses a broad spectrum of customer needs. Our unwavering focus on quality, compliance, operational reliability, and customer service enables us to consistently deliver value across the pharmaceutical value chain.

Customer-Centric Business Model

Building enduring partnerships remains central to our business philosophy. Our customer-focused approach enables us to respond effectively to evolving market requirements while delivering superior service and reliability.

Key Strengths

- Flexible and customised engagement models tailored to diverse customer requirements.
- Long-standing relationships with global pharmaceutical companies across regulated and emerging markets.
- Strong focus on quality, responsiveness, reliability, and uninterrupted supply.
- Deep understanding of customer needs supported by collaborative development and execution capabilities.

Strong Governance and Compliance Framework

We maintain a disciplined governance structure that supports sustainable growth while ensuring adherence to regulatory, operational, and ethical standards.

Key Strengths

- Comprehensive governance practices across supply chain management, regulatory compliance, and intellectual property protection.
- Integrated risk management and oversight mechanisms embedded across operations.
- Strong focus on traceability, compliance, business continuity, and operational resilience.
- Commitment to maintaining the highest standards of corporate governance and regulatory adherence.

Globally Compliant Manufacturing Network

Our integrated manufacturing infrastructure provides the flexibility, scale, and reliability required to serve a diverse global customer base.

Key Strengths

- State-of-the-art API manufacturing facilities approved by leading global regulatory authorities.
- Diverse manufacturing capabilities supporting both large-volume commercial products and specialised APIs.
- Robust quality management systems ensuring product integrity, safety, and regulatory compliance.
- Strong operational excellence framework focused on efficiency, consistency, and continuous improvement.

Chemistry and Engineering Excellence

Our scientific expertise and process development capabilities enable us to manufacture complex and differentiated products while maintaining high standards of quality and efficiency.

Key Strengths

- Expertise across advanced chemistry platforms including hydrogenation, halogenation, Grignard reactions, polymer chemistry, and lyophilisation.
- Strong process engineering capabilities supporting scale-up, operational efficiency, and technology transfer.
- Continuous investment in innovation, process optimisation, and product development.
- Ability to develop and commercialise complex molecules with high levels of precision and reliability.

Global Commercial Reach and Market Development

Our established commercial network and diversified portfolio provide a strong platform for sustainable expansion across global pharmaceutical markets.

Key Strengths

- Established presence across regulated, emerging, and Rest of the World (RoW) markets.
- Diversified product portfolio that supports balanced growth and mitigates concentration risks.
- Strong customer engagement and business development capabilities.
- Ability to capitalise on evolving market opportunities through strategic partnerships and market expansion initiatives.

Differentiated Capabilities in Polymers and Inorganics

Our specialised expertise in polymer and inorganic chemistry further strengthens our portfolio differentiation and creates additional avenues for long-term growth.

Key Strengths

- Established capabilities across polymer-based and inorganic chemistry platforms.
- Broad application expertise spanning pharmaceutical and industrial end markets.
- Focus on differentiated products with strong entry barriers and long-term relevance.
- Scalable operations and specialised technical know-how supporting sustainable value creation.

Building Enduring Competitive Advantage

The combination of customer-centricity, globally compliant manufacturing, scientific expertise, strong governance practices, and differentiated technology platforms provides Solara with a resilient foundation for future growth. As we continue to invest in innovation, operational excellence, and capability enhancement, we remain well positioned to strengthen our market leadership, capture emerging opportunities, and create sustainable value for all stakeholders.

We have obtained approvals from several global regulatory agencies, including:

- The United States Food and Drug Administration (USFDA)
- The European Directorate for the Quality of Medicines & HealthCare (EDQM)
- The Korea Food and Drug Administration (KFDA), South Korea
- The European Union Good Manufacturing Practice (EU GMP), Denmark
- The World Health Organisation (WHO), Geneva
- The Medicines and Healthcare products Regulatory Agency (MHRA), United Kingdom
- The Federal Commission for the Protection against Sanitary Risk (COFEPRIS), Mexico
- The Therapeutic Goods Administration (TGA), Australia

FACILITIES ACROSS INDIA

1
AMBERNATH
Multi-purpose API and intermediate facility

2
MYSURU
Key intermediate manufacturing site

3
MANGALURU
Niche as well as large volume APIs and advanced drug intermediates

4
VIZAG
State-of-the-art greenfield facility

5
CHENNAI
Research and innovation centre

6
PUDUCHERRY
One of the world's largest Ibuprofen manufacturing facilities. Highly flexible pilot plant with a broad range of equipment

7
CUDDALORE
Multi-purpose API and intermediate facility

Cost Optimisation

BROADBASING OPERATIONAL EFFICIENCY AND COST DISCIPLINE

During the year, we continued to strengthen our focus on cost optimisation, manufacturing efficiency, and operational resilience through a series of strategic initiatives across the organisation. Our approach remained centred on improving productivity, optimising resource utilisation, enhancing process efficiencies, and driving sustainable cost improvements across the value chain.

Manufacturing optimisation and productivity enhancement

We undertook multiple initiatives to streamline manufacturing operations, improve asset utilisation, and enhance plant-level efficiencies. Through capacity consolidation, production synchronisation, capacity mapping based on our long-range plan, and process optimisation measures, we strengthened operational agility while ensuring seamless business continuity across facilities.

Our Continuous Improvement Programmes (CIP) remained a key driver of operational excellence, focusing on improving yields, reducing cycle time, reducing waste, enhancing throughput, and lowering manufacturing costs through disciplined execution and technology-enabled process improvements. These initiatives contributed to improving operational efficiency and supporting long-term profitability.

Strategic sourcing and supply chain efficiency

We continued to strengthen procurement and supply chain efficiencies through improved sourcing strategies, stronger vendor management practices, and alternate supplier development initiatives. These measures helped mitigate input cost pressures, improve supply reliability, and enhance overall cost management across operations.

At the same time, our robust Standard Operating Procedures (SOPs), preventive maintenance practices, and site-specific optimisation initiatives supported higher operational consistency, improved process reliability, and reduced redundancies across manufacturing activities.

Optimising operating expenditure

Our focused austerity and cost-control measures enabled us to optimise operating expenditure while maintaining uninterrupted operations and high standards of quality, compliance, and safety. We also implemented targeted operational interventions across key facilities to improve resource efficiency and strengthen overall manufacturing performance.

In parallel, we continued optimising power and fuel consumption through energy-efficiency initiatives and resource conservation measures aimed at reducing operational costs while supporting environmental sustainability objectives.

Driving sustainable operational performance

We also undertook detailed product and business-level assessments to improve portfolio efficiency, optimise working capital deployment, and enhance overall business performance. Our sustained emphasis on cost discipline, operational efficiency, and productivity enhancement continues to strengthen profitability, manufacturing resilience, and long-term competitiveness.

Way forward

Going forward, we will continue strengthening our cost optimisation and operational excellence initiatives through focused productivity enhancement, process innovation, strategic sourcing, and manufacturing efficiency improvements. Our emphasis on improving asset utilisation, optimising operating expenditure, enhancing supply chain efficiencies, and leveraging technology-driven process improvements is expected to further strengthen profitability, operational resilience, and long-term competitiveness while supporting sustainable and efficient business growth.

Research and Development

ACCELERATING INNOVATION THROUGH DEVELOPMENT EXCELLENCE

Our R&D capabilities remain central to advancing product innovation, process development, and long-term growth. Backed by expertise in synthetic chemistry, analytical development, and complex process engineering, we continue strengthening our portfolio across generic formulations, contract development projects, and technologically advanced APIs.

Our state-of-the-art R&D facility is equipped with advanced analytical infrastructure and supported by a highly skilled team of scientists and technical professionals, enabling efficient product development, process optimisation, scale-up, and technology transfer while maintaining operational excellence.

R&D focus

Technical expertise

Strong technical leadership driving high-quality pharmaceutical product development, supported by deep expertise across complex chemistry, process optimisation, and scalable manufacturing solutions.

Product selection

Strategic focus on high-margin and complex molecules, supported by rapid development and launch of new products and market extensions to maximise long-term value creation.

Development

Continuous innovation across process technologies and product development with emphasis on cost-efficient, scalable, and technology-driven manufacturing solutions.

Regulatory filings

Robust regulatory and intellectual property assessment capabilities supporting seamless global compliance, regulatory readiness, and expansion across regulated markets.

Advanced chemistry expertise

Our capabilities span differentiated products, complex generic APIs, advanced intermediates, and specialised chemistry platforms including polymer chemistry, flow chemistry, enzymatic chemistry, chiral chemistry, photochemistry, and high-potent APIs (HPAPIs).

We also undertake extensive process optimisation initiatives involving reduction, oxidation, mesylation, esterification, and other complex reaction chemistries to improve scalability, efficiency, and product quality.

Analytical and development capabilities

We possess strong analytical and characterisation capabilities supported by advanced technologies such as Nuclear Magnetic Resonance (NMR), High-Resolution Mass Spectrometry (HRMS), Liquid Chromatography (LC), Gas Chromatography (GC), and X-Ray Diffraction (XRD). Supported by robust IP evaluation and regulatory-focused development practices, we continue delivering scalable, high-quality, and compliant products with optimised cost structures.

Synthetic Development capabilities

Infrastructure	Technical Staff	Equipment	Compliance
– 4 synthesis labs – 20 fume hoods – 4 walk-in FH – Process safety lab – Process engineering lab	– 50+ scientists – Passionate about chemistry/service – Highly qualified – Experienced in CRO – Excellent track record of delivery in full	– Radley Reactors – Hydrogenation – Flow reactors – Photo synthesizer	– Safety – IP owned by customer – Restricted entry access – Restricted mobile access

R&D progress during the year

During the year, we advanced multiple market expansion initiatives while strengthening regulatory development and product filing programmes across key global markets, supporting broader market access and an expanded regulatory footprint. We also enhanced nitrosamine detection and mitigation protocols across commercial and development products through advanced monitoring systems, cross-functional initiatives, and stricter controls across sourcing and manufacturing processes to further strengthen product quality and compliance standards.

Way forward

Going forward, we will continue investing in R&D capabilities to strengthen our generic API portfolio, expand product offerings across regulated markets, and accelerate technology-led product development. Our focus remains on advancing complex chemistry capabilities, strengthening regulatory readiness, improving development efficiency, and addressing evolving customer requirements through innovation-driven research initiatives.

Product Filings Across Geographies

96
United States Food and Drug Administration (US)

34
European Directorate for the Quality of Medicines & HealthCare (Europe)

7
World Health Organisation (Global)

20
Health Canada (Canada)

9
Pharmaceuticals and Medical Devices Agency (Japan)

8
Agência Nacional de Vigilância Sanitária (Brazil)

8
Therapeutic Goods Administration (Australia)

22
Ministry of Food and Drug Safety (South Korea)

4
Medsafe (New Zealand)

16
European Medicines Agency (European Union)

8
National Medical Products Administration (China)

Message from MD and CEO

BUILDING A FUTURE-READY API PLATFORM

Dear Shareholders,

It was a defining year for Solara as we took purposeful steps to reshape the business with greater focus, discipline, and long-term strategic intent. Amidst a dynamic global pharmaceutical environment, we remained committed to building a more agile, resilient, and differentiated API platform driven by operational excellence and portfolio optimisation. The year reflected our continued focus on aligning capabilities, improving execution, and preparing the organisation for its next phase of growth.

The global pharmaceutical industry continues to evolve amidst changing healthcare priorities, rising demand for specialised therapies, increasing focus on affordability, and rapid advances in medical innovation. Growth across chronic therapies, biologics, specialty medicines, and preventive healthcare is driving sustained demand for high-quality pharmaceutical products and complex manufacturing capabilities. At the same time, healthcare systems across developed and emerging markets are increasingly emphasising supply chain resilience, localisation, regulatory compliance, and cost-efficient production. The industry is also witnessing greater adoption of technology-led research, data-driven healthcare solutions, and patient-centric treatment approaches, creating new opportunities for pharmaceutical companies with strong development capabilities, diversified product portfolios, and operational agility.

Against this backdrop, we continued to sharpen our positioning as a differentiated pure-play API company with established capabilities across regulated markets, complex chemistry platforms, specialty products, and advanced manufacturing operations.

Strengthening Growth in the Base API Business

During FY2025-26, our Base API businesses continued to demonstrate resilient momentum, supported by improved customer engagement, stronger market penetration, enhanced product mix, and healthy traction across regulated markets. The year reflected the progress of our strategic shift towards differentiated and high-value APIs, with the broader portfolio continuing to deliver healthy profitability and operational resilience despite persistent weakness in the commodity Ibuprofen business. Our fourth-quarter performance, driven by sustained momentum in the base business, enabled us to deliver a strong finish to the fiscal year.

Our revenue for the year increased by 7% to ₹1,375 crore compared to ₹1,292 crore in FY25, supported by improved execution across key product segments and steady growth in the base business. Gross profit increased to ₹666 crore from ₹644 crore in the previous year, reflecting operational efficiencies and product mix optimisation despite pricing pressures in select categories. EBITDA stood at ₹192 crore compared with ₹214 crore in FY25, impacted by lower profitability in the Ibuprofen business, while the Company reported a net loss of ₹7 crore compared to a marginal profit of around ₹1 crore in the previous year.

Our base business continued to maintain a superior profitability profile during the year, with revenue growing by 6% to ₹1,041 crore compared to ₹985 crore in FY25. Gross profit increased by 6% to ₹573 crore from ₹541 crore in the previous year, while gross margins improved to 55.0%. EBITDA remained stable at ₹245 crore with EBITDA margins of 23.5%, reflecting the strength of our differentiated portfolio and disciplined execution. Regulated markets contributed nearly 75% of base business revenues during the year, supported by strong customer relationships, product reliability, and regulatory compliance across key global markets.

Importantly, our broader API portfolio continued to demonstrate improving resilience and profitability. Over the last few years, we have consciously invested in capabilities across complex chemistry, differentiated APIs, polymers, advanced intermediates, and regulated market products. These investments are now translating into improved customer traction, better profitability, and a more sustainable and diversified business model.

Addressing Challenges in the Ibuprofen Business

At the same time, the Ibuprofen business continued to face significant headwinds arising from global oversupply, persistent pricing pressure, underutilisation, and structural challenges within the commodity API market. During FY2025–26, the business reported revenue of ₹334 crore compared to ₹307 crore in FY25; however, gross profit declined by 12% to ₹93 crore from ₹103 crore in the previous year.

Despite these challenges, we continued to service our long-standing global customers and maintain operational continuity with focus on large brands and marquee customers where we maintain strategic relationships and relatively better pricing realisations. Recognising the need for a long-term strategic solution, the Board initiated a comprehensive review of strategic options for the Ibuprofen business. This exercise is aimed at improving overall competitiveness, optimising capital allocation, and enabling greater management focus towards higher-growth and differentiated businesses. Consequently, the previously announced carve-out plans relating to polymers and CRAMS have been kept on hold pending completion of this strategic review.

Robust Manufacturing and R&D Capabilities

Our manufacturing network continued to play a critical role in supporting operational resilience, supply reliability, and scalable growth across key product segments. During the year, we remained focused on improving process efficiencies, enhancing asset utilisation, and driving higher operational discipline across facilities through targeted productivity initiatives and technology-led interventions. We also upgraded our quality and compliance frameworks through advanced nitrosamine detection and mitigation systems, tighter process controls, and integrated cross-functional quality practices to further reinforce product integrity, regulatory compliance, and customer confidence.

Our R&D capabilities continue to remain integral to our long-term growth strategy and differentiated positioning within the API industry. During the year, we progressed our work across complex chemistry platforms, specialised process technologies, and differentiated product development with a focus on commercially attractive and regulated market opportunities. We also continued to deepen our scientific, analytical, and scale-up capabilities to accelerate development timelines, improve process sustainability, and support customer-centric innovation across our product portfolio.

Operational Discipline and Financial Prudence

Operational discipline and financial prudence continued to remain central to our execution priorities during FY2025–26. We maintained a strong focus on cost optimisation, working capital efficiency, internal accrual generation, and balance sheet improvement while continuing to invest selectively in strategic growth opportunities. During the year, our net debt reduced to ₹614 crore from ₹772 crore in FY25, supported by disciplined repayments, better cash management, and proceeds from the Rights Issue. Following the receipt of the balance Rights Issue proceeds and scheduled repayments, our net debt* is expected to further reduce, reflecting our continued commitment towards building a leaner, more resilient, and financially agile organisation.

Way Forward

Looking ahead, we remain confident in the long-term opportunities for differentiated API manufacturers with strong compliance credentials, complex chemistry expertise, and customer-centric operating models.

As we build for growth, we remain focused on expanding our growth API portfolio, deepening participation across regulated markets, improving capacity utilisation, enhancing margins, and driving innovation-led growth across our business.

On behalf of the Board, I would like to sincerely thank our customers, shareholders, employees, business partners, and all stakeholders for their continued trust, encouragement, and support throughout our journey.

Warm regards

Sandeep Shashikantha Rao

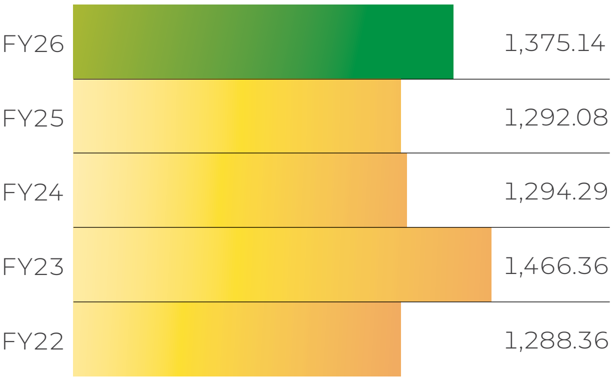
Managing Director & CEO

*Net Debt = Long Term Borrowing + Short Term Borrowing - Other Bank Balances - Cash and Cash Equivalents

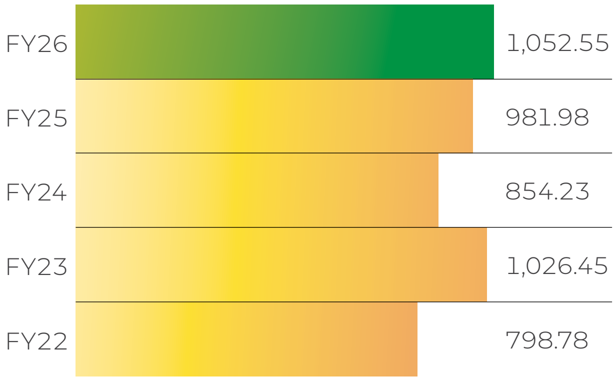
Key Performance Indicators

PERFORMANCE AT A GLANCE

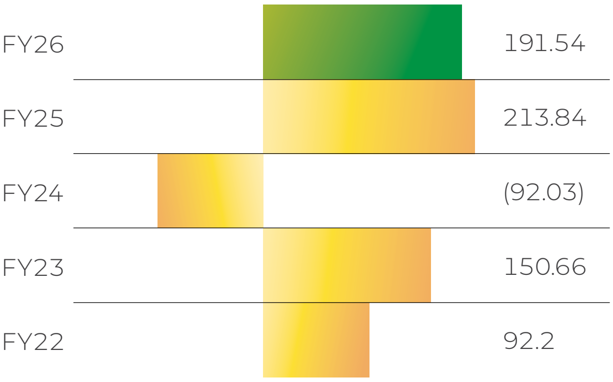
Revenue (₹ in Crores)



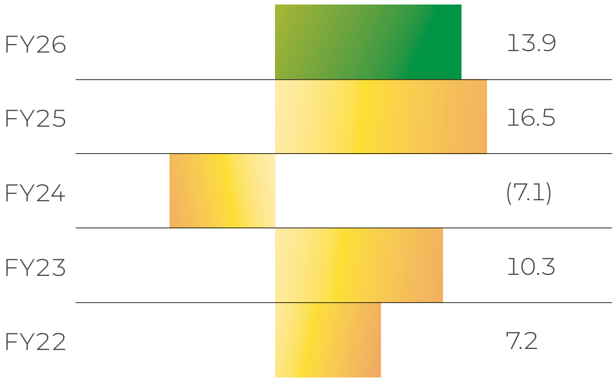
Regulated market revenue (₹ in Crores)



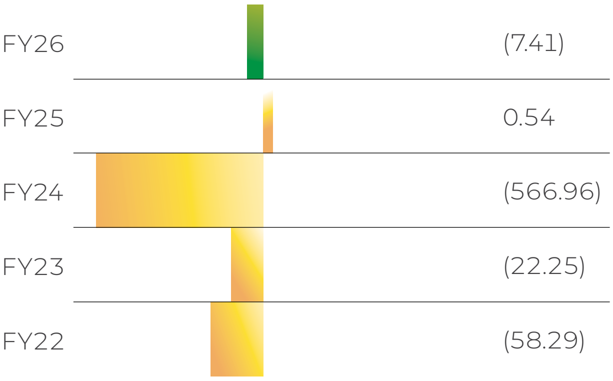
EBITDA (₹ in Crores)



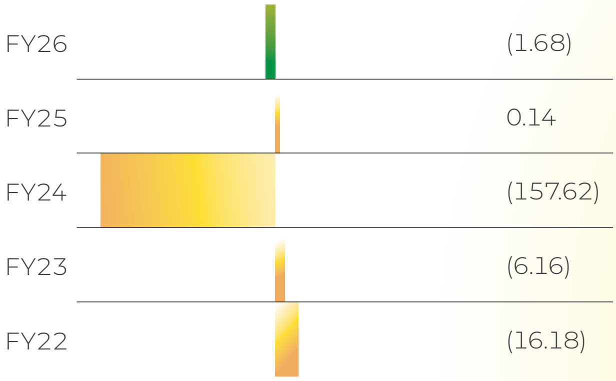
EBITDA margin (%)



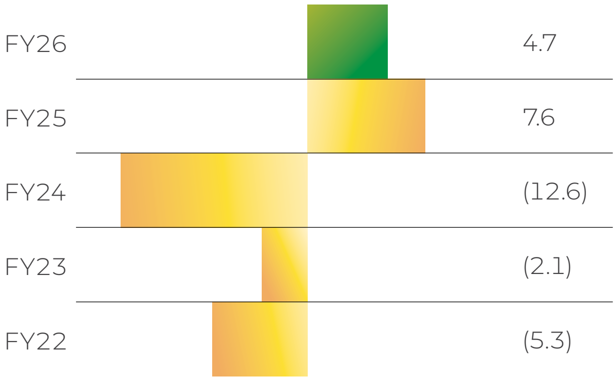
Profit after tax (₹ in Crores)



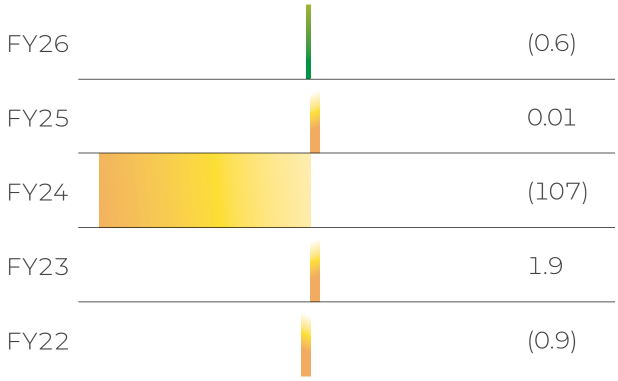
Basic EPS (₹)



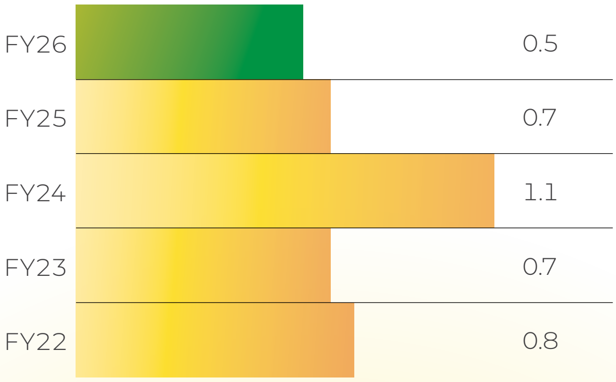
Return on Capital Employed (RoCE) (%)



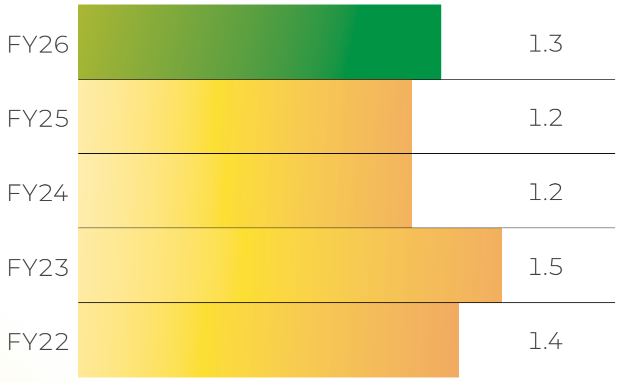
Return on Equity (ROE) (%)



Net Debt/Equity (x)



Fixed Asset Turnover (x)



DRIVING RESPONSIBLE ENVIRONMENTAL PROGRESS

Environmental stewardship remains integral to our commitment to sustainable growth and operational excellence. As a leading pharmaceutical manufacturer, we recognise that long-term value creation depends on our ability to responsibly manage natural resources, minimise environmental impact, and strengthen the sustainability of our operations.

Guided by our commitment to responsible manufacturing, regulatory compliance, and continuous improvement, we continue to integrate environmental considerations into business decisions, operational practices, and investment priorities across the value chain. Through focused interventions in resource efficiency, renewable energy adoption, waste minimisation, and process innovation, we remain committed to advancing a resilient and environmentally responsible business model.

Water Stewardship

Water conservation remains a key priority within our environmental strategy. During the year, we continued to strengthen water stewardship practices across manufacturing facilities through initiatives aimed at optimising consumption, enhancing reuse, and improving recycling capabilities. Process optimisation, condensate recovery systems, utility stream reuse, and advanced wastewater treatment measures contributed to improved water-use efficiency and reduced dependence on freshwater resources. These initiatives support both operational sustainability and our broader commitment to preserving critical natural resources for future generations.

Energy Efficiency and Operational Excellence

Improving energy performance remains central to our efforts to enhance operational efficiency and reduce environmental impact. During the year, we implemented targeted initiatives focused on utility optimisation, deployment of energy-efficient technologies, automation-driven monitoring systems, and strengthened process controls across critical operations. Continuous energy assessments and performance reviews enabled the identification of improvement opportunities, resulting in enhanced energy efficiency, optimised resource utilisation, and strengthened operational resilience across manufacturing sites.

Climate Action and Renewable Energy Transition

Addressing climate-related challenges and reducing emissions are important elements of Solara's sustainability agenda. We continued expanding the contribution of renewable energy within our energy portfolio through increased sourcing from solar and wind power. Complementary initiatives, including utility optimisation, cleaner energy alternatives, enhanced refrigeration efficiency, and reduction of conventional fuel dependence, further supported our efforts to improve energy sustainability and reduce the environmental footprint of our operations. Through these measures, we continue progressing toward a lower-carbon and more energy-resilient future.

Responsible and Sustainable Manufacturing

Sustainability is embedded within our manufacturing philosophy, where operational excellence, product quality, employee safety, and environmental responsibility are mutually reinforcing priorities. During the year, we continued to drive process innovation aimed at improving yields, enhancing material efficiency, minimising waste generation, and strengthening process safety. Adoption of green chemistry principles, resource recovery practices, circularity initiatives, and robust environmental controls supported our objective of advancing more sustainable manufacturing operations. Employee engagement, safety culture programmes, and proactive risk management frameworks further reinforced our commitment to maintaining safe, compliant, and responsible workplaces.

Sustainable Supply Chain and Partner Engagement

Our commitment to sustainability extends beyond our own operations and encompasses the broader value chain. We continue to collaborate with suppliers, service providers, and business partners to promote responsible business practices, ethical conduct, environmental stewardship, and regulatory compliance. Through structured supplier assessments, risk-based evaluations, and ongoing engagement initiatives, we seek to strengthen transparency, accountability, and sustainability across our procurement ecosystem. By fostering long-term partnerships aligned with our values, we aim to build a resilient and responsible supply chain that supports sustainable growth and stakeholder trust.

As we continue our sustainability journey, Solara remains committed to balancing business growth with environmental responsibility. By investing in resource-efficient technologies, strengthening environmental governance, promoting responsible manufacturing practices, and collaborating across our value chain, we seek to create lasting value for patients, customers, employees, communities, and shareholders while contributing to a more sustainable future.

Environment

Energy

69.9

Kilo joules per rupee of turnover in FY2025-26

Scope 1 & 2 GHG Emissions

27.15

Metric tonnes of CO_2 per crore of turnover in FY2025-26

Water

27.7

Milliliters per rupee of turnover in FY2025-26

People

BUILDING A CULTURE OF LEARNING AND EMPOWERMENT

We foster a supportive and inclusive work environment that empowers our people to continuously learn, perform, and grow. We place a strong emphasis on holistic development, recognising that our employees are the driving force behind our success and progress.

Over the years, we have built a strong employer brand founded on transparency, integrity, and compliance. With a diverse and talented workforce, we continue to strengthen our talent pipeline and cultivate a culture of continuous learning, enabling us to evolve into a high-performing learning organisation.

Engagement and development

We continued to prioritise strategic initiatives aimed at strengthening organisational capabilities and fostering a positive workplace culture. Employee engagement remained at the heart of our people strategy, serving as a key driver of productivity, innovation, and sustainable competitive advantage. Our focus was on creating a supportive, inclusive, and collaborative work environment where employees feel valued, empowered, and connected, enabling them to perform at their best and contribute meaningfully to the organisation's success.

Enhanced recruitment strategies

We enhanced our recruitment process to attract and retain top talent by leveraging advanced recruitment technologies, strengthening our presence on professional and social networking platforms, establishing cross-functional interview panels, and promoting employee referral programmes. These initiatives have improved the quality and diversity of our talent pipeline while ensuring that new hires are well aligned with our organisational values, culture, and strategic objectives.

Employee feedback and communication

We have established robust feedback mechanisms, including quarterly town hall meetings with senior leadership, pulse surveys, and annual employee engagement surveys, to better understand employee sentiment and identify opportunities for improvement. These channels promote transparent communication, ensuring that employee perspectives are heard, valued, and addressed in a timely manner. Insights gathered through these initiatives have enabled us to implement several employee-centric programmes and workplace enhancements, further strengthening engagement, satisfaction, and overall employee experience.

Employee development and growth

We remain committed to continuous employee development through comprehensive learning and growth initiatives that include on-the-job training, mentoring, coaching, and leadership development programmes. To strengthen workforce engagement and performance, we introduced the Corporate Breakthrough Programme across our manufacturing sites, covering more than 60% of our workforce. This initiative is designed to foster a positive, energised, and goal-oriented culture, empowering employees to contribute effectively to organisational success.

In addition, the Learning Management System (LMS) provides employees with seamless access to a wide range of learning resources, development programmes, organisational policies, and business processes. The platform enables employees to enhance their skills and knowledge, track their learning progress, and support continuous professional growth, reinforcing our commitment to building a high-performing and future-ready workforce.

Recognition and rewards

We strengthened our employee recognition programmes to celebrate and reward the dedication, achievements, and contributions of our workforce. By recognising individual and team accomplishments, these initiatives reinforce a culture of appreciation, respect, and belonging. Our recognition efforts not only boost employee morale and motivation but also encourage high performance, foster engagement, and strengthen our commitment to creating a workplace where employees feel valued and inspired to excel.

Road ahead

Our sustained focus on employee engagement and development has helped create a highly motivated, committed, and performance-driven workforce. As we look ahead, we remain dedicated to fostering a supportive, inclusive, and dynamic work environment that nurtures talent, encourages collaboration, and promotes continuous growth. We will continue to invest in employee development, well-being, and capability building while refining our people practices through employee feedback, data-driven insights, and industry best practices. Through these efforts, we aspire to further strengthen our employer brand and establish our Company as a recognised Great Place to Work, where employees are empowered to thrive and contribute to long-term organisational success.

Community

COMMITTED TO INCLUSIVE COMMUNITY DEVELOPMENT

We believe long-term progress is closely linked with the well-being and development of the communities around us. Our approach towards community engagement is guided by the belief that responsible business growth must create meaningful social value and contribute positively towards inclusive development. We remain committed to supporting initiatives that improve quality of life, promote accessibility, and address essential community needs across areas surrounding our operations.

During the year, we continued to support community welfare through initiatives focused on healthcare and access to safe drinking water in Puducherry and Cuddalore. These efforts improved the quality of life of local communities, strengthened stakeholder relationships, and reinforced our commitment to sustainable community development.

In FY2025-26, we invested ₹0.76 crore in Corporate Social Responsibility (CSR) initiatives, with a primary focus on health and hygiene. Through these investments, we sought to improve community well-being, create sustainable social impact, and contribute to long-term development while aligning our efforts with broader societal priorities.

Puducherry

Dispensary Services

The Puducherry Dispensary continued to serve as a vital healthcare centre for surrounding villages, providing outpatient (OPD) services to 8,282 patients during FY2025-26. Through these services, we remained committed to addressing local healthcare needs and improving access to essential medical care.

Safe Drinking Water

Six RO water plants continued to provide safe drinking water to six surrounding villages, benefiting more than 4,200 families. By ensuring reliable access to clean drinking water, the initiative contributed to improved health, hygiene, and overall quality of life.

Cuddalore

Dispensary Services

As part of our commitment to improving access to quality healthcare, the Cuddalore Dispensary continued to provide essential outpatient medical services during FY2025-26. A total of 5,980 patients from nearby villages availed the OPD services, underscoring the dispensary's important role in supporting community health.

Safe Drinking Water

Access to safe drinking water remained a key focus of our community development efforts. During FY2025-26, we continued to provide potable water to two villages in Kudikadu, Cuddalore. More than 600 KL of drinking water was supplied every month, benefiting over 800 families. The initiative helped improve public health, enhance living standards, and address an essential community need.

Through these initiatives, we remained committed to creating sustainable social impact, strengthening community well-being, and contributing to inclusive development.

Education

Financial assistance was extended to an MBBS student for the third consecutive year. Support will continue for one more year until the student completes her graduation.

Governance

UPHOLDING TRUST, TRANSPARENCY AND ETHICS

Robust governance practices remain integral to our long-term sustainability, operational discipline, and stakeholder trust. We follow a governance framework anchored in integrity, transparency, accountability, ethical conduct, and responsible leadership. Our focus remains on maintaining high standards of corporate governance while ensuring compliance with evolving regulatory requirements and industry best practices across all areas of operations.

Our governance structure supports effective oversight, prudent risk management, and responsible business conduct while enabling sustainable growth and long-term value creation. Through continuous review of internal policies, control systems, and compliance frameworks, we remain committed to fostering a culture of accountability, ethical decision-making, and organisational transparency across the Company.

Board Leadership and Oversight

Our Board of Directors provides strategic guidance and oversight across key business priorities, governance matters, risk management, and long-term value creation initiatives. The Board comprises experienced professionals with diverse expertise across business, finance, operations, governance, and industry domains, enabling balanced and informed decision-making across the organisation.

The Board remains actively engaged in reviewing strategic priorities, operational performance, compliance frameworks, and emerging risks while ensuring alignment with Solara's long-term growth objectives and stakeholder interests.

Board Committees

To support effective governance and focused oversight, the Board operates through various committees entrusted with specific responsibilities across critical functional and governance areas. These committees regularly review business matters, compliance requirements, financial controls, stakeholder concerns, risk management practices, and corporate responsibility initiatives while supporting transparent and accountable governance practices across the organisation.

Ethical Business Conduct

Ethics and integrity remain central to our organisational culture and business practices. Our Code of Conduct provides guidance on ethical behaviour, compliance expectations, responsible business practices, and professional standards applicable across the organisation. We continue to reinforce awareness around ethical conduct and responsible decision-making through periodic communication, policy dissemination, and employee sensitisation initiatives.

Vigil Mechanism and Compliance

We maintain a structured vigil and whistleblower framework that enables employees and stakeholders to report concerns related to unethical conduct, policy violations, or governance-related matters in a confidential and transparent manner. The mechanism supports fair investigation processes, accountability, and timely resolution of concerns while reinforcing trust and compliance across the organisation.

Building a Responsible Governance Culture

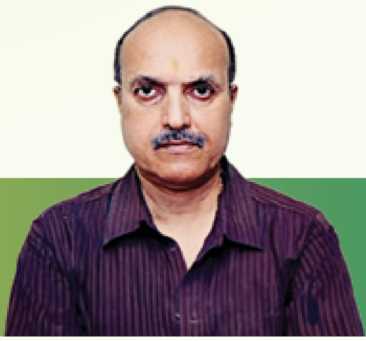
As we continue progressing on our transformation journey, we remain committed to further strengthening governance standards, improving transparency, enhancing accountability, and embedding responsible business practices across the organisation. Our focus continues to remain on building a resilient, compliant, and future-ready organisation anchored in strong governance principles and sustainable value creation.

BOARD OF DIRECTORS

Ramakrishnan Rajagopal
Independent Director

Dr. Kausalya Santhanam
Independent Director

Prof. Rajendra Kumar Srivastava
Independent Director



Rajiv Vijay Nabar
Independent Director

Arun Kumar Pillai
Non-Executive Director

Manish Gupta
Non-Executive Director

Sandeep Shashikantha Rao
Managing Director & CEO

Mohanraj Sanjeevi
Whole-Time Director and Chief Human Resources Officer

LEADERSHIP TEAM

Sandeep Shashikantha Rao
Managing Director & CEO

Mohanraj Sanjeevi
Whole-Time Director and Chief Human Resources Officer

Sarat Kumar
Chief Financial Officer

Sundara Moorthy V
Chief Quality Officer

Vishal Mathur
Chief Commercial Officer

Dr. Hero Velladurai
Chief Scientific Officer

Management Discussion and Analysis

ECONOMIC OVERVIEW

The global economy is set to continue on a stable yet moderate growth path over the medium term, underpinned by sustained infrastructure spending, ongoing technological advancement, and measured policy interventions. According to the International Monetary Fund April 2026 World Economic Outlook, global GDP is projected to expand by 3.1% in 2026, with a slight uptick to 3.2% in 2027, indicating a steady but still sub-trend pace of expansion.

GLOBAL GROWTH FORECAST (%)

	CY 2025	CY 2026	CY 2027
World Economy	3.4	3.1	3.2
Advanced Economies	1.9	1.8	1.7
Emerging & Developing Economies	4.4	3.9	4.2

(Source: IMF April 2026 Outlook)

However, the growth outlook is becoming increasingly divergent across regions. Advanced economies are experiencing a gradual deceleration, largely due to the delayed impact of prolonged monetary tightening, which continues to moderate consumption and investment activity. In contrast, emerging and developing economies are expected to remain the key contributors to incremental global growth. This momentum is being supported by strong domestic demand, continued investments in infrastructure, and expanding industrial capacity, though intermittently affected by fluctuations in capital flows and currency movements. Concurrently, rising geoeconomic fragmentation is reshaping global trade and investment dynamics, prompting businesses to reconfigure supply chains with greater emphasis on resilience, diversification, and continuity, alongside cost optimisation.

Geopolitical developments, particularly in energy-sensitive regions, have further contributed to volatility in commodity markets. This has resulted in periodic supply disruptions and elevated input costs. Global inflation is projected to increase to 4.4% in 2026 before easing to 3.7% in 2027, reflecting short-term supply-side pressures followed by gradual normalisation. Consequently, monetary conditions are expected to remain relatively tight, with interest rates staying elevated across major economies, thereby influencing liquidity and raising the cost of capital. Together, these factors are contributing to a more complex and uncertain operating environment for businesses.

Notwithstanding these near-term headwinds, the underlying structural drivers of growth remain firmly in place. Continued investments in infrastructure, digital transformation, automation, and energy transition are expected to enhance productivity and shape the next phase of global expansion. Emerging economies, particularly across Asia, are likely to play a pivotal role, supported by urbanisation, rising consumption, and strengthening manufacturing ecosystems. Overall, the global economy is poised to sustain moderate growth, supported by policy support and innovation, even as businesses increasingly focus on resilience, efficiency, and long-term value creation.

INDIAN ECONOMY

The Indian economy continued to demonstrate notable resilience during the year, supported by robust domestic demand, sustained public investment, and improving industrial momentum. The country remains among the fastest-growing major economies globally, with real GDP estimated to expand by 7.6% in FY 2025–26, underscoring the strength of consumption and investment-led growth.

GDP TREND (%)

Financial Year	Real GDP Growth Rate (%)
FY 2021–22	8.7
FY 2022–23	7.0
FY 2023–24	7.6
FY 2024–25	6.5
FY 2025–26 (E)	7.6

(E: Estimated; Source: MoSPI)

Economic expansion remains anchored in a well-diversified demand structure, with Private Final Consumption Expenditure (PFCE) contributing over 60% of GDP and serving as the principal driver of growth. Rising income levels, accelerating urbanisation, enhanced access to credit, and deeper digital penetration have collectively strengthened consumption trends, enabling broad-based expansion across sectors. Macroeconomic stability has largely been preserved, with inflation remaining within the target band set by the Reserve Bank of India, supported by relatively stable commodity prices and calibrated policy measures that have helped sustain growth momentum amid global uncertainties.

The external sector has remained resilient despite volatility in global trade. Export performance has held steady across diversified sectors, while imports continue to reflect strong domestic demand for capital goods, intermediate inputs, and energy, signalling ongoing expansion in industrial and manufacturing activity. Investment continues to be a key growth catalyst, driven by sustained government capital expenditure and a gradual recovery in private sector investments, supporting capacity creation across infrastructure, manufacturing, and logistics. Industrial performance has remained robust, aided by policy initiatives such as the Production Linked Incentive Scheme, rising capacity utilisation, increasing formalisation, and improved supply-side efficiencies.

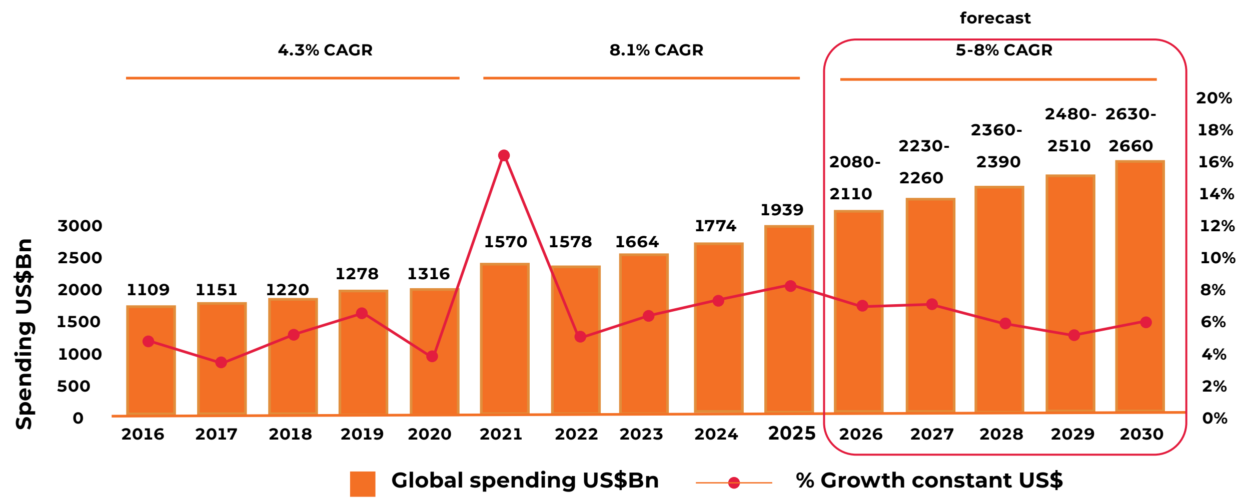
Looking ahead, India's economic outlook remains positive, supported by resilient consumption, continued infrastructure investments, and strengthening industrial activity. Ongoing policy support, investments in logistics and digital infrastructure, and global supply chain diversification are expected to accelerate investments and enhance India's integration into global value chains. While external headwinds such as geopolitical tensions, commodity price fluctuations, and trade disruptions may pose intermittent challenges, overall macroeconomic stability, underpinned by prudent policymaking, is expected to provide a strong foundation for sustained and inclusive growth.

GLOBAL PHARMACEUTICAL INDUSTRY

The global pharmaceutical industry continues to demonstrate steady and resilient growth, supported by rising healthcare demand, a growing prevalence of chronic diseases, and sustained advancements in complex and specialty therapies. Expanding access to healthcare across both developed and emerging markets, along with a robust pipeline of innovative treatments, is further strengthening the sector's long-term growth outlook.

According to IQVIA, the global pharmaceutical market is witnessing consistent expansion, driven by continued innovation, broader patient access, and increasing adoption of advanced therapies. Global medicine spending reached approximately US$1.9 trillion in 2025 and is expected to rise to around US$2.6 trillion by 2030, representing a compound annual growth rate of nearly 8% over the period.

GLOBAL MEDICINE MARKET SIZE AND GROWTH INCLUDING ESTIMATED COVID-19 VACCINE AND THERAPEUTIC SPENDING, 2016–2030



(Source: IQVIA Market Prognosis, Sep 2025; IQVIA Institute, Dec 2025)

This expansion is being fuelled by a combination of structural and cyclical drivers. The ongoing shift towards biologics and specialty therapies, coupled with a growing emphasis on personalised medicine, is reshaping treatment paradigms and improving patient outcomes. At the same time, rising investments in research and development are accelerating the introduction of novel therapies and enhancing the industry's innovation pipeline.

In parallel, the increasing adoption of digital health technologies, advancements in diagnostic capabilities, and evolving regulatory frameworks are enabling more efficient and effective healthcare delivery. These developments are improving treatment precision and accessibility while expanding the global reach of healthcare solutions. Collectively, these factors position the pharmaceutical industry for sustained growth, supported by innovation, improved access, and a continued focus on patient-centric care, with a corresponding rise in demand for complex Active Pharmaceutical Ingredients (APIs).

GLOBAL API INDUSTRY

The global Active Pharmaceutical Ingredient (API) market continues to expand steadily, driven by rising healthcare demand, increasing prevalence of chronic diseases, and sustained innovation in drug development. As pharmaceutical pipelines become more complex and therapy areas diversify, the need for high-quality and specialised APIs is gaining prominence. According to Fortune Business Insights, the global API market is projected to grow from approximately US$261 billion in 2026 to nearly US$458 billion by 2034, registering a compound annual growth rate (CAGR) of about 7.3%, reflecting strong and sustained industry momentum.

This growth is being underpinned by structural shifts across the pharmaceutical landscape. The increasing adoption of biologics, specialty drugs, and high-potency formulations is driving demand for advanced APIs that require sophisticated manufacturing capabilities and stringent quality standards. At the same time, rising investments in research and development are accelerating the introduction of novel therapies, further strengthening the demand outlook. Pharmaceutical companies are also increasingly outsourcing API production to specialised manufacturers and Contract Development and Manufacturing Organisations (CDMOs) to improve operational efficiency, manage costs, and enhance flexibility in scaling production.

From a regional perspective, Asia-Pacific has emerged as a key hub for API manufacturing, supported by cost competitiveness, a strong talent base, and expanding regulatory capabilities. Countries such as India and China continue to play a critical role in the global supply chain. However, evolving geopolitical dynamics and supply chain disruptions have led to a growing focus on diversification, localisation, and building resilient sourcing strategies. Increased regulatory scrutiny and a heightened emphasis on quality and compliance are further shaping the competitive landscape.

Overall, the API market remains well-positioned for long-term growth, supported by innovation, outsourcing trends, and expanding global healthcare needs, while continuing to evolve towards greater resilience, complexity, and value addition.

Source: Fortune Business Insights

DRIVERS OF API MARKET EXPANSION

- **Capacity expansion and scale-up:** Ongoing investments in pharmaceutical and biopharmaceutical manufacturing are enhancing production capabilities, enabling companies to meet rising global demand and introduce new therapies.
- **Technological advancements:** Innovations in drug discovery, process chemistry, and manufacturing technologies are improving efficiency, strengthening quality standards, and supporting the development of complex and next-generation therapies.
- **Rising demand for generics and specialty drugs:** Increasing prevalence of chronic diseases is driving the need for affordable generics as well as advanced specialty treatments, significantly boosting API consumption.
- **Ageing global population:** The growing geriatric population is leading to higher incidence of age-related illnesses, resulting in sustained demand for long-term and chronic care medications.

OUTLOOK

The outlook for the global Active Pharmaceutical Ingredient (API) market remains robust, supported by sustained growth in pharmaceutical demand, increasing complexity of therapies, and continued expansion of manufacturing capabilities. The shift towards biologics, high-potency APIs, and specialty drugs is expected to drive higher value creation, while ongoing investments in research and development will further strengthen the pipeline of innovative therapies.

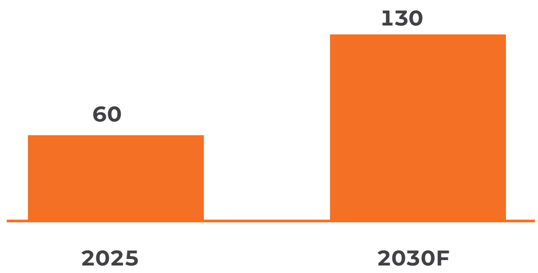
At the same time, supply chain diversification and a growing emphasis on reliability, quality, and regulatory compliance are likely to reshape sourcing strategies, creating opportunities for well-integrated and technologically advanced API manufacturers. Emerging markets, particularly in Asia, are expected to play a pivotal role, supported by cost competitiveness, strong technical capabilities, and expanding infrastructure.

Looking ahead, the API market is poised for sustained, innovation-led growth, driven by increasing outsourcing, rising healthcare access, and a continued focus on efficiency and resilience, even as companies navigate evolving regulatory landscapes and global uncertainties.

INDIAN PHARMA INDUSTRY

India's pharmaceutical industry has established itself as a key pillar of the global healthcare ecosystem, supported by its scale, cost competitiveness, and strong manufacturing capabilities. Widely recognised as the "pharmacy of the world," India supplies nearly 20% of global generic medicines and plays a leading role in vaccine production. The industry is estimated at approximately US$60 billion in 2025 and is projected to reach approximately US$130 billion by 2030, reflecting steady expansion driven by rising domestic demand, increasing exports, and favourable policy support.

Indian Pharmaceutical Industry Market Size (US$ billion)



Sources: Department of Commerce, GOI and Pharmaceutical Export Promotion Council of India (PHARMEXCIL), F-Forecasted

A defining strength of the Indian pharmaceutical sector lies in its ability to deliver high-quality products at competitive costs while adhering to stringent global regulatory standards. India has one of the largest networks of USFDA-approved manufacturing facilities outside the United States, enabling companies to serve regulated markets such as the US and Europe. Increasingly, global pharmaceutical players are partnering with Indian companies for development, manufacturing, and supply chain solutions. This partnership-led ecosystem, supported by a skilled scientific workforce and strong process chemistry expertise, has positioned India as a preferred hub for generics, biosimilars, and Contract Research, Development and Manufacturing Organisation (CRDMO) services.

The industry is now transitioning from a volume-driven model to a more value-focused growth trajectory. While generics continue to anchor the sector, there is a growing emphasis on specialty therapies, complex generics, and biologics. Investments in digital technologies, advanced manufacturing, and research capabilities are further strengthening competitiveness and enabling innovation-led growth. At the same time, global supply chain diversification, increasing regulatory scrutiny, and the need for reliable sourcing are creating new opportunities for Indian players to expand their global footprint.

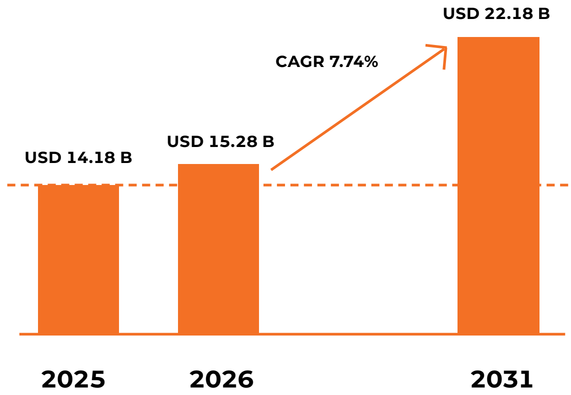
Looking ahead, India's pharmaceutical industry remains well-positioned for sustained expansion, supported by strong export potential, rising healthcare access, and deeper global integration. As companies continue to move up the value chain and strengthen partnerships, the sector is expected to play an increasingly strategic role in shaping the future of global healthcare.

INDIAN API INDUSTRY

India's API market is witnessing steady and structurally supported growth, driven by strong domestic demand, export expansion, and policy-led capacity creation. According to Mordor Intelligence, the market is estimated to grow from approximately US$14.18 billion in 2025 to US$22.18 billion by 2031, registering a CAGR of around 7.7% over the period. This growth reflects India's increasing strategic importance as a global hub for API manufacturing, supported by its cost competitiveness, skilled workforce, and strong presence in the global generics supply chain.

A key driver of this expansion is the Government of India's Production Linked Incentive (PLI) scheme, which is enabling investments in greenfield manufacturing facilities and bulk drug parks. These initiatives are improving infrastructure, reducing logistics costs, and enhancing supply chain efficiency. At the same time, rising global demand for pharmaceuticals, particularly generics and complex therapies, is strengthening export opportunities for Indian API manufacturers. Capacity additions across fermentation-based and synthetic APIs are further enhancing India's ability to cater to diversified therapeutic segments.

India Active Pharmaceutical Ingredients (Market (US$ Billion)



Source: Mordor Intelligence

The market is also benefiting from broader structural trends, including increasing prevalence of chronic diseases, growing healthcare access, and a shift towards complex and high-value APIs. In parallel, global pharmaceutical companies are increasingly diversifying their supply chains to reduce dependence on single geographies, positioning India as a reliable alternative sourcing destination. With continued policy support, technological advancement, and rising integration into global value chains, India's API market is well-positioned for sustained growth, strengthening its role in the global pharmaceutical ecosystem.

KEY DRIVERS

- Growing global demand for generics: India continues to be a key supplier of cost-effective generic medicines worldwide. The expiry of patents on several blockbuster drugs in regulated markets such as the US and Europe has further accelerated demand for APIs manufactured in India.
- Policy support and government initiatives: Targeted measures by the Indian government are strengthening domestic API manufacturing. The Production Linked Incentive (PLI) scheme, along with the development of bulk drug parks and financial incentives, is aimed at reducing import dependence and enhancing self-reliance.
- Rising burden of chronic diseases: Increasing incidence of conditions such as cardiovascular diseases, diabetes, and cancer is driving sustained demand for pharmaceuticals, thereby supporting consistent API consumption.
- Advancements in technology and R&D focus: Indian pharmaceutical companies are stepping up investments in research and development, with a focus on complex generics and specialty therapies. Adoption of advanced manufacturing technologies is improving efficiency, scalability, and product quality.
- Realignment of global supply chains: The global shift towards diversified sourcing is creating opportunities for India to strengthen its position as a reliable API supplier. Its cost competitiveness, technical expertise, and adherence to regulatory standards make it an attractive alternative manufacturing hub.

Outlook

India's API market is expected to witness steady growth, supported by rising domestic demand, strong export potential, and continued policy support. Investments in manufacturing infrastructure, including bulk drug parks and new capacities, are likely to enhance efficiency and strengthen supply chains. Increasing demand for complex generics and high-value APIs, along with global supply chain diversification, positions India as a preferred sourcing hub. Additionally, improvements in technology, quality standards, and regulatory compliance are expected to boost competitiveness. Overall, the sector remains well-positioned for sustained expansion, driven by outsourcing trends, growing healthcare needs, and India's strengthening role in the global pharmaceutical ecosystem.

BUSINESS REVIEW

With over five decades of industry experience, Solara Active Pharma Sciences has evolved into a focused global pure-play API company, committed to improving patient well-being through science-led innovation and technology-driven solutions. Our approach is anchored in a strong customer-centric philosophy, enabling us to develop value-driven products that align with evolving therapeutic needs and global market dynamics. Backed by deep expertise in process chemistry and a disciplined execution model, we continue to strengthen our position across regulated and emerging markets.

At the core of our capabilities is a state-of-the-art R&D centre in Chennai, supported by a skilled team of scientists and integrated development platforms. Our R&D efforts are focused on complex chemistries, analytical excellence, and efficient product development, enabling us to build a robust and differentiated pipeline. Complementing this is a strong governance framework covering supply chain, intellectual property, and regulatory compliance, ensuring reliability, transparency, and consistency across operations.

Solara's global footprint spans over 60 countries, with a significant share of revenues derived from regulated markets. Our manufacturing network comprises six facilities across India, most of the facilities compliant with global regulatory standards, including USFDA approvals, ensuring high levels of quality, safety, and operational excellence. This integrated and compliant manufacturing base, combined with our diversified product portfolio and focus on specialty APIs, enables us to serve leading pharmaceutical companies worldwide.

As global pharmaceutical markets continue to evolve, with increasing emphasis on compliance, supply chain resilience, and advanced manufacturing, Solara remains well-positioned to deliver consistent, high-quality solutions. Our commitment to innovation, sustainability, and long-term partnerships continues to drive our growth, reinforcing our role as a trusted partner in the global API ecosystem.

6

API manufacturing facilities, serving more than 60 countries

1

State-of-the-art R&D centre, staffed with more than 50 scientists

60

Commercial APIs in existing portfolio

10

Additional APIs under development pipeline

FINANCIAL PERFORMANCE

KPI	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	YoY Change
Total Income (₹ Cr)	1,288.36	1,466.36	1,294.29	1,292.08	1,375.14	6.4%
EBITDA (₹ Cr)	92.20	150.66	(92.03)	213.84	191.54	-10.4%
EBITDA Margin (%)	7.2	10.3	(7.1)	16.5	13.9	-2.6%
Profit after tax (₹ Cr)	(58.29)	(22.25)	(566.96)	0.54	(7.41)	-100.0%
Basic EPS (₹)	(16.18)	(6.16)	(157.62)	0.14	(1.68)	-100.0%

FINANCIAL RATIOS

KPI	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Return on capital employed (ROCE)	(5.3)	(2.1)	(12.6)	7.6	4.7
Return on equity (ROE)	(0.9)	1.9	(107)	0.01	(0.6)
Net Debt/Equity (x)	0.8	0.7	1.1	0.7	0.5
Fixed Asset Turnover (x)	1.4	1.5	1.2	1.2	1.3

PEOPLE & CULTURE

Our people remain central to Solara's success, bringing together diverse talent, expertise, and perspectives that collectively strengthen our organisation. It is this depth of capability and shared commitment that enables us to innovate, scale, and consistently deliver value. Their dedication and collaborative spirit translate opportunities into meaningful outcomes for all our stakeholders.

Guiding this journey is the Solara Leadership Council (SLC), supported by an experienced and accomplished senior management team. Together, they provide strategic clarity, operational discipline, and a forward-looking vision that drives our growth agenda. Their deep industry understanding, entrepreneurial approach, and focus on execution continue to shape Solara's trajectory.

We remain focused on fostering a culture of continuous learning and development. Through sustained investments in capability building and by equipping our teams to adapt to evolving industry dynamics, we enable them to perform at their best. This focus ensures we continue to deliver innovative solutions and create long-term value for our customers, partners, and communities.

ENTERPRISE RISK MANAGEMENT

Effective risk management remains integral to sustaining our performance and ensuring long-term resilience. We have instituted a comprehensive framework to systematically identify, assess, and monitor risks across the organisation, embedding risk awareness into everyday operations and decision-making. This structured approach enables us to anticipate potential challenges and respond in a timely and disciplined manner.

Our risk governance is overseen by a dedicated committee that evaluates strategic, operational, and financial risks on an ongoing basis. Through regular reviews and defined mitigation plans, we aim to minimise potential disruptions while safeguarding business continuity and stakeholder interests. The framework is supported by clear accountability, robust internal controls, and continuous monitoring mechanisms.

Below, we have outlined the key risks relevant to our business along with the strategies adopted to address them. By fostering a proactive and risk-aware culture, we seek to enhance organisational agility, strengthen resilience, and support sustainable value creation over the long term.

KEY RISKS AND MITIGATION APPROACH

External Environment Risk

Exposure to macroeconomic fluctuations, global market shifts, and geopolitical developments may influence business stability.

Mitigation: Strengthening supply chain resilience and diversifying across products and geographies to minimise market-specific dependencies.

Operational Risk

Manufacturing disruptions or quality lapses could impact reputation and financial performance.

Mitigation: Robust quality control systems, periodic audits, and continuous improvement in operational efficiency and compliance standards.

R&D Risk

Delays in product development and commercialisation may affect growth momentum.

Mitigation: Targeted R&D investments, disciplined product selection, and portfolio diversification to sustain innovation.

Supplier Risk

Volatility in raw material costs and supply disruptions may impact margins.

Mitigation: Strategic vendor partnerships, backward integration for key intermediates, and structured cost optimisation initiatives.

Competitive Risk

Intensifying competition may affect market share and pricing power.

Mitigation: Global benchmarking, cost leadership initiatives, network expansion, and portfolio rationalisation.

Safety Risk

Operational incidents could impact workforce safety, reputation, and continuity.

Mitigation: Rigorous safety protocols, risk-based systems, preventive programmes, and continuous monitoring with corrective actions.

Patent Compliance Risk

Non-adherence to patent regulations may lead to contractual and reputational risks.

Mitigation: Strict compliance frameworks embedded within custom synthesis and product development processes.

Concentration Risk

Dependence on a limited set of molecules could increase business vulnerability.

Mitigation: Expanding product portfolio, adding new DMFs, and entering new markets to diversify revenue streams.

Regulatory Compliance Risk

Non-compliance with USFDA and global standards may disrupt operations.

Mitigation: Strong adherence to cGMP norms, proactive inspection readiness, and timely remediation of observations.

Pricing Risk

Competitive pricing pressures, particularly from global suppliers, may impact profitability.

Mitigation: Enhancing operational efficiencies, focusing on differentiated offerings, and strengthening customer relationships.

Currency Risk

Foreign exchange fluctuations may affect export earnings and margins.

Mitigation: Active hedging strategies and prudent financial management to mitigate forex exposure.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Solara places strong emphasis on a robust internal control framework to ensure the accuracy, integrity, and reliability of its financial reporting. Our Internal Auditors, in collaboration with senior management, continuously assess the effectiveness of these controls, supported by investments in systems and infrastructure that enhance visibility and oversight across business processes. We operate a comprehensive in-house audit programme that regularly evaluates operations across functions and locations.

The Audit Committee provides an additional layer of governance by periodically reviewing internal audit findings and monitoring the implementation of corrective actions. This structured approach ensures that control mechanisms remain effective, risks are addressed in a timely manner, and compliance standards are consistently upheld. Through these measures, we aim to maintain high levels of transparency, strengthen accountability, and provide reasonable assurance over the integrity of our financial and operational processes.

CAUTIONARY STATEMENT

This report contains forward-looking statements, which are made in accordance with applicable legal requirements. These statements are based on certain assumptions and expectations of future events. However, actual results, performance, or achievements may differ materially from those expressed or implied, due to a range of risks, uncertainties, and other factors that could influence future outcomes.

Board's Report

Dear Members,

On behalf of the Board of Directors of the Company, it gives us immense pleasure in presenting the Ninth Board's Report, along with the Audited Financial Statements (Standalone and Consolidated) for the financial year ending March 31, 2026.

1. FINANCIAL PERFORMANCE

The Company has prepared the Standalone and Consolidated Financial Statements for the financial year ended March 31, 2026, in accordance with the Indian Accounting Standards (Ind AS) as prescribed under the Companies Act, 2013.

Key highlights of financial performance of the Company for the financial year ending March 31, 2026, as compared to previous year are provided below:

₹ in Crores except EPS

	Standalone		Consolidated	
Financial Results	**2025-26**	**2024-25**	**2025-26**	**2024-25**
Gross Revenue	1,374.87	1292.90	1,375.14	1292.08
Profit before Interest, Depreciation, Tax and Amortization	192.57	212.98	192.91	214.6
Profit before tax	(7.24)	(1.08)	(7.41)	0.54
Profit after tax	(7.24)	(1.08)	(7.41)	0.54
EPS (basic & diluted) on the basis of ₹ 10/- per share	(1.64)	(0.27)	(1.68)	0.14

2. BUSINESS OVERVIEW

We are a global pure-play Active Pharmaceutical Ingredients (API) company engaged in the development and manufacture of APIs, alongside providing CDMO services to pharmaceutical companies worldwide. Our operations are anchored by six world-class, multi-product manufacturing facilities and supported by a talented workforce of nearly 1,700 employees.

With operations extending across more than 60 countries, we have established a strong foothold in major markets such as North America, Europe, Japan, South Korea, and the Middle East & North Africa. During the year, the Company prioritized initiatives focused on cost efficiency, capacity enhancement, operational excellence, inventory optimization, and employee development.

Driven by a clear strategic vision, the Company remains optimistic about future growth opportunities and committed to delivering sustainable long-term value to all stakeholders.

3. DIVIDEND

The Board of Directors of the Company did not recommend final dividend for the financial year March 31, 2026.

In terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company has adopted a Dividend Distribution Policy.

The said Policy is available on the Company's website and can be accessed at investors page of our Company's website https://solara.co.in/uploads/2023/07/Dividend_Distribution_Policy.pdf.

4. TRANSFER TO RESERVES

Your Company does not propose to transfer any amount to the reserves for the year ending March 31, 2026.

5. SHARE CAPITAL

i) Authorized Capital

The Authorized Share Capital of the Company as on March 31, 2026, stood at ₹120,00,00,000/- divided into 12,00,00,000 equity shares of ₹10/- each. There was no change regarding the Authorized Capital of the Company during the year.

ii) Issued and Subscribed Capital

The Issued and Subscribed capital as of March 31, 2026, stood at ₹ 48,17,15,620/- divided into 4,81,71,562 equity shares of ₹10/- each. Changes in the Issued and Subscribed Capital of the Company are as under:

Particulars	No of Shares	Amount (₹)
April 01, 2025	4,80,53,022 equity shares of ₹10/- each.	48,05,30,220
Additions during the year	1,00,000 Equity shares of ₹ 10/- each allotted pursuant to exercise of Options under ESOP Scheme 2018 on May 15, 2025.	10,00,000
	9,000 Equity shares of face value ₹ 10/- each allotted pursuant to exercise of Options under ESOP Scheme 2018 on October 13, 2025.	90,000
	8,040 Equity shares of ₹ 10/- each allotted pursuant to exercise of Options under ESOP Scheme 2018 on November 05, 2025.	80,400
	1,500 Equity shares of ₹ 10/- each allotted pursuant to exercise of Options under ESOP Scheme 2018 on December 17, 2025	15,000
March 31, 2026	4,81,71,562 equity shares of ₹10/- each.	**48,17,15,620**

iii) Paid up capital

The Paid-up capital as at March 31, 2026, stood at ₹ 44,51,39,030.50/- divided into 3,61,72,807 equity shares of ₹10/- each, 1,18,32,948 equity shares of ₹ 7/- each and 1,65,807 Equity shares of face value ₹ 3.5/- each per share paid up. Changes in the paid-up capital of the Company are as under:

Particulars	No of Shares	Amount (₹)
April 01, 2025	3,60,54,267 equity shares of ₹10/- each; 11,19,98,755 Equity shares of ₹ 10/- each ₹ 3.5 per share paid up	40,25,38,312.50
Additions during the year	1,00,000 Equity shares of ₹ 10/- each allotted pursuant to exercise of Options under ESOP Scheme 2018 on May 15, 2025, and ₹ 10/- paid up per share	10,00,000.00
	Receipt of Rights issue First call money of face value of ₹3.5 per share on 1,13,89,767 equity shares.	3,98,64,184.50
	9,000 Equity shares of face value ₹ 10/- each allotted pursuant to exercise of Options under ESOP Scheme 2018 on October 13, 2025, and ₹ 10/- paid up per share	90,000.00
	Receipt of Rights issue First call money of face value of ₹3.5 per share on 3,71,779 equity shares	13,01,226.50
	8,040 Equity shares of ₹ 10/- each allotted pursuant to exercise of Options under ESOP Scheme 2018 on November 05, 2025.	80,400.00
	1,500 Equity shares of ₹ 10/- each allotted pursuant to exercise of Options under ESOP Scheme 2018 on December 17, 2025	15,000.00
	Receipt of Rights issue First call money of face value of ₹3.5 per share on 71,402 equity shares	2,49,907.00
March 31, 2026	3,61,72,807 equity shares of ₹10/- each; 1,18,32,948 equity shares of ₹ 7/- each paid up and 1,65,807 equity shares of ₹3.5/- each paid up	**44,51,39,030.50**

6. RIGHTS ISSUE

On May 9, 2024, the Rights Issue Committee at its meeting approved the issuance of 1,19,98,755 Equity Shares of face value of ₹ 10 each at a price of ₹ 375 per Equity Share (including a premium of ₹ 365 per Equity Share), to existing equity shareholders on the record date (May 15, 2024) on 'rights' basis for an amount aggregating to ₹ 449.95 Crores. The issue was on a partly paid-up basis with 3 calls, i.e., application money, first call and second call. On June 19, 2024, Company allotted 1,19,98,755 partly paid - up Equity Shares on receipt of Application money of ₹ 131.25/- per equity share, which was aggregating to ₹ 157.48 Crores.

The Rights Issue Committee at its meeting held on March 26, 2025 approved the First Call Money Notice to the holders of Partly Paid-Up Equity Shares for ₹ 131.25/- (i. e ₹ 3.50/- towards face value and ₹ 127.75/- towards securities premium). The Company sent two reminder notices dated July 01, 2025 and February 04, 2026 for payment of First Call Money.

Further, the Company also issued Second and Final Call Notice dated April 06, 2026 pursuant to the approval of Rights Issue Committee at its meeting held on Tuesday, March 24, 2026, for payment of ₹112.50/- (comprising of ₹ 3/- towards face value and ₹ 109.50/- towards securities premium) per partly paid-up Rights equity share towards Second and Final Call. Subsequent to the close of the financial year, the Company received an amount of ₹ 1,29,94,28,775 (Rupees One Hundred Twenty-Nine Crore Ninety-Four Lakh Twenty-Eight Thousand Seven Hundred Seventy-Five only) towards the Second and Final Call in respect of 1,15,50,478 partly paid-up Rights Equity Shares. Consequently, these shares were converted into fully paid-up Equity Shares of face value of ₹ 10 each on May 15, 2026.

As on March 31, 2026, total funds received from the Rights Issue was ₹ 309.79 crores including collection towards First Call of ₹ 155.31 Crore.

7. EMPLOYEES STOCK OPTION PLAN (ESOP)

The Company has two ESOP Schemes:

- Solara Employees Stock Option Plan 2018
- Solara Employee Stock Option Plan - 2024

A statement giving detailed information on stock options granted to Employees under the ESOP Plan as required under Section 62 of the Act, read with Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 is enclosed as Annexure-A to this Report and is also available at https://www.solara.co.in/investor-relations/9th-agm-2026/.

The Company has also obtained a certificate from the Secretarial Auditor of the Company, as required under Regulation 13 of the SEBI (SBEB & SE) Regulations, that the Scheme has been implemented in aforesaid Regulations and in accordance with the resolution of the Company in the general meeting.

8. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

Subsequent to the close of the financial year, the Company received an amount of ₹ 1,29,94,28,775 (Rupees One Hundred Twenty-Nine Crore Ninety-Four Lakh Twenty-Eight Thousand Seven Hundred Seventy-Five only) towards the Second and Final Call on 1,15,50,478 partly paid-up Rights Equity Shares. Consequent upon receipt of the Second and Final Call money, these Rights Equity Shares were converted from ₹ 7 per share paid-up equity shares to fully paid-up equity shares of face value ₹ 10 per share pursuant to approval from the Rights Issue committee on May 15, 2026.

Except as stated above, there were no material changes or commitments affecting the financial position of the Company between the end of the financial year and the date of this Report.

9. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

i) Changes during the year:

- During the year, Synthix Global Pharma Solutions Limited ("Synthix") was incorporated as a wholly-owned subsidiary of the Company on April 29, 2025.
- Solara Active Pharma Sciences LTDA, Brazil, non-material wholly owned subsidiary of the Company has been voluntarily deregistered with Federal Revenue of Brazil with effect from July 30, 2025, as it was non-operational/had no business activities.

The Company has the following subsidiaries as on March 31, 2026:

Name of the Company	Nature of relationship	India / Overseas
Synthix Global Pharma Solutions Limited	Wholly – owned subsidiary	India
Chemsynth Laboratories Private Limited	Subsidiary	India
Shasun USA Inc	Subsidiary	Overseas

ii) Material Subsidiaries

The Company has adopted a 'Policy for determining Material Subsidiaries' as stipulated in explanation to Regulation 16(1)(c) of the SEBI Listing Regulations. The said policy may be accessed on the website of the Company at https://solara.co.in/uploads/2023/07/Policy-for-determining-of-Material-Subsidiaries.pdf. The Company did not have any material subsidiary during the year under review.

iii) Information about the financial performance / financial position of the subsidiaries

In accordance with Section 129(3) of the Act, a statement highlighting the key features of the financial statements of the subsidiary companies is included in Form AOC-1 as Annexure B – as a part of this report.

Further, pursuant to the provisions of Section 136 of the Act, the Consolidated Financial Statements, along with the relevant documents and the separate audited financial statements of the subsidiaries, are available on the Company's website at: https://solara.co.in/investor-relations/subsidiary-financials/#subs

10. CORPORATE GOVERNANCE

Your Company remains committed to upholding the highest standards of Corporate Governance and consistently complies with the Corporate Governance requirements prescribed under the Listing Regulations.

The detailed report on Corporate Governance as per the format prescribed by Securities and Exchange Board of India under Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") along with a certificate from Ms. Parimala Natarajan, Practicing Company Secretaries, confirming compliance with the requirements of Corporate Governance is attached with this report. There are no observations or adverse remarks in the said certificate.

Pursuant to the requirements of the Listing Regulations, a certificate from Ms. Parimala Natarajan, Practicing Company Secretary, confirming that none of the directors of the Company are debarred or disqualified from being appointed or continuing as directors of any company, forms part of this Report.

11. MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Regulation 34(2) (e) read with Schedule V of Listing Regulations "Management Discussion and Analysis Report" ("MD&A") for the financial year 2025-2026 forms part of this Report.

12. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

Five meetings of the Board of Directors were held during the year. The gap between any two consecutive meetings did not exceed one hundred and twenty days. The details of the meetings held, and the attendance of each Director are provided in the Corporate Governance Report.

13. DIRECTORS & KEY MANAGERIAL PERSONNEL

i) Board of Directors:

As on date of this report, the Board has eight directors comprising of two (2) Executive Directors, two (2) Non-Executive Directors and four (4) Independent Directors. The Chairman of the Board is an Independent Director. The details of each member of the Board as on the date of this report forms part of the Corporate Governance Report.

Sl. No	Name of the Directors	Designation
1	Mr. R Ramakrishnan (DIN: 00161542)	Independent Director and Chairperson
2	Dr. Kausalya Santhanam (DIN: 06999168)	Independent Director
3	Prof. Rajendra Kumar Srivastava (DIN: 07500741)	Independent Director
4	Mr. Rajiv Vijay Nabar (DIN: 10383397)	Independent Director
5	Mr. Arun Kumar Pillai (DIN: 00084845)	Non-Executive Director
6	Mr. Sandeep Shashikantha Rao (DIN: 10838251)	Managing Director & CEO
7	Mr. Manish Gupta (DIN: 06805265)	Non-Executive Director
8	Mr. Mohanraj Sanjeevi (DIN: 08420411)	Whole Time Director

ii) Retiring by Rotation:

In accordance with the provisions of Section 152 of the Act, Mr. Arun Kumar Pillai (DIN: 00084845), Non – Executive Director, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment. Your directors recommend his reappointment and accordingly, suitable resolution proposing his re- appointment forms part of the Notice of the AGM.

Detailed profile of the Director retiring by rotation is provided in the explanatory statement of the 9th AGM notice.

iii) Changes in the Board of Directors and Key Managerial Personnel during the year and till the date of this Report is as under:

The following changes in the composition of the Board of Directors and Key Managerial Personnel occurred during the period under review.

- Mr. S. Murali Krishna retired from the position of Company Secretary & Compliance Officer and Key Managerial Personnel of the Company with effect from the closing of the business hours of May 15, 2025.
- Ms. Pooja Jaya Kumar joined as the Company Secretary & Compliance Officer and Key Managerial Personnel of the Company with effect from the closing of the business hours of May 15, 2025.
- Mr. Mohan Muthunarayanan, Whole-time Director, who was liable to retire by rotation, was reappointed at the Eighth AGM held on September 25, 2025.
- Mr. Manish Gupta, Non-Executive Director, who was liable to retire by rotation, was reappointed at the Eighth AGM held on September 25, 2025.
- Mr. Kartheek Chintalapati Raju (DIN: 02921819), resigned from the position of Non-Executive Director of the Company, with effect from end of the business hours of November 05, 2025.
- Mr. Mohan Muthunarayanan (DIN: 03610282), resigned from the position of Whole Time Director (Executive Director) & Chief Operating Officer (Key Managerial Personnel) of the Company with effect from end of the business hours of December 31, 2025.
- Mr. Mohanraj Sanjeevi (DIN: 08420411) was appointed as an Additional Director, designated as Executive and Whole-time Director, for a term of three (3) years with effect from January 1, 2026, to December 31, 2028. Pursuant to the approval of the shareholders received on March 06, 2026, he has been appointed as Whole-Time Director of the Company.

In terms of provisions of Section 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Key Managerial Personnel of the Company as on the date of this report are:

- Mr. Sandeep Shashikantha Rao, Managing Director & Chief Executive Officer
- Mr. Mohanraj Sanjeevi, Whole Time Director & Chief Human Resources Officer
- Mr. Sarat Kumar, Chief Financial Officer
- Ms. Pooja Jaya Kumar, Company Secretary

14. DECLARATION BY INDEPENDENT DIRECTORS

In accordance with Section 149(7) of the Companies Act, 2013 each Independent Director has confirmed to the Company that he / she meets the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and that they are not aware of any circumstances or situations, which exists or may be reasonably anticipated that could impair or impact their ability to discharge duties with an objective independent judgement and without any external influence. Independent Directors of the Company have also confirmed that they have complied with the Code for Independent Directors as prescribed in Schedule IV of the Act.

The Independent Directors of the Company have also registered their names in the data bank for Independent Directors maintained by the Indian Institute of Corporate Affairs (IICA), Manesar. In the opinion of the Board, all Independent Directors are independent of the management and possess requisite qualifications, experience and expertise.

During the year under review, one meeting of Independent Directors was held on February 6, 2026. This meeting was conducted without the presence of other Non-Independent Directors and members of management. During the meeting, the Independent Directors evaluated the performance of the Non-Independent Directors, the Chairman, and the Board as a whole. They also assessed the quality, quantity, and timeliness of the information flow between the Company's management and the Board of Directors.

15. BOARD EVALUATION

Pursuant to the provisions of Regulation 17(10) of the Listing Regulations read with Regulation 25 (4) and Section 178 (2) of the Companies Act, 2013, and in accordance with the Company's Board Evaluation Policy, a formal evaluation of the performance of the Board and its Committees as a whole and individual Directors including Independent Directors, Non-Independent Directors and Chairperson individually has been carried out. In pursuant thereof, annual evaluation of performance of the Board, working of its committees, contribution and impact of individual directors has been carried out through a questionnaire for peer evaluation on various parameters.

Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for Independent Directors are determined by the NRC Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director in meetings, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behaviour and judgment. Performance evaluation of the Independent Directors was done by the entire Board, excluding the Independent Director being evaluated. Outcome of the evaluation process was positive, and the Directors expressed satisfaction with the performance of the Board, its Committees, and individual Directors. The details of the evaluation process are set out in the Corporate Governance Report which forms part of this Annual Report.

16. PARTICULARS OF EMPLOYEES

The statement containing particulars in terms of Section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report and is appended herewith as Annexure C - to the Boards' report

The statement containing particulars in terms of Section 197(12) of the Companies Act, 2013 read with rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is to be provided. Considering the first proviso to Section 136(1) of the Companies Act, 2013, the Annual Report, excluding the aforesaid information, is being sent to the members of the Company and others entitled thereto. The said information is available for electronic inspection during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

17. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has undertaken "Corporate Social Responsibility (CSR)", initiatives in areas of Health & Safe Drinking water and Education. A detailed report on CSR activities undertaken during the financial year 2025-26 is enclosed as Annexure D - in this Report.

18. RISK MANAGEMENT

The Company has a risk management framework for the identification and management of risks. In line with the requirement under the SEBI Listing Regulations, the Company has constituted a Risk Management Committee ("RMC"), comprising of members of the Board and KMP. Composition of RMC is provided in the Corporate Governance Report, which forms part of this Report.

The RMC is entrusted with the responsibility of overseeing strategic, operational, financial and Compliance risks that the organization faces, along with the adequacy of mitigation plans to address such risks.

Additional details relating to Risk Management are provided in the Management Discussion and Analysis report forming part of this Report.

19. LOANS, GUARANTEES OR INVESTMENTS

Pursuant to Section 134(3)(g) of the Companies Act, 2013, the particulars of investments made, loans given and guarantees provided under the provisions of Section 186 of the Companies Act, 2013 are provided in the Standalone Financial Statements in the Annual Report (Please refer to Note No. 9, 10 and 39C to the Financial Statements).

20. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions or arrangements entered into by the company during the financial year were on an arm's length basis and in the ordinary course of business. In Compliance with the provisions of the Act and Regulation 23(2) of the Listing Regulations, all related party transactions including that transaction which required omnibus approval had been placed before the Audit Committee for prior approval.

The transactions with related parties are disclosed in Note No. 39 to the Standalone Financial Statements in the Annual Report. Information on transactions with related parties pursuant to Section 134(3)(h) of the Companies Act 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is enclosed as Annexure- E to this Report. Further, there are no materially significant related party transactions with its promoters, the directors or the management, their subsidiaries, or relatives, etc. that may have potential conflict with the interests of the Company at large.

The Company has formulated a policy for transacting with Related Parties, which is uploaded on the website of the Company and can be viewed at https://solara.co.in/uploads/2026/6/RPT_policy_2026_V4.pdf?V =178097 9142. During the year under review, the said Policy was reviewed and amended by the Audit Committee and Board to align with the regulatory amendments.

21. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators / Courts that would impact the going concern status of the Company and its future operations.

22. AUDITORS AND AUDIT REPORTS

i) Statutory Auditors

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No.117366W/W-100018) were reappointed as Statutory Auditors of the Company at the Sixth Annual General Meeting of the Company held on September 15, 2023, for a period of 4 years and will hold the office till the conclusion of the 10th AGM of the Company.

The Auditor's report to the shareholders on the standalone and consolidated financial statement for the year ended March 31, 2026, does not contain any qualification, observation or adverse comment. Further, there were no fraud reported by the Statutory Auditor to the Audit Committee or the Board under Section 143(12) of the Act.

ii) Secretarial Auditors

Ms. Parimala Natarajan, Practicing Company Secretaries, Chennai, a peer reviewed Practicing Company Secretary (CoP No. 5239), was appointed as the Secretarial Auditor of the Company for a period of 5 consecutive years, from April 1, 2025, to March 31, 2030.

The Secretarial Audit for the financial year 2025-26, inter-alia, included audit of compliance with the Companies Act, 2013, and the Rules made under the Act, Listing Regulations and applicable Regulations prescribed by SEBI amongst others.

The Secretarial Audit Report for the financial year 2025-26 issued by the Secretarial Auditor is enclosed as Annexure F to the Board's Report.

There are no observations or Remarks in the Secretarial Audit Report.

iii) Internal Auditors

M/s. Grant Thornton Bharat LLP (formerly known as Grant Thornton India LLP) (LLPIN: AAA-7677), Chartered Accounting Firm, are the Internal Auditors of the Company for the Financial year 2025-2026. The Internal Auditors carried out the audit as per the audit plan defined by the Audit Committee and regularly updated the committee on their internal audit findings at the Committee's meetings.

The Internal Auditors were satisfied with the management's response on the observation and recommendations made by them during the course of their audit and have expressed satisfaction with the internal systems, controls and process followed by the Company.

iv) Cost Auditors and Cost Records

Your Company has duly maintained cost accounts and records as specified by the Central Government under sub section (1) of Section 148 of the Act and the relevant rules made thereunder.

Mr. K. Suryanarayanan, Cost Accountant (Membership No.24946) has carried out the Cost Audit for the applicable business for the year under review.

Pursuant to the provisions of Section 148(3) of the Companies Act, 2013, the Board of Directors of the Company at their meeting held on May 15, 2026, based on the recommendation of Audit Committee, approved appointment of Mr. K. Suryanarayanan, Cost Accountant (Membership No.24946), as the Cost Auditor of the Company for financial year ended 2027 (FY27) at a remuneration of ₹ 4.75 lakhs/- (Rupees Four Lakhs and Seventy-Five Thousand) plus applicable taxes and reimbursement of out-of-pocket expenses. A proposal for ratification of remuneration of the Cost Auditors for FY27 is placed before the Shareholders for approval in the ensuing AGM.

The Company has received consent from Mr. K. Suryanarayanan, Practicing Cost Accountants, to serve as Cost auditors of the Company for the financial year 2027. The Company has also received necessary certificate under Section 141 of the Act, 2013 from them conveying their eligibility to act as Cost Auditor.

Further, the Company has duly maintained Cost accounts and records as specified under sub-section (1) of section 148 read with the provision of Companies (Cost Records and Audit) Rules, 2014 of the Companies Act, 2013.

23. INTERNAL FINANCIAL CONTROLS

The Company has in place well defined and adequate framework for Internal Financial Controls ("IFC") as required under Section 134 (5) (e) of the Companies Act, 2013, commensurate with the size, scale, and complexity of its operations.

During the year under review, such controls were tested and no material weaknesses in their design or operations were observed as the Company has, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2026, and are operating effectively.

24. OTHER DISCLOSURES

i) Nature of Business of the Company

There has been no change in the nature of business of the Company during the year under review.

ii) Public Deposits

The Company has neither invited nor accepted any deposits from the public falling within the purview of provisions of Section 73 read with Chapter V – Acceptance of Deposits by Companies of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014.

iii) Credit Rating

During the year under view, CRISIL has reaffirmed credit rating of CRISIL BBB / stable (outlook revised from Negative; Rating- reaffirmed) for long term debt and CRISIL A3+ (Reaffirmed) for short term debt.

iv) Vigil Mechanism / Whistle Blower Policy

The Company, in compliance with Section 177 of the Companies Act, 2013 and Regulation 22 of Listing Regulations has established a Whistle Blower Policy in place as part of its vigil mechanism. The policy provides appropriate avenues to the directors, employees and stakeholders of the Company to make protected disclosures in relation to matters concerning the Company. Protected disclosures are appropriately reviewed and addressed by the Whistle Officer, while disclosures involving Senior Management Personnel and Directors are reviewed and handled by the Chairman of the Audit Committee. The policy is also available on the Company's website at https://solara.co.in/uploads/2026/5/Whistle-Blower-Policy_2026.pdf?v=1778852330

v) Policy on Directors Appointment and Remuneration

The policy of the Company on Directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under Section 178 of the Companies Act, 2013 is available on the Company's website at the below given link:

https://solara.co.in/uploads/2025/1/Solara_Nomination_Remuneration_Policy.pdf

vi) Insurance

The assets/ properties of the Company are adequately insured against loss due to fire, riots, earthquake, terrorism, etc., and against other perils that are considered necessary by the management.

vii) Annual Return

Pursuant to Section 92 of the Act and Rules made thereunder, Annual Return of the Company as on March 31, 2026, is available on the website of the Company and can be accessed at https://solara.co.in/investor-relations/annual-return/

25. OTHER CONFIRMATIONS

i) General:

During the year under review, the Company has not made any application under the Insolvency and Bankruptcy Code, 2016 and no proceedings are pending under the Insolvency and Bankruptcy Code, 2016 during the year. During the year, there was no one-time settlement done with the Banks or Financial Institutions.

ii) Statement on Maternity Benefit Compliance:

The Company further affirms full compliance with the provisions of the Maternity Benefit Act, 1961. The Company remains committed to upholding the rights and welfare of its female employees by providing all statutory maternity benefits as mandated under the Act.

iii) Secretarial standards issued by the Institute of Company Secretaries of India (ICSI)

The Directors state confirms that pursuant to the provisions of Section 118(10) of the Act, the Company has complied with the applicable provisions of the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) during the Financial Year 2025-26.

iv) Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:

Particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo as required under section 134 of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is attached as Annexure G to this Report.

v) Disclosure under the Sexual harassment of woman at workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has put in place an anti-sexual harassment mechanism in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Company has complied with the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, to redress the complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company has not received any complaint of sexual harassment during the year 2025-26.

The Internal Committee of the Company has filed annual return for the calendar year 2026 at its jurisdictional office, as required under Section 21(1) of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rule 14 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013. The following is the summary of the complaints received and disposed off during the financial year 2025-26:

I. Number of complaints of sexual harassment received in the year: Nil

II. Number of complaints disposed off during the year: Nil

III. Number of cases pending for more than ninety days: Nil

Further, the Company organizes and conducts various training programmes on a periodic basis to enhance awareness and understanding of the provisions of the POSH Act.

vi) Investor Education and Protection Fund:

Details pertaining to unpaid and unclaimed dividend transferred to IEPF are provided under Corporate Governance Report, which forms part of this Annual Report.

26. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013 the Directors of your Company confirm that:

a) in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.

b) 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 at the end of the financial year and of the profit or loss of the company for that period;

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 accounts 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 were adequate and operating effectively.

27. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

As stipulated under the Listing Regulations, the Business Responsibility and Sustainability Report (BRSR) describing the initiatives taken by the Company from environmental, social and governance perspective is provided separately and forms integral part of this Annual Report. BRSR as a part of Annual Report is available on the company's website.

28. ACKNOWLEDGEMENT

Your directors place on record their sincere appreciation for the dedicated services and continued commitment of all employees of the Company. Directors also extend their gratitude for the consistent support and cooperation received from banks, government and regulatory authorities, stock exchanges, customers, vendors.

For and on behalf of the Board of Directors

	Sandeep Shashikantha Rao	**Mohanraj Sanjeevi**
Place: Ooty	Managing Director & CEO	Whole Time Director
Date: May 15, 2026	DIN: 10838251	DIN: 08420411

Annexure A to the Board's Report

Details of Solara's Employee Stock Options pursuant to SEBI Regulation and Companies Act, 2013
[Pursuant to Regulation 14 of the SEBI (Shares Based Employee Benefits and Sweat Equity) Regulations, 2021]

A. Disclosure of confirmation of any material change in the scheme(s) and is in compliance with the regulations- No material change during the year under review and the schemes are in compliance with the Regulations.

B. Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time.

Members may refer to **Note no. 42: Share-Based Payments** of the Notes to Audited Standalone Financial Statement and **Note no. 44: Share-Based Payments** of the Notes to Audited Consolidated Financial Statement forming part of the Annual Report for the financial year 2025-26.

C. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Ind-AS 33 : Earnings Per Share' issued by Central Government or any other relevant accounting standards as issued from time to time.

Diluted EPS for the year ended March 31, 2026 is: ₹ (1.64) Standalone & ₹ (1.68) - Consolidated calculated in accordance with Ind- AS 33 (Earnings Per Share).

D. Details related to ESOP-

SOLARA EMPLOYEE STOCK OPTION PLAN 2018:
A description of each ESOP that existed at any time during the year, including the general terms and conditions of each ESOP, including –

i. A description of each ESOP that existed at any time during the year, including the general terms and conditions of each ESOP, including -

a. Date of shareholders' approval - September 28, 2018

b. Total number of options approved under ESOP - 12,28,778 Options

c. Vesting requirements – One Year from the date of Grant and every year thereafter

d. Exercise price or pricing formula - Decided by the Nomination and Remuneration Committee from time to time

e. Maximum term of options granted – 3 years

f. Source of shares (primary, secondary or combination) - Primary

g. Variation in terms of options – N.A.

ii. Method used to account for ESOP - Fair value

iii. Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed – Not applicable.

iv. Option movement during the year (For each ESOP):

Particulars	Details
Number of options outstanding at the beginning of the period	2,26,040
Number of options granted during the year	0
Number of options forfeited / lapsed during the year	42,690
Number of options vested during the year	1,72,130
Number of options exercised during the year	1,18,540
Number of shares arising as a result of exercise of options	1,18,540
Money realized by exercise of options (₹), if scheme is implemented directly by the company	₹ 3,21,52,500/-
Loan repaid by the Trust during the year from exercise price received	NA
Number of options outstanding at the end of the year	64,810
Number of options exercisable at the end of the year	14,650

v. Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock:

Weighted Average Exercise Price – ₹ 363.06

Weighted Average Fair Value – ₹ 214.91

vi. **Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to –**

(a) Key Managerial Personnel (KMP) and Senior Managerial Personnel (SMP) of the Company. - Nil

(b) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year – Nil

(c) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant- Nil

vii. **A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:**

(a) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;

(b) the method used and the assumptions made to incorporate the effects of expected early exercise;

(c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and

(d) whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition.

The fair value of options granted were estimated on the grant date using the Black Scholes method. Members may refer to the audited financial statement for the year 2025-26 for further details.

Disclosures in respect of grants made in three years prior to IPO under each ESOP- Not applicable.

➢ **SOLARA EMPLOYEE STOCK OPTION PLAN -2024**

(i) A description of each ESOP that existed at any time during the year, including the general terms and conditions of each ESOP, including –

(a) Date of shareholders' approval - September 20, 2024

(b) Total number of options approved under ESOP - 9,60,000

(c) Vesting requirements – The Vesting Schedule of an Option shall be a minimum of one year from the Grant Date.

(d) Exercise price or pricing formula - Decided by the Nomination and Remuneration Committee from time to time

(e) Maximum term of options granted – 3 years

(f) Source of shares (primary, secondary or combination) - Primary

(g) Variation in terms of options –N.A.

(ii) Method used to account for ESOP – Fair value

(iii) Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed- Not applicable.

(iv) Option movement during the year (For each ESOP):

Particulars	**Details**
Number of options outstanding at the beginning of the period	3,50,000
Number of options granted during the year	25,000
Number of options forfeited / lapsed during the year	Nil
Number of options vested during the year	Nil
Number of options exercised during the year	Nil
Number of shares arising as a result of exercise of options	Nil
Money realized by exercise of options (₹), if scheme is implemented directly by the company	Nil
Loan repaid by the Trust during the year from exercise price received	NA
Number of options outstanding at the end of the year	3,75,000
Number of options exercisable at the end of the year	70,000

(v) Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock:

Weighted Average Exercise Price – 375.00

Weighted Average Fair Value – 222.81

(vi) Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to –

a) Key Managerial Personnel (KMP) of the Company;

Sl. No	Name of Employee	Designation	Category	Number of options granted during the year	Exercise price
1.	Mohanraj Sanjeevi	Whole-Time Director	KMP	25,000	375

b) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; - Nil

c) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant- Nil

(vii) A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

a) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;

b) the method used and the assumptions made to incorporate the effects of expected early exercise;

c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and

d) whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition.

The fair value of options granted were estimated on the grant date using the Black Scholes method. Members may refer to the audited financial statement for the year 2025-26 for further details.

Disclosures in respect of grants made in three years prior to IPO under each ESOP- Not applicable.

For and on behalf of the Board of Directors

Sandeep Shashikantha Rao
Managing Director & CEO
DIN: 10838251

Mohanraj Sanjeevi
Whole Time Director
DIN: 08420411

Place: Ooty
Date: May 15, 2026

Annexure B to the Board's Report

FORM AOC-1

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures

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

PART "A": Subsidiaries

(₹ in Crores)

S. No	Subsidiary Name	CIN/ any other registration number of subsidiary company	Provisions pursuant to which the company has become a subsidiary (Section2(87)(i) / Section 2(87)(ii))	Date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Share capital (including share application money pending allotment)	Reserves and surplus	Total liabilities	Total assets	Investments (except in case of Investments in Subsidiaries)	Turnover	Profit / (Loss) before taxation	Profit / (Loss) after taxation	Proposed dividend equity	% Share holding
1	Synthix Global Pharma Solutions Limited	U21001MH2025PLC447046	Section 2(87)(ii)	April 29, 2025	April 01, 2025 to March 31, 2026	Not applicable	0.01	(0.40)	49.79	49.4	3.00	0	(0.4)	(0.4)	0	100%
2	Chemsynth Laboratories Private Limited	U24297TG2009PTC064991	Section2(87)(i)	September 1, 2018	April 01, 2025 to March 31, 2026	Not applicable	6.86	(2.48)	2.23	6.61	0	0	(0.0)	(0.0)	0	49%
3	Shasun USA Inc	0100669998	Section 2(87)(ii)	October 1, 2017	April 01, 2025 to March 31, 2026	USD&94.353	0.05	(4.54)	4.63	0.14	0	0	(0.05)	(0.05)	0	100%

Number of subsidiaries which are yet to commence operations:

Sl. No.	CIN /any other registration number	Names of subsidiaries which are yet to commence operations
1	U21001MH2025PLC447046	Synthix Global Pharma Solutions Limited
2	U24297TG2009PTC064991	Chemsynth Laboratories Private Limited

Names of subsidiaries which have been liquidated or sold during the year.

Sl. No.	CIN /any other registration number	Names of subsidiaries which have been liquidated or sold during the year.
1	50101555/0001-06	Solara Active Pharma Sciences LTDA*

*Note: Solara Active Pharma Sciences LTDA Brazil has been deregistered with Federal Revenue of Brazil with effect from July 30, 2025

PART "B"-Associates and Joint Ventures- Statement pursuant to Section 129 (3) of the Companies Act, 2O13 related to Associate Companies and Joint Ventures- Not applicable, since the company does not have any Associates and Joint Ventures.

For and on behalf of the Board of Directors

Sandeep Shashikantha Rao
Managing Director & CEO
DIN: 10838251
Place: Ooty
Date: May 15, 2026

Mohanraj Sanjeevi
Whole Time Director
DIN: 08420411
Place: Ooty
Date: May 15, 2026

Sarat Kumar Asuri
Chief Financial Officer
Place: Ooty
Date: May 15, 2026

Pooja Jaya Kumar
Company Secretary and Compliance Officer
Mem no: A57415
Place: Bengaluru
Date: May 15, 2026

Annexure C to the Board's Report

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

S. No.	Particulars	Disclosure
1	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year ending March 31, 2026	As at March 31, 2026 the Board has 8 Directors - comprising of Two Executive Directors, four Independent Directors and two Non-Executive Directors. The Non-Executive & Independent Directors are entitled to receive sitting fees of ₹ 1,00,000/- for attending each meeting of the Board and Audit Committee. The ratio of remuneration of the Executive Directors of the Company to the median remuneration of the employees of the Company for the financial year ending March 31, 2026, are as below: Mr. Sandeep Shashikantha Rao, Managing Director, and CEO – Fixed CTC - INR 3,25,00,008 - 37.85:1 Mr. Mohanraj Sanjeevi, Executive Director (Whole Time Director) (Appointed on January 01, 2026) - Fixed CTC -INR 85,00,008 – 9.90:1 Mr. Mohan Muthunarayanan - Fixed CTC -INR 1,45,49,304 – 17.08:1* The median remuneration for the period under review is ₹ 8,58,738 per annum as of 31.03.2026 * For the purpose of calculating median remuneration, Mr. Mohan Muthunarayanan's remuneration has been considered up to the date of his resignation, i.e., December 31, 2025, which was ₹8,51,636 per annum.
2	The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and Company Secretary in the financial year ending March 31, 2026:	See table below
3	The percentage increase in the median remuneration of employees in the financial year ending March 31, 2026	1.74%

Name	Designation	% of Increase
Sandeep Shashikantha Rao	Managing Director, and CEO	Nil
Mohan Muthunarayanan *	Whole Time Director	7%
Sarat Kumar Asuri	Chief Financial Officer	Nil
S Murali Krishna**	Company Secretary & Compliance Officer	Not Applicable for 2025-26
Pooja Jaya Kumar	Company Secretary & Compliance Officer	NA (Appointed on May 15, 2025)
Mohanraj Sanjeevi	Whole Time Director & CHRO	NA (Appointed on January 01, 2026)

S. No.	Particulars	Disclosure
4	The number of permanent employees on the rolls of Company as at March 31, 2026	1,669 Employees
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	The average annual increase across the organization was around 6.46% in the year 2025-26.
6	Key parameters for any variable component of remuneration received by the Directors	The payment of Variable pay is linked to Company's performance and Individual performance.

Note:

* Mr. Mohan M resigned from the position of Whole Time Director (Executive Director) & Chief Operating Officer (Key Managerial Personnel) of the Company with effect from December 31, 2025.

** Mr. S Murali Krishna retired from the position of Company Secretary & Compliance Officer and Key Managerial Personnel of the Company with effect from end of the business hours of May 15, 2025.

The Company affirms remuneration to the Directors and Key Managerial Personnel is as per the remuneration policy of the Company.

For and on behalf of the Board of Directors

Sandeep Shashikantha Rao
Managing Director & CEO
DIN: 10838251

Mohanraj Sanjeevi
Whole Time Director
DIN: 08420411

Place: Ooty
Date: May 15, 2026

Annexure D to the Board's Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY

At Solara, community development programmes are integral to our sustainability strategy. The Company strives to go beyond compliance and create sustainable value for communities by improving their health, education and employability.

The policy encompasses our philosophy towards CSR and lays down guidelines and mechanisms for undertaking socially beneficial programmes for welfare and sustainable development of the community at large.

Vision:

To actively contribute to the community in which we operate and provide high-quality solutions to the issues impacting their lives, which results in the overall development of the society.

Mission:

To innovate for our society, deliver high-quality services and impactful interventions over a long period of time and ensure sustained relations with the Society.

2. COMPOSITION OF CSR COMMITTEE:

Sl. No	Name of the Director	Designation / Nature of directorship	No. of Meetings of CSR Committee held during the period in which the said member was on the Committee	Number of meetings of CSR Committee attended during the year
1.	Dr. Kausalya Santhanam	Chairperson – Independent Director	1	1
2.	Mr. R. Ramakrishnan	Member – Independent Director	1	1
3.	Sandeep Shashikantha Rao	Member –Managing Director and CEO	1	1

3. WEB-LINK RELATING TO COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE COMPANY'S WEBSITE: https://solara.co.in/investor-relations/corporate-social-responsibility/

4. 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: Not applicable

5. **(a) Average net profit of the Company as per Section 135(5) –** ₹ (178.03) Crores

   (b) Two percent of average net profit of the company – ₹ (3.56) Crores

   (c) Surplus arriving out of the CSR projects or programmes or activities of the previous financial year – Nil

   (d) Amount required to set-off for the financial year, if any – Nil

   (e) Total CSR obligation for the financial year (b+c+d) – Nil

6. **(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) –**
   (₹ In Crores)

Activities wise	Budget	Actuals	Balance
Health & Safe Drinking Water	0.73	0.72	0.01
Education	0.01	0	0.01
Community Support	0	0	0
Grand Total	0.74	0.72	0.02

   (b) Amount spent in Administrative Overhead- ₹ 0.036 Crores

   (c) Amount spent on Impact Assessment, if applicable- Nil

   (d) Total amount spent for the Financial Year [(a)+(b)+(c)]- ₹ 0.76 Crores

(e) CSR amount spent or unspent for the financial year

(₹ In Crores)

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer	Name of the Fund	Amount	Date of transfer.
₹ 75,98,561	-	NA	NA	-	NA

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in Crores.)
(1)	(2)	(3)
i.	Two percent of average net profit of the company as per sub section (5) of section 135	(3.56)
ii.	Total amount spent for the Financial Year	0.76
iii.	Excess amount spent for the Financial Year [(ii)-(i)	0.76
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	1.36
v.	Amount available for set off in succeeding Financial Years [(iii)+(iv)]	2.12

7. DETAILS OF UNSPENT CORPORATE SOCIAL RESPONSIBILITY AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Accountunder sub-section(6) of section 135 (in ₹)	Balance Amount in Unspent CSR Accountunder sub-section(6) of section 135 (in ₹	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	FY-1	-	-	-	-	NA	-	NA
2	FY-2	-	-	-	-	NA	-	NA
3	FY-3	-	-	-	-	NA	-	NA

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes ☐ No ☒

If yes, enter the number of Capital assets created/ acquired

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

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered Address

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/ Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135- Not Applicable

For and on behalf of the Board of Directors

Kausalya Santhanam
Independent Director &
Chairperson of the CSR Committee
Place: Saint Louis, USA
Date: May 15, 2026

Sandeep Shashikantha Rao
Managing Director & CEO
DIN: 10838251
Place: Ooty
Date: May 15, 2026

Annexure E to the Board's Report

FORM NO. AOC-2

Particulars of Contracts/ Arrangements with Related Parties referred in Section 188(1) of the Companies Act, 2013

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

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil
2. Details of material contracts or arrangements or transactions at arm's length basis for the financial year ended March 31, 2026 are as under:

Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions	Monetary Value (₹in crores)	Date of approval by the Board / Audit Committee	Amount paid as advances, if any
L24230MH1990PLC057062	Strides Pharma Science Ltd (Strides) - an Enterprise owned by common promoters	Sale of API products, rendering / receiving of services, reimbursement of expenses and leasing of properties as per prevailing market prices	On going	The Company has entered into specific arrangements with Strides for long-term API supplies. Transactions are in line with such arrangements.	339.13	Audit Committee and Board approval dated February 21, 2025 and May 15, 2025 respectively. Shareholders approved Material RPT with Strides up to ₹ 400 Crores at the AGM held on September 25, 2025.	Nil

For and on behalf of the Board of Directors

Sandeep Shashikantha Rao
Managing Director & CEO
DIN: 10838251

Mohanraj Sanjeevi
Whole Time Director
DIN: 08420411

Place: Ooty
Date: May 15, 2026

Annexure F to the Board's report

FORM NO. MR-3

Secretarial Audit Report for the financial year ended 31st March, 2026

[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To The Members,

M/s. Solara Active Pharma Sciences Limited,

Registered Office: Cyber One, Unit No. 902, Sector 30A, Plot No. 4 & 6, Vashi, Navi Mumbai, Sanpada, Thane, Maharashtra - 400703

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Solara Active Pharma Sciences Limited ('the Company') having CIN: L24230MH2017PLC291636 having its registered office at Cyber One, Unit No. 902, Sector 30A, Plot No. 4 & 6, Vashi, Navi Mumbai, Sanpada, Thane, Maharashtra - 400703. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in my opinion, the Company has during the audit period covering the financial year ended on March 31, 2026, generally 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. Solara Active Pharma Sciences Limited ("the Company")** for the period ended on 31st March 2026 according to the provisions of:

1. The Companies Act, 2013 ("the Act") and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- (As amended from time to time)
   (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;
   (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
   (f) 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**);
   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the Company during the audit period) and
   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (**Not applicable to the Company during the audit period**);

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

i) Secretarial Standards issued by 'The Institute of Company Secretaries of India'.

ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards as mentioned above.

I further report that, during the period under review and based on our verification of the records maintained by the Company and also on review of compliance reports/ statements by the respective Department Heads/ Chief Financial Officer/ Company Secretary taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes and control mechanism commensurate to the size and nature of the Company's business exist in the Company to monitor and ensure compliances with applicable laws, industry specific laws, labour laws, intellectual property laws and environmental laws. We have not reviewed the applicable financial laws, direct and indirect tax laws since the same have been subject to review and audit by the Statutory Auditors of the Company.

I further report that:

1. As at March 31, 2026, 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 Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

2. 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 and in few meetings with shorter notice as per the Secretarial Standard-1, and a system exists for seeking and obtaining further information and clarifications on Agenda items before the meeting and for meaningful participation at the meeting.

3. Decisions of the Board were unanimous and there were no dissenting views by any Members of the Board during the period under review.

I further report that:

1. Company has not issued any equity or preference shares/ debentures/ sweat equity except those equity shares issued to employees of the Company under applicable ESOP Plan and made on first call amount from the partly paid shares issued under rights issue;

2. Company has not undertaken any foreign technical collaborations;

3. I further report that during the audit period, following major decisions were taken in the General meeting/ Postal ballot:

   - On April 22, 2025, Company received Members approval through Postal Ballot for appointment of Mr. Sandeep Shashikantha Rao (DIN: 10838251), as Managing Director and Chief Executive Officer of the Company for a term of three years effective February 21, 2025, liable to retire by rotation.

   - On September 25, 2025, at the Eighth Annual General Meeting (AGM), Company received Members approval for:

     1. Adoption of Audited Financial Statements for the Financial Year ended March 31, 2025.
     2. Appointment of Mr. Mohan Muthunarayanan, retiring director, as an Executive Director.
     3. Appointment of Mr. Manish Gupta, retiring director, as a Non-Executive Director.
     4. Ratification of remuneration payable to the Cost Auditor Mr. K. Suryanarayanan for the financial year 2025-26.
     5. Approval for Material Related Party Transactions/ Contracts/ Arrangements with Strides Pharma Science Limited up to ₹ 400 crores.
     6. Approval for appointment of Secretarial Auditor Ms. Parimala Natarajan.

   - On March 10, 2026, Company received Members approval through Postal Ballot for appointment of Mr. Mohanraj Sanjeevi (DIN: 08420411) as a Whole-time Director (Executive Director) of the Company for a term of three years effective January 01, 2026, liable to retire by rotation.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. 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 **Mohan Kumar & Associates**

Parimala Natarajan
Company Secretary in Practice
FCS No.: 5579
CoP No.: 5239
UDIN: F005597H000254747
Peer Review No.: 3784/2023

Place: Chennai
Date: 01.05.2026

Annexure-A to the MR-3

To
The Members,
M/s. Solara Active Pharma Sciences Limited,
Registered Office: Cyber One, Unit No. 902, Sector 30A, Plot No. 4 & 6, Vashi, Navi Mumbai, Sanpada, Thane, Maharashtra – 400703

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

Parimala Natarajan
Company Secretary in Practice
FCS No.: 5579
CoP No.: 5239
UDIN: F005597H000254747
Peer Review No.: 3784/2023

Place: Chennai
Date: 01.05.2026

Annexure G to the Board's Report

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo for FY26

[Pursuant to the provisions of Section 134 of the Companies Act, 2013
read with the Companies (Accounts) Rules, 2014]

(A) CONSERVATION OF ENERGY

i. Steps taken or impact on conservation of energy:

No major investments were made in energy optimization during the year. However, process improvements and better facility utilization have resulted in increased throughput for certain products, with some capacities doubling within the same footprint.

ii. Steps taken by the Company for utilising alternate sources of energy

The Company has increased the consumption of power from alternate sources of energy thereby increasing the share of renewable sources of energy. This is achieved by entering in to power purchase agreement (PPA) and Captive Solar installation. With this renewable sources of energy constitutes ~50% of the overall power consumption during FY26.

iii. Capital investment on energy conservation equipment

No significant capital investments were made during the year due to financial constraints.

(B) TECHNOLOGY ABSORPTION

i. Efforts made towards technology absorption

The Company has not entered into any technology agreement or collaborations during the year.

ii. the benefits derived like product improvement, cost reduction, product development or import substitution;

Process optimization measures led to higher throughput for certain products, with capacities doubling in some areas without additional footprint or major capital expenditure.

iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

The Company has not imported any technology during the last three years.

(a) Details of technology imported – Not applicable

(b) Year of import – Not applicable

(c) Whether technology fully absorbed – Not applicable

(d) If not fully absorbed, reasons – Not applicable

(e) Expenditure incurred on Research and Development

(in Crores)

Particulars	Total as at 31st March 2026	Total as at 31st March 2025
Capital	4.17	Nil
Recurring	31.11	41.45

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

(in Crores)

Particulars	Total as at 31st March 2026	Total as at 31st March 2025
Foreign exchange earned in terms of actual inflows	1,094.29	1,170.55
Foreign exchange outgo in terms of actual outflows	664.28	656.23

For and on behalf of the Board of Directors

Sandeep Shashikantha Rao
Managing Director & CEO
DIN: 10838251

Mohanraj Sanjeevi
Whole Time Director
DIN: 08420411

Place: Ooty
Date: May 15, 2026

Corporate Governance Report

The detailed report on Corporate Governance as per the format prescribed by Securities and Exchange Board of India under Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Master circular dated January 30, 2026, issued by SEBI is set out below:

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company believes that Corporate Governance is the foundation of responsible and sustainable business growth. Guided by the principles of integrity, transparency, fairness, accountability and ethical conduct, the Company is committed to creating long-term value for its shareholders while balancing the interests of all stakeholders. The Company views good Corporate Governance as an integral part of its business philosophy and endeavours to conduct its affairs in a transparent, ethical and responsible manner.

The Company seeks to uphold the rights of shareholders, including minority shareholders, ensure their equitable treatment, facilitate informed participation in decision-making processes, and provide timely, adequate and accurate disclosures. The Company recognises that transparency is fundamental to accountability and strives to not only comply with applicable laws and regulations but also uphold their underlying spirit. It maintains robust internal controls, effective risk management practices and a strong compliance framework to support sustainable business operations.

The Board of Directors and the management operate with a strong sense of responsibility, ensuring that decisions are taken objectively and in the best interests of the Company and its stakeholders. Ethical conduct, sound governance practices and accountability remain at the core of every business decision, reinforcing stakeholder confidence and trust.

The Company believes that Corporate Governance is a continuous journey that extends beyond regulatory compliance. Through sound governance practices, transparent disclosures and responsible business conduct, the Company strives to strengthen its governance framework, enhance stakeholder confidence and achieve sustainable growth and long-term value creation.

BOARD OF DIRECTORS:

Composition of Board as on date of this report

As on the date of this Report, the Board comprises 8 Directors - two Executive Directors, four Independent Directors and Two Non-Executive Directors. The Chairman of the Board is an Independent Director. All the Directors on the Board are highly experienced in their respective fields.

Sl. No	Name of the Directors	DIN	Category of Director
1	Mr. Ramakrishnan Rajagopal	00161542	Independent Director and Chairman of the Company
2	Dr. Kausalya Santhanam	06999168	Independent Director
3	Mr. Rajendra Kumar Srivastava	07500741	Independent Director
4	Mr. Rajiv Vijay Nabar	10383397	Independent Director
5	Mr. Arun Kumar Pillai	00084845	Non-Executive Director
6	Mr. Manish Gupta	06805265	Non-Executive Director
7	Mr. Sandeep Shashikantha Rao	10838251	Managing Director & Chief Executive Officer
8	Mr. Mohanraj Sanjeevi	08420411	Whole Time Director & Chief Human Resources Officer

The Board has an optimum combination of Executive and Non-Executive Directors, with a majority being Independent Directors, including Independent Woman Director in compliance with the Regulation 17 of the Listing Regulations read with Section 149 of the Companies Act, 2013 (the 'Act'). The Board periodically evaluates the need for change in its size and composition. The profile of Board of Directors of the Solara can be accessed at https://solara.co.in/company/board-of-directors/.

CHANGES IN BOARD OF DIRECTORS / KEY MANAGERIAL PERSONNEL OF THE COMPANY DURING THE FINANCIAL YEAR 2025-26:

1. Mr. Kartheek Chintalapati Raju, resigned from the position of Non-Executive (Non-Independent) Director and Directorship of the Company with effect from the close of business hours of November 05, 2025, confirming that there are no material reasons other than the reasons specified in his Resignation Letter.

2. Mr. Mohan Muthunarayanan, resigned from the position of Whole- Time Director and Chief Operating Officer of the company with effect from the close of business hours of December 31, 2025, confirming that there are no material reasons other than the reasons specified in his Resignation Letter.
3. Mr. Mohanraj Sanjeevi was appointed as an Additional Executive Director by the Board of Directors at their meeting held on December 17, 2025, with effect from January 1, 2026, and has been designated as Key Managerial Personnel ("KMP"). Further, the shareholders approved his appointment as a Whole-Time Director with effect from January 1, 2026, by passing a special resolution through postal ballot.
4. Mr. S. Murali Krishna retired from the position of Company Secretary & Compliance Officer and Key Managerial Personnel of the Company with effect from the closing of the business hours of May 15, 2025.
5. Ms. Pooja Jaya Kumar joined as the Company Secretary & Compliance Officer and Key Managerial Personnel of the Company with effect from the closing of the business hours of May 15, 2025.

Changes in the position of KMP after the Financial Year 2025-26 till the date of this Report:

There was no change in the position of KMP after the Financial year till the date of this report.

The Independent Directors of the Company fulfil the criteria of independence as specified in Section 149 (6) of the Companies Act, 2013 and Rules framed thereunder and Regulation 16 (1) (b) of the Listing Regulations. The Company has received necessary declaration from each of the Independent Director that he/ she meets the criteria of independence as laid down in Section 149 (6) of the Companies Act, 2013 and Regulation 25 of Listing Regulations as of March 31, 2026. All the Independent Directors of the Company have enrolled with Indian Institute of Corporate Affairs.

A formal letter of appointment as provided in the Companies Act, 2013 ("Act") and the Listing Regulations has been issued to Independent Directors of the Company. Terms and Conditions of appointment of Independent Directors are disclosed on the website of the Company at http://solara.co.in/uploads/2023/06/Independent_Director_Terms_Conditions.pdf

Board Meetings held during the year:

During the financial year 2025-26, the Directors met five (5) times i.e., on

1. May 15, 2025
2. July 25, 2025
3. November 05, 2025
4. December 17, 2025
5. February 06, 2026

Composition of Board of Directors as on March 31, 2026, attendance at Board Meetings held during the financial year 2025-26 and the Annual General Meeting held on September 25, 2025

Name	Category	No. of other Directorship held in other public companies	Name of the other Listed entities holding Directorship / Designations	No. of Committee positions held in other public companies		No. of Board meetings during 2025-26		No. of shares held	Whether attended last AGM held on September 25, 2025
				Membership	Chairman-ship	Held	Attended during their tenure		
Mr. R. Ramakrishnan	Independent Director	-	-	-	-	5	5	5,000	Yes
Dr. Kausalya Santhanam	Independent Director	1	Strides Pharma Science Limited – Independent Director	1	1	5	5	1,000	Yes
Mr. Rajendra Kumar Srivastava	Independent Director	1	Happiest Mind Technologies Limited – Independent Director	1	-	5	5	-	No
Mr. Rajiv Vijay Nabar	Independent Director	1	TAC Infosec Limited – Independent Director	2	-	5	5	-	Yes
Mr. Arun Kumar Pillai	Non-Executive Director	2	Strides Pharma Science Limited – Non-Executive Chairman Onesource Specialty Pharma Limited - Non-Executive Director and Chairperson	1	-	5	4	16,68,463	Yes

Name	Category	No. of other Directorship held in other public companies	Name of the other Listed entities holding Directorship / Designations	No. of Committee positions held in other public companies		No. of Board meetings during 2025-26		No. of shares held	Whether attended last AGM held on September 25, 2025
				Membership	Chairman-ship	Held	Attended during their tenure		
Mr. Manish Gupta	Non - Executive Director	1	Jagson Pal Pharmaceuticals Limited - Managing Director	1	-	5	5	-	Yes
Mr. Sandeep Shashikantha Rao	Managing Director & CEO	-	-	-	-	5	5	5,000	Yes
Mr. Mohanraj Sanjeevi	Whole Time Director	-	-	-	-	1	1	-	NA

Note:

1. Number of other directorships include directorships in Public Limited Companies and excludes Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.
2. The disclosure includes memberships and chairmanships in the Audit Committee and the Stakeholders Relationship Committee in public limited companies and excludes all other memberships and chairmanships in other committees.
3. None of the directors holds directorships in more than twenty companies including maximum limit of ten Public Companies, memberships in more than ten Committees in all Public Limited Companies excluding the committee memberships in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 and chairmanships in more than five Committees across all listed companies in which he is a director as specified under Regulation 26(1) of the Listing Regulations.
4. None of the directors is related to any other Director in the Company. None of the Independent Directors serves as Independent Director in more than seven listed entities.

Key Board qualifications, expertise and attributes

The Board comprises qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The Board members are committed to ensuring that the Board is in compliance with the highest standards of corporate governance.

The table below summarizes the key qualifications, skills, and attributes which are taken into consideration while nominating candidates to serve on the Board.

Definitions of director qualifications

Financial	Leadership of a financial firm or management of the finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation, and financial reporting processes, or experience in actively supervising a principal financial officer, principal accounting officer, auditor or person performing similar functions
Gender, ethnic, national, or other diversity	Representation of gender, ethnic, geographic, cultural, or other perspectives that expand the Board's understanding of the needs and viewpoints of our customers, partners, employees, governments, and other stakeholders worldwide
Global business	Experience in driving business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures, and regulatory frameworks, and a broad perspective on global market opportunities
Leadership	Extended leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and risk management. Demonstrated strengths in developing talent, planning succession, and driving change and long-term growth
Pharma	A significant background in pharma industry, resulting in knowledge, generate disruptive markets, and extend or create new business models
Strategy, Mergers, and acquisitions	Experience in developing, implementing, and challenging a plan of action designed to achieve the long-term goals of an organization, mergers & acquisitions and implementation, analyse the fit of a target with the Company's strategy and culture, accurately value transactions, and evaluate operational integration plans
Board service and Governance	Service on a public company board to develop insights about maintaining board and management accountability, protecting shareholder interests, and observing appropriate governance practices
Sales and marketing	Experience in developing strategies to grow sales and market share, build brand awareness and equity, and enhance enterprise reputation

Key Board Qualifications.

Directors	Area of Expertise							
	Financial	Gender, ethnic, national, or other diversity	Global business	Leadership	Pharma	Strategy, Mergers and acquisitions	Board service and Governance	Sales and marketing
Mr. R. Ramakrishnan	✓	✓	✓	✓		✓	✓	
Mr. Rajendra Kumar Srivastava		✓	✓	✓	✓	✓	✓	
Mr. Rajiv Vijay Nabar	✓	✓	✓	✓		✓	✓	
Dr. Kausalya Santhanam		✓		✓	✓	✓	✓	
Mr. Manish Gupta		✓	✓	✓	✓	✓	✓	✓
Mr. Arun Kumar Pillai		✓	✓	✓	✓	✓	✓	✓
Mr. Sandeep Shashikantha Rao		✓	✓	✓	✓	✓	✓	✓
Mr. Mohanraj Sanjeevi		✓	✓	✓			✓	

Meetings of Independent Directors

Independent Directors of the Company met on February 06, 2026, without the presence of the remaining Directors. The meeting of Independent Directors evaluates the performance of the Non-Independent Directors and Whole-time Directors, the Board as a whole, performance of the Chairperson of the Board and discuss aspects relating to the quality, quantity, and timeliness of the flow of information between the Company, the Management and the Board that is necessary for it to effectively and reasonably perform its duties.

Board Evaluation

Pursuant to the provisions of Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), read with Regulation 25(4), Section 178(2) of the Companies Act, 2013 and the Company's Board Evaluation Policy, a formal annual evaluation of the performance of the Board, its Committees and individual Directors was carried out. The evaluation was conducted through a structured questionnaire covering various parameters and peer evaluation criteria.

The Board evaluated its performance after seeking inputs from all the Directors based on criteria such as Board composition and structure, effectiveness of Board processes, quality of information flow and overall functioning of the Board. The performance of the Committees was evaluated by the Board based on criteria such as composition of the Committees and effectiveness of Committee meetings. The said criteria were broadly aligned with the Guidance Note and Master Circular on Board Evaluation issued by SEBI.

In a separate meeting of the Independent Directors, the performance of the Non-Independent Directors, the Chairperson and the Board as a whole was evaluated. Thereafter, in the Board Meeting that followed the meetings of the Independent Directors and the Nomination and Remuneration Committee ("NRC"), the performance of the Board, its committees and individual Directors was discussed.

The evaluation process endorsed the Board's confidence in the ethical standards of the Company, cohesiveness amongst Board members, flexibility of the Board and Management in navigating various challenges and the openness of Management in sharing strategic information with the Board. The outcome of the evaluation process was positive and the Directors expressed satisfaction with the performance of the Board, its committees and individual Directors..

Performance evaluation criteria for independent Directors/Directors

The performance evaluation criteria for Independent Directors were determined by the Nomination and Remuneration Committee.

The Board and NRC reviewed the performance of individual Directors based on various criteria, including participation and contribution in Board and Committee meetings, preparedness for meetings, meaningful and constructive contribution, commitment, effective deployment of knowledge and expertise, integrity, maintenance of confidentiality and independence of behaviour and judgement.

Performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Independent Director being evaluated, in accordance with the provisions of the Companies Act, 2013 and the Listing Regulations. The outcome of the evaluation was positive and the Board expressed satisfaction with the performance, independence and effectiveness of the Independent Directors.

Details of Remuneration to directors:

Remuneration to Non-Executive Directors

The Non-Executive Directors (NED) are entitled receive sitting fee of ₹1,00,000/- each for attending each meeting of the Board and Audit Committee.

Except sitting fee payable to Non-Executive Directors, for attending the Board and Audit committee meetings, there is no other pecuniary relationship or transaction of the Non-Executive Directors vis-à-vis the Company.

Details of remuneration paid / payable to Executive Directors during FY 2025-26 is as under:

Sl. No.	Particulars of Remuneration	Sandeep Shashikantha Rao	M Mohan	Mohanraj Sanjeevi	Total
		Apr 1, 2025, to March 31, 2026, (₹ in Cr)	Apr 1, 2025, to December 31, 2025, (₹ in Cr)	Jan 01, 2026 to March 31, 2026 (₹ in Cr)	
1	Gross Salary				
	a Salary as per provision contained in Section 17(1) of the Income Tax Act, 1961*	3.98	1.27	0.28	**5.53**
	b Value of perquisites under section 17(2) of the Income Tax Act, 1961	-	-	-	**-**
	c Profit in lieu of Salary under section 17(3) of the Income Tax Act, 1961	-	-	-	**-**
2	Perquisite value of Stock Options	2.08	-	0.17	**2.25**
3	Sweat Equity	-	-	-	**-**
4	Commission as percentage of profit	-	-	-	-
5	Others (Bonus)	-	-	-	-
	Total	**6.06**	**1.27**	**0.45**	**7.78**

*Includes Company's contribution towards Provident Fund.

Details of remuneration paid / payable to Non-Executive Directors during FY 2025-26 is as under:

S. No	Name of Directors	Particulars of Remuneration			
		Fee for attending Board / Committee meetings	Commission	Others	Total
		₹ Cr	₹ Cr	₹ Cr	₹ Cr
1.	Mr. R. Ramakrishnan	0.1	-	-	0.1
2.	Dr. Kausalya Santhanam	0.1	-	-	0.1
3.	Mr. Rajendra Kumar Srivastava	0.1	-	-	0.1
4.	Mr. Rajiv Vijay Nabar	0.1	-	-	0.1
5.	Mr. Manish Gupta	0.05	-	-	0.05
6.	Mr. Arun Kumar Pillai	Nil	Nil	Nil	Nil
7.	Mr. Kartheek Chintalapati Raju	Nil	Nil	Nil	Nil
	Total	**0.45**	**-**	**-**	**0.45**

Familiarization programme for Independent Directors/ Non-Executive Directors

The Board members are provided with necessary documents/ brochures, reports and internal policies to enable them to familiarize with Company's procedures and practices. Periodic presentations are made at the Board Meetings on regulatory updates, roles and responsibilities as a Director of the Company, updates on industry in which the Company operates and business model of the Company. The details on familiarization programme are disclosed on the website of the Company at https://www.solara.co.in/investor-relations/independent-director-familiarisation-programme/

Committees of the Board

The Board has constituted the following Committees as prescribed under the Companies Act, 2013 and Listing Regulations:

A. Audit Committee

B. Nomination and Remuneration Committee

C. Stakeholders' Relationship Committee

D. Corporate Social Responsibility Committee

E. Risk Management Committee

The Company has also constituted the following committees which are not mandatory as per the law:

1. Rights Issue Committee and

2. Management Committee

A. Audit Committee

The Composition of the Committee and the details of the meetings attended by its members during the financial year are given below: -

Name	Designation	Category of Directorship	No. of Meetings held during the period in which the said member was on the Committee	Meetings attended
Mr. R. Ramakrishnan	Chairman	Independent Director	5	5
Mr. Rajendra Kumar Srivastava	Member	Independent Director	5	5
Mr. Rajiv Vijay Nabar	Member	Independent Director	5	5
Dr. Kausalya Santhanam	Member	Independent Director	5	5

The Committee met five (5) times during the period under review, i.e., on May 15, 2025; July 25, 2025; November 05, 2025; February 06, 2026, and March 24, 2026. Attendance of members at the Committee Meeting is provided at above table. The meetings of the Audit Committee are also attended by Managing Director, Executive Director, Company Secretary & Chief Financial Officer of the Company along with the Statutory Auditors and Internal Auditors. Mr. S. Murali Krishna, Company Secretary, was the Secretary of Audit Committee up to May 15, 2025. From May 15, 2025, Ms. Pooja Jayakumar, Company Secretary, is the Secretary of Audit Committee.

Terms of reference of the Audit Committee:

Terms of reference of the Audit Committee cover the areas mentioned in Section 177 of the Companies Act, 2013 and Regulation 18 read with Part C of Schedule II to the SEBI Listing Regulations.

Terms of reference of the Audit Committee, inter alia, include the following:

i. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

ii. Examination of the Company's financial statement and the Auditor's Report on the same.

iii. Discuss and review, with the management and auditors, the annual / quarterly financial statements before submission to the Board for approval.

iv. Review of Management Discussion and Analysis of financial condition and results of operations.

v. Recommend to the Board the appointment, reappointment, removal of the Statutory Auditors, fixation of audit fee and approval for payment for any non-audit services rendered by the Statutory Auditors.

vi. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.

vii. Review on regular basis the adequacy of internal audit function, the structure of the internal audit department, approval of the internal audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.

viii. Review 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.

ix. Discuss with internal auditors any significant findings and follow up thereon.

x. Review with the management, statutory and internal auditors, the adequacy of internal control systems and related matters.

xi. Review of management letters / letters of internal control weaknesses issued by Statutory Auditors / Internal Auditors.

xii. Review the appointment, removal, and terms of remuneration of the Internal Auditor/ Secretarial Auditor / Cost Auditor.

xiii. Evaluation of internal financial controls and risk management systems.

xiv. Scrutiny of Inter-Corporate loans and Investments. Consider and comment on rationale, cost-benefits and impact of schemes involving Merger, Demerger, Amalgamation, etc., on the company and its shareholders.

xv. Review and approval of Related Party Transactions.

xvi. Reviewing the function of the Whistle Blower mechanism.

xvii. Review compliance of provisions of Insider Trading Regulations and verify that systems for internal control are adequate and operating effectively, at least once in a financial year.

In addition, the Committee is also required to discharge such other roles / functions as envisaged under the Companies Act, 2013 and SEBI Listing Regulations.

B. NOMINATION AND REMUNERATION COMMITTEE

The Composition of the Committee and the details of the meetings attended by its members during the financial year are given below: -

Name	Designation	Category of Directorship	No. of Meetings held during the period in which the said member was on the Committee	Meetings attended
Mr. Rajendra Kumar Srivastava	Chairman	Independent Director	3	3
Mr. R. Ramakrishnan	Member	Independent Director	3	3
Dr. Kausalya Santhanam	Member	Independent Director	3	3
Mr. Rajiv Vijay Nabar	Member	Independent Director	3	3
Mr. Kartheek Chintalapati Raju	Member	Non-Executive Director	2	1

The Committee met three (3) times during the period under review i.e., on May 15, 2025; November 05, 2025, and December 17, 2025. Attendance of members at the Committee Meeting is provided at the above table. Mr. S. Murali Krishna, Company Secretary, was the Secretary of Audit Committee up to May 15, 2025. From May 15, 2025, Ms. Pooja Jaya Kumar, Company Secretary, is the Secretary of Nomination and Remuneration Committee.

Terms of reference of the Nomination and Remuneration Committee:

Terms of reference of the Nomination and Remuneration Committee covers the areas mentioned in Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D (A) of the Schedule II to the SEBI Listing Regulations.

Terms of reference of the Nomination and Remuneration Committee, inter alia, include the following:

i. To periodically review the size and composition of the Board to ensure that it is optimally structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the company as a whole.

ii. To formulate a criteria for determining qualifications, positive attributes and independence of a director

iii. To formulate a criteria for evaluation of performance of independent directors and the Board.

iv. Committee to carry out evaluation of every director's performance.

v. Committee to determine whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

vi. To formulate a criteria and evaluate the performance of the Statutory committees of the Board.

vii. To devise a policy on Board diversity and assist the Board in ensuring Board nomination process, addresses diversity of gender, knowledge, experience and perspective.

viii. Identify persons who are qualified to become directors and who may be appointed as senior management personnel in accordance with the criteria laid down in the policy.

ix. To recommend to the Board the appointment and removal of directors and senior management personnel, in accordance with the criteria laid down in the policy.

x. To recommend to the Board, a policy relating to remuneration of directors, key managerial personnel and senior management personnel.

xi. To establish and review plans relating to orderly succession for appointment of the Board, key managerial personnel and senior management personnel.

xii. To assist the Board of Directors in the Board's overall responsibility relating to Employee Stock Options Plans, including the drafting and administration of the company's ESOP and other incentive plans and the interpretation and adoption of rules for the operation thereof.

xiii. To carry out any other function as may be mandated by the Board from time to time and / or enforced by any statutory notification, amendment, or modification, as may be applicable.

In addition, the Committee is also required to discharge such other roles / functions as envisaged under the Companies Act, 2013 and SEBI Listing Regulations.

Remuneration Policy

The Committee recommends the compensation package to the Executive Directors of the Company. The remuneration will include salary, perquisite, allowances, and commission. The remuneration policy is directed towards rewarding performance based on review of achievements. It is aimed at attracting and retaining high calibre talent. The Policy is available at the company's website at http://solara.co.in/uploads/2025/1/Solara_Nomination_Remuneration_Policy.pdf

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Composition of the Committee and the details of the meetings attended by its members during the financial year are given below: -

Name of the Director	Designation	Category of Directorship	No. of Meetings held during the period in which the said member was on the Committee	Meetings attended
Dr. Kausalya Santhanam	Chairperson	Independent Director	1	1
Mr. Kartheek Chintalapati Raju (Resigned with effect from the close of business hours on November 05, 2025)	Member	Non-Executive Director	1	1
Mr. Sandeep Shashikantha Rao	Member	Executive Director (MD & CEO)	1	1
Mr. Manish Gupta (member of the Committee with effect from November 05, 2025)	Member	Non-Executive Director	0	0

The Committee met once during the period under review i.e., on July 25, 2025. Attendance of members at the Committee Meeting is provided at the above table. Mr. S. Murali Krishna, Company Secretary, was the Secretary of Audit Committee up to May 15, 2025. From May 15, 2025, Ms. Pooja Jaya Kumar, Company Secretary, is the Secretary of Stakeholders Relationship Committee.

Terms of reference of the Stakeholders' Relationship Committee:

Terms of reference of the Stakeholders' Relationship Committee cover the areas mentioned in Section 178(5) of the Companies Act, 2013 and Regulation 20 read with Part D (B) of the Schedule II to the SEBI Listing Regulations.

Terms of reference of the Stakeholders' Relationship Committee, inter alia, includes the following:

i. To look into various aspects of interest of shareholders and other security holders of the company.

ii. To monitor and resolve grievances of security holders of the company including but not limited to complaints related to transfer/ transmission of shares, issue of new / duplicate share certificates, non-receipt of annual reports, non-receipt of declared dividends, general meetings, etc., received through the SEBI, Stock Exchanges or through SCORES and to ensure its timely and speedy resolution in consultation with the Registrar and Share Transfer Agent ("RTA").

iii. Review of measures taken for effective exercise of voting rights by shareholders.

iv. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the RTA. .

v. Review of various measures and initiatives taken by the Company relating to unclaimed dividend (including reducing the quantum of unclaimed dividend) and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the company.

vi. Formulation of policies and procedures as mandated by SEBI relating to stakeholder services from time to time for matters relating to security holders and related governance.

vii. To note the issue of share certificates or any other certificates issued in respect of any securities of the Company, in relation to dematerialization, re-materialization, splitting and consolidation of shareholding.

viii. To seek information from RTA from time to time.

In addition, the Committee is also required to discharge such other roles / functions as envisaged under the Companies Act, 2013 and SEBI Listing Regulations. Mr. S. Murali Krishna, who was the Company Secretary, was acting as the Compliance Officer of the Company upto May 15, 2025. W.e.f. May 15, 2025, Ms. Pooja Jayakumar, Company Secretary, became the Compliance Officer.

Shareholder Complaint details: During the year under review, the company received one complaint from shareholder which is briefed as follows:

No. of Complaints received during the year	1
No. of Complaints resolved during the year	1
Date of Receipt of Complaint	21/07/2025
Date of resolution of Complaint	23/07/2025
Date of Closure of Complaint	23/07/2025
Nature of Complaint	Non-Material
Brief of the Complaint	The complainant stated that the Company had not provided any online payment option for remitting the right issue call money, and that payment could only be made through a demand draft (DD).
Resolution	An email was sent to the complainant informing that the Company had provided only the DD/Cheque payment option in the First Reminder – First Call Notice and also acknowledged the receipt of his demand draft.
No. of Complaints pending to be resolved as on March 31, 2026.	The Company do not have any pending complaints or unsolved complaints during the financial year

D. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Composition of the CSR Committee and the details of the meetings attended by its members during the financial year are given below: -

Name of the Director	Designation	Category of Directorship	No. of Meetings held during the period in which the said member was on the Committee	Meetings attended
Dr. Kausalya Santhanam	Chairperson	Independent Director	1	1
Mr. R. Ramakrishnan	Member	Independent Director	1	1
Mr. Sandeep Shashikantha Rao	Member	Executive Director (MD & CEO)	1	1

The Committee met once during the period under review i.e., on May 15, 2025. Attendance of members at the Committee Meeting is provided at above table. Mr. S. Murali Krishna, who was the Company Secretary, was acting as the Compliance Officer of the Company upto May 15, 2025. W.e.f. May 15, 2025, Ms. Pooja Jayakumar, Company Secretary, became the Compliance Officer.

Terms of reference of the CSR Committee:

Terms of reference of the CSR Committee, inter alia, include the following:

1. Formulate and recommend to the Board, a Corporate Social Responsibility Policy ("CSR Policy") which shall indicate the activities to be undertaken by the Company in areas / subject as specified in Schedule VII of the Companies Act, 2013 and shall monitor the CSR Policy from time to time.
2. Formulate and recommend to the Board an Annual Action Plan for the identified CSR Projects and recommend the amount of expenditure to be incurred on such activities.
3. To ensure the disbursed funds are utilized for the purposes and in the manner approved. In this regard, Chief Financial Officer of the Company to provide confirmation to the Committee.
4. Ensure that the Company is taking appropriate measures to undertake and implement CSR Projects successfully.
5. The Committee, at its sole authority, may seek the advice of outside experts or consultants at the company's expense were judged necessary to discharge its duties and responsibilities.
6. The Committee to seek services of independent agency to carry out impact assessments of CSR Projects as may be required.

In addition, the Committee is also required to discharge such other roles / functions as envisaged under the Companies Act, 2013.

At Solara, CSR initiatives help address socio-economic challenges in the realms of Health & hygiene, Community support and education. A detailed report on the CSR activities undertaken during the year, together with monitoring and spending, is annexed to the Board's Report as Annexure D.

E. RISK MANAGEMENT COMMITTEE

The purpose of the Risk Management Committee is to assist the Board in fulfilling its responsibilities with regard to the identification, evaluation, and mitigation of operational, strategic and environmental risks. The Risk Management Committee has the overall responsibility of monitoring and approving the Risk Policies and associated practices of the Company.

The Composition of the Committee is as follows: -

Name of the Director	Designation	Category of Directorship	No. of Meetings held during the period in which the said member was on the Committee	Meetings attended
Mr. Rajiv Vijay Nabar	Chairman	Independent Director	3	3
Dr. Kausalya Santhanam	Member	Independent Director	3	3
Mr. R. Ramakrishnan	Member	Independent Director	3	3
Mr. Rajendra Kumar Srivastava	Member	Independent Director	3	3
Mr. Sandeep Shashikantha Rao	Member	Executive Director (MD & CEO)	3	3

The Committee met three (3) times during the period under review i.e., on July 25, 2025; November 05, 2025, and February 06, 2026. Attendance of members at the Committee Meeting is provided at above table. Mr. S. Murali Krishna, Company Secretary, was the Secretary of Audit Committee up to May 15, 2025. From May 15, 2025, Ms. Pooja Jayakumar, Company Secretary, is the Secretary of Risk Management Committee.

Terms of reference of the Risk Management Committee, inter alia, includes the following:

1. To advise the Board in identification and managing the full range of risks the enterprise faces.
2. Provide oversight during the design and implementation of a comprehensive risk management framework and common-sense approach to manage risks across the entire organization.
3. Establish and communicate risk vision and philosophy, approve risk strategy, and establish risk appetite.
4. Review and approve the Enterprise Risk Management ("ERM") framework of company on a periodic basis. The Committee shall review and approve the risk management culture, processes, and practices of the company.
5. Monitor and review the exposures of the material risks and assess management preparedness to deal with the risk and associated events.
6. Review and approve the ERM working plan and utilize risk for the enterprise's competitive advantage.
7. Oversee and guide the development and implementation of ERM policies, procedures, guidelines.
8. Overseeing internal and external risks faced by the Company including Financial, operational, sectoral, sustainability ("ESG"), information, cyber security risks or any other risks determined by the Committee.
9. Advice the Board on all matters related to ERM. Engage other stakeholders in the risk management process when the need is identified. Facilitate communication of ERM information.
10. Disseminate to the enterprise the upside of risk and the opportunities it can present, rather than the traditional perspective of "risk as hazard".
11. Risk Management Committee may form and delegate authority to a sub-committee, which shall assist the Committee to project manage the ERM.
12. To carry out any other functions as prescribed under the SEBI Listing Regulations and other Applicable Laws.

In addition, the Committee is also required to discharge such other roles / functions as envisaged under the Companies Act, 2013 and SEBI Listing Regulations.

Senior Management Personnel(s) ("SMPS"):

The Company identified following under category of SMPs, pursuant to the provisions of Regulation 16(1)(d) and Schedule V of the SEBI Listing Regulations. Details of SMPs as on March 31, 2026, and the changes thereunder during the year under review are as follows:

S. No.	Name of SMP	Designation	Changes if any (Yes/No)	Nature of change and effective date
1.	Dr. Hero Velladurai	Chief Scientific Officer	No	N.A.
2.	Mr. V. Sundara Moorthy	Chief Quality Officer	No	N.A.
3.	Ms. Neeta Dani	Vice-President – Marketing	No	N.A.
4.	Mr. Ganesh Mukundan Sasikala	Vice-President – Marketing	No	N.A.
5.	Mr. Sarat Kumar Asuri	Chief Financial Officer (KMP)	No	N.A.
6.	Mr. Vishal Mathur	Chief Commercial Officer	No	N.A.
7.	Mr. S Murali Krishna	Company Secretary (KMP)	Yes	Retired on May 15, 2025
8.	Ms. Pooja Jaya Kumar	Company Secretary (KMP)	Yes	Appointed on May 15, 2025

Note: In line with Amendment of SEBI Listing Regulations, persons identified and designated as Key Managerial Personnel ("KMP"), other than the Board of Directors, shall also be considered as SMP.

General Meetings and Tribunal Convened Meetings held during the preceding three years

The details of the General Meetings and Tribunal Convened Meetings held during the preceding three years and Special Resolutions passed therein are summarized as below:

S No	AGM / EGM	Date / Time	Venue	Special Resolutions passed
1.	AGM for FY ending March 31, 2023	September 15, 2023, at 9.30 am	Video Conference	Appointment of Mr. Poorvank Purohit as Managing Director and CEO.
2.	AGM for FY ending March 31, 2024	September 20, 2024, at 10.00 am	Video Conference	Introduction and Implementation of "SOLARA EMPLOYEE STOCK OPTION PLAN -2024" Extension of "SOLARA EMPLOYEE STOCK OPTION PLAN -2024" to Employees of Subsidiary Company(ies) of the Company.
3.	AGM for FY ending March 31, 2025	September 25, 2025, at 10.30 A.M.	Video Conference	Nil

5.1. Postal Ballot and E-voting

During the year under review i.e., FY 2025-26, the Company conducted one (1) Postal Ballot in which 1 (one) Special Resolution was approved by the members of the Company.

Mr. Preetham Hebbar (CoP No. 21431) of M/s. Preetham Hebbar & Co., Company Secretaries, was appointed as Scrutinizer for conducting the Postal Ballot/ e-voting process in a fair and transparent manner.

Notice of Postal Ballot was dated February 04, 2026, and the consolidated results of the same was approved on March 06, 2026.

Sr. No.	Particulars of the Resolution	Type of Resolution	No. of votes polled	Votes Cast in Favor (% to total votes polled)	Votes Cast against (% to total votes polled)	Invalid Votes (% to total votes polled)
1	Appointment of Mr. Mohanraj Sanjeevi (DIN: 08420411) as a Whole-time Director (Executive Director) of the Company	Special	2,60,39,854	2,60,32,102 constituting 99.97 %	7,752 constituting 0.03 %	-

MEANS OF COMMUNICATION

1. The quarterly results are forthwith communicated to BSE Ltd. ("BSE") and National Stock Exchange of India Ltd. ("NSE") as soon as they are approved and taken on record.
2. The results are published generally in Business Standard (English) and Pratahkal (Marathi) newspapers.
3. The results and shareholding pattern of the Company are displayed on the website of the Company i.e., https://solara.co.in/investorrelations/. The official news releases are intimated to Stock Exchanges (BSE and NSE) and displayed on the website of the Company. i.e. https://solara.co.in/investor-relations/disclosures-to-stockexchanges-under-regulation-30-of-sebi-lodr

4. The presentations made to analysts and investors are displayed on the website of the Company i.e., solara.co.in/investor-relations/investor-update/
5. The Company conducts earnings call to interact with Investors / Analysts every quarter after the financial results are declared. The invite for the earnings call is notified in advance to the Stock Exchanges.
6. All periodical compliance filings including shareholding pattern, corporate governance report, media releases, among others are filed electronically on NSE Electronic Application Processing System (NeAPS) and BSE Corporate Compliance & Listing Centre.
7. Investors' complaints are also being processed through the centralized web base complaint redressal system of SEBI (SCORES). SCORES enables speedy and effective resolution of complaints filed therein.
8. The Ministry of Corporate Affairs (MCA), Government of India and the Securities Exchange Board of India (SEBI) have permitted companies to conduct Annual General Meeting (AGM) through video conferencing (VC) or other audio-visual means (OAVM), subject to compliance of various conditions mentioned therein. Further, Companies are also permitted to share notices and reports only through electronic mode to those Members whose email ids are available with the Company/ Depositories/ RTA.
9. In compliance with the provisions of MCA and SEBI Circulars, Notice of the Ninth AGM along with the Annual Report for FY 2025-26, are being sent only through electronic mode to those Members whose email ids are registered with the Company/ Depositories/ RTA. Solara's Annual Report is also available at https://solara.co.in/investor-relations/annual-reports/#annual.

GENERAL SHAREHOLDER'S INFORMATION

Annual General Meeting 2026

The Ninth Annual General Meeting of the Shareholders of the Company will be held on Friday, September 18, 2026, at 10.30 a.m. through Video Conferencing (VC) / Other Audio-Visual Means as prescribed by the Ministry of Corporate Affairs and SEBI Listing Regulations. The details for participation in the meeting are detailed in the Notice convening the AGM.

Financial Calendar for the year 2026-27

The tentative dates of meetings of Board of Directors for consideration of quarterly financial results for the financial year 2026-27 are as follows:

Financial reporting for	Month / year
Quarter ending June 30, 2026	On or before second week of August 2026
Quarter ending September 30, 2026	On or before second week of November, 2026
Quarter ending December 31, 2026	On or before second week of February 2027
Quarter ending, March 31, 2027	On or before second week of May 2027

Unpaid/ Unclaimed Dividends/ Sale Proceeds of Fractional Shares

During the year under review, the Company initiated the process of transferring Sale proceeds of Fractional shares to the Investor Education and Protection Fund ("IEPF") which remain unclaimed for a period of seven years or more. The company has published newspaper advertisement as on July 05, 2025, for encashing the sale proceeds of Fractional shares. As on the date of this report, the company is in the process of transferring an amount of Rs. 517,048.07 to the IEPF.

Pursuant to the Provisions of Sections 124 and 125 of the Act read with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), as amended from time to time, mandates Companies to transfer dividend that has remained unpaid/ unclaimed for a period of seven years to Investor Education and Protection Fund (IEPF). Further, IEPF Rules mandate that shares on which dividend has not been claimed/ encashed for seven consecutive years or more be transferred to IEPF.

In accordance with the said IEPF Rules and its amendments, Company is in the process of sending reminders to respective Shareholders informing them to claim their unclaimed dividends and shares for the financial year 2018-19 before it is transferred to IEPF. Transfer of Dividend of Shareholders who responded to Company's correspondence was facilitated.

Due date for transfer of unpaid / unclaimed dividend to IEPF is as follows:

Financial Year Ending	Type of Dividend	Dividend Rate	Date of Declaration	Due for transfer to IEPF in the month of
March 31, 2019	Final	50%	14.08.2019	September 2026
March 31, 2020	Final	20%	04.08.2020	September 2027
March 31, 2021	Interim	40%	11.11.2020	December 2027
March 31, 2021	Final	30%	25.08.2021	September 2028

Company has appointed Ms. Pooja Jaya Kumar, Company Secretary as the Nodal Officer of the Company under the provisions of IEPF, the details of which are available on the website of the Company https://solara.co.in/investor-relations/ .

Company has uploaded details of unpaid/ unclaimed amounts lying with the Company and shares that are required to be transferred to IEPF on the Company's website https://solara.co.in/investor-relations/unclaimed-shareholders-list/.

Shareholders may contact the RTA at IEPF - iepf@cameoindia.com or the Company at investors@solara.co.in to understand and initiate the process.

Share Transfer System

All queries and requests relating to share transfers/ transmission may be addressed to our RTA- Cameo Corporate Services Limited. Shareholders may reach out to the Company/ RTA for their queries and activities relating to Shares

Prohibition of physical transfer of shares.

Shareholders are requested to note that effective April 1, 2019, SEBI has barred physical transfer of shares of Listed Companies and mandated transfers only through demat mode. To facilitate ease of investing for investors and to secure their rights in the securities purchased by them, a special window was opened from July 07, 2025, to January 06, 2026, for re-lodgement of transfer deeds of physical securities. To further facilitate the investors to get rightful access to their securities, SEBI has reopened this special window for transfer and dematerialisation ("demat") of physical securities which were sold/purchased prior to April 01, 2019. This Special window remains open for a period of one year from February 05, 2026, to February 04, 2027.

Dematerialization of Shares

The Company has established connectivity with both the Depositories viz. National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") through the Registrar: Cameo Corporate Services Limited.

As on March 31, 2026, 99.95% of the paid-up share capital of the Company representing 4,81,47,411 shares are in dematerialized form and balance 0.05% representing 24151 shares of the Company are in physical form.

Your Company confirms that the entire Promoter's holdings are in dematerialized form and the same is in line with the directions issued by SEBI.

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

Category	No. of Shares	% to total shareholding
Promoters	2,02,31,281	42.00
Mutual Funds	5,67,155	1.18
Banks, Financial Institutions, Insurance Companies	15,209	0.03
Foreign Portfolio Investors / FIIs	55,83,042	11.59
Non-resident Indians/Foreign Nationals/OCBs	18,76,067	3.89
Bodies Corporates / NBFC	40,07,081	8.32
Others (including Indian Public, Clearing Members, Trusts, Funds - IEPF, AIF, Central & State Govt., etc.)	1,58,91,727	32.99
Total	**4,81,71,562**	**100.00**

Distribution of shareholding as on March 31, 2026:

Sl. No.	CATEGORY	No. of Holders	% of Total Holders	Shares	% of Total shares
1	Between 1 - 5000	76,559	99.36	83,16,433	17.26
2	Between 5001 - 10000	233	0.30	16,95,516	3.52
3	Between 10001 - 20000	103	0.13	14,80,458	3.07
4	Between 20001 - 30000	52	0.07	12,60,719	2.62
5	Between 30001 - 40000	13	0.02	4,56,956	0.95
6	Between 40001 - 50000	13	0.02	5,82,109	1.21
7	Between 50001 -100000	23	0.03	14,73,527	3.06
8	> 100000	55	0.07	3,29,05,844	68.31
	Overall Total:	**77,051**	**100**	**4,81,71,562**	**100**

Commodity price risk or foreign risk and hedging activities

The Company is not exposed to any commodity price risk. The details of the Foreign Exchange Risk and Company's hedging activities forms part of the Management Discussion and Analysis Report and the Notes to the Financial Statement.

Details on Location of Factories:

Active Pharmaceutical Ingredient (API)

a. Puducherry: R.S. No. 33 & 34 Mathur Road, Periakalapet, Puducherry – 605 014.

b. Cuddalore : A 1/B SIPCOT Industrial Complex, Kudikadu Village, Cuddalore – 607 005.

c. Mangalore: Plot No.120 A & B, 36, 120P & 121, Industrial Area, Baikampady, New Mangalore - 575011

d. Mysore: Plot Nos. 253 & 254, Thandya Industrial Area, Thandavapura, Mysore, Karnataka – 571 302

e. Ambernath: Plot No. N-39/ N-39-1, Anand Nagar, MIDC, Additional Ambernath, Ambernath (East), Mumbai 421506.

f. Vizag: Plot No.3B & 3C, APIIC, APSEZ, Atchutapuram, Visakhapatnam - 531011

Research & Development Centre:

Chennai : TICEL Bio Park, 6th Floor, Module No. 601, 602, 603, Phase II – CSIR Road, Taramani, Chennai, Tamil Nadu – 600113

Credit Ratings

The Credit Rating details of the Company are as follows for the financial year 2025-26:

Credit Rating Agency	Crisil Ratings Limited
Instrument	Credit Rating for ₹ 791.2 Crore Crores Bank Loan Facilities (Long Term and Short Term)
Long Term Rating	Crisil BBB/ Stable
Short term Rating	Crisil A3+

In case, the securities are suspended from trading, reason thereof

Not applicable, since the securities of the Company have not been suspended from trading.

Listing on Stock Exchanges and Stock Codes

The names of the Stock Exchanges at which the securities of the Company are listed, and the respective stock codes are as under:

S No	Name and Address of Stock Exchange	Security Listed	ISIN	Stock Code / Symbol
1	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.	Equity Shares	INE624Z01016, IN9624Z01022	541540, 890202
2	The National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051	Equity Shares	INE624Z01016, IN9624Z01022	SOLARA, SO-LARAPP1

The Company has paid listing fees to all the above stock exchanges and there is no outstanding payment as on date of this report.

Outstanding GDRs / ADRs or warrants or any Convertible Instruments, conversion date and any likely impact on equity.

The Company has not issued any Global Depository Receipts or American Depository Receipts or any other convertible instruments, during the year under review

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act read with relevant rules framed thereunder, Ms. Parimala Natarajan, Practicing Company Secretary, holding Membership No. FCS 5597 and C.P. No. 5239 has been appointed as the Secretarial Auditor of the Company to carry out the Secretarial Audit for financial year –2025-26. A Secretarial Audit Report given by the Secretarial Auditor in Form No. MR-3 is annexed as Annexure F to the Directors' Report which forms part of this Annual Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark for the financial year 2025-26.

Reconciliation of Share Capital Audit

The Company conducts a Share Capital Audit on a quarterly basis in accordance with requirements of Securities and Exchange Board of India (Depositories and Participants) Regulations 2018.

The Reconciliation of Share Capital Audit Report obtained from a Practicing Company Secretary, which has been submitted to the Stock Exchanges within the stipulated period, certifies that the Equity Shares of the Company held in the dematerialized form and in the physical form confirms the issued and paid-up equity share capital of the Company.

Annual Secretarial Compliance Report

The Company has undertaken an audit for the financial year 2025-26 for all applicable compliances as per SEBI Listing Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report pursuant to Regulation 24A of SEBI Listing Regulations has been submitted to the Stock Exchanges within 60 days of the end of the financial year.

Compliance Certificate

As required under Regulation 17(8) read with Schedule II Part B of the SEBI Listing Regulations, the Chief Executive Officer & Managing Director & Chief Financial Officer have given appropriate certifications to the Board of Directors..

Other Affirmations and Disclosures

Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large

There are no materially significant related party transactions with its promoters, directors or management, their subsidiaries, or relatives etc., that may have potential conflict with the interests of the Company. Transactions with the related parties are disclosed in the financial statements in the Annual Report.

Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange(s) or SEBI or any statutory authorities, on any matter related to capital markets, during the last three years:

The Company has complied with the requirements of the Stock Exchanges, Securities and Exchange Board of India ("SEBI")and other statutory authorities on matters relating to capital markets during the last 3 years. No penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any statutory authorities during the year under review.

Details of establishment of Vigil Mechanism and Whistle-Blower Policy of the Company

Pursuant to provisions of Section 177(9) of the Act and SEBI Listing Regulations, the Company has established the Vigil Mechanism, as part of the Whistle Blower Policy, for the Directors and Employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. None of the personnel of the Company has been denied access to the audit committee.

Web link where policy for determining 'material' subsidiaries is disclosed

The Company has formulated the policy for determining "Material Subsidiaries" which is uploaded on the website of the company. The Policy is available at the following link: https://solara.co.in/uploads/2023/07/Policy-for-determining-of-Material-Subsidiaries.pdf

Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

The Company has no material subsidiaries in terms of Regulation 16(1)(c) of the SEBI Listing Regulations whose income or net worth exceeds ten percent of the consolidated income or net worth respectively of the company and its subsidiaries in the immediately preceding accounting year.

Web-link where policy on dealing with related party transactions is disclosed

The Company has formulated policy for transacting with the related parties which is uploaded on the website of the company. The Policy is available at the following link: https://solara.co.in/uploads/2026/6/RPT_policy_2026_V4.pdf?v=1780979142

Utilization of Funds

The Company has not raised any funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

On May 9, 2024, the Rights Issue Committee at its meeting approved the issuance of 1,19,98,755 Equity Shares of face value of ₹ 10 each at a price of ₹ 375 per Equity Share (including a premium of ₹ 365 per Equity Share), to existing equity shareholders on the record date (May 15, 2024) on 'rights' basis for an amount aggregating to ₹ 449.95 Crores. The issue was on a partly paid-up basis with 3 calls, i.e., application money, first call and second call. On June 19, 2024, Company allotted 1,19,98,755 partly paid - up Equity Shares on receipt of Application money of ₹ 131.25/- per equity share, which was aggregating to ₹ 157.48 Crores.

The Rights Issue Committee at its meeting held on March 26, 2025 approved the First Call Money Notice to the holders of Partly Paid-Up Equity Shares for ₹ 131.25/- (i. e ₹ 3.50/- towards face value and ₹ 127.75/- towards securities premium). The Company sent two reminder notices dated July 01, 2025 and February 04, 2026 for payment of First Call Money.

Further, the Company also issued Second and Final Call Notice dated April 06, 2026 pursuant to the approval of Rights Issue Committee at its meeting held on Tuesday, March 24, 2026, for payment of ₹112.50/- (comprising of ₹ 3/- towards face value and ₹ 109.50/- towards securities premium) per partly paid-up Rights equity share towards Second and Final Call.

As on March 31, 2026, total funds received from the Rights Issue was ₹ 309.79 crores including collection towards First Call of ₹ 155.31 Crore.

Below is the statement of Utilization of funds as of March 31, 2026

Object	Funds Utilized (Amount in Crores)
Repayment or Pre-payment in full or part of certain outstanding Borrowings availed by the Company.	₹ 233.61
General Corporate Purpose	₹ 74.97

Certification from Practicing Company Secretary

The Company has obtained a certificate from Mr. Parimala Natarajan, Practicing Company Secretary as required under Listing Regulations confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/ Ministry of Corporate Affairs or any such statutory authority. The Certificate has been attached as an Annexure - I to this report.

Where the Board has not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof

During the year under review, the Board has accepted all the recommendations made by various committees of the Board, which is mandatorily required.

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/network entity of which the statutory auditor is a part

Details of fee paid to Statutory Auditors for financial year 2025-26 are given below:

Sl. No.	Name of the Entity	Name of the Auditors' Firm	Details of the Services	Amount (₹ In Lakhs)
1	Solara Active Pharma Sciences Limited	Deloitte Haskins & Sells LLP	Audit Services / Certifications	83.20
2	Chemsynth Laboratories Private Limited	R. Sundararaman & Co.	Audit Services / Certifications	0.32
3	Synthix Global Pharma Solutions Limited	Deloitte Haskins & Sells LLP	Audit Services / Certifications	0.52
	Total			**84.04**

Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act)

The Company has in place a policy on Prevention of Sexual Harassment at Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The disclosure pertaining to Sexual Harassment of Women at workplace is disclosed in the Board's Report. During the year under review, no complaints pertaining to sexual harassment were received and no complaint was pending as on March 31, 2026.

The following is the summary of the complaints received and disposed off during the financial year 2026:

a. number of complaints filed during the financial year - Nil

b. number of complaints disposed of during the financial year - Nil

c. number of complaints pending as on end of the financial year - Nil

Disclosure of Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:

During the financial year ended March 31, 2026, there are no fresh loans or advances provided by the Company and its subsidiaries to firms/companies in which directors were interested.

Disclosure of Compliance of Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46:

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

The Company also strives to adhere and comply with the discretionary requirements specified under Regulation 27(1) and Part E of Schedule II of the SEBI Listing Regulations, as follows:

i. The Board: The Chairman of the Company is a Non – Executive Independent Director of the Company and is also allowed reimbursement of expenses incurred in performance of his duties. The Company also have in place a Woman Independent Director.

ii. Shareholder Rights: The Company ensures that disclosure of all the information is made available to all the shareholders on a non-discretionary basis. Financial Performance are published in newspapers, uploaded on the Company's website https://solara.co.in/investor-relations/newspaper-publications/ and submitted to the Stock Exchanges (BSE & NSE), instead of sending to each household of the shareholders. Further, all significant events are also disclosed to the Stock Exchanges and published on the website of the Company, instead of sending to each household of the shareholders.

iii. Modified opinion(s) in Audit Report: The Company already has a regime of unqualified financial statements with Unmodified Audit Opinions. Auditors have raised no qualification on the Financial Statements.

iv. Separate posts of Chairperson and the Managing Director or the Chief Executive Officer: Separate Individuals hold the positions of Chairperson and MD & CEO. The Company's Chairperson is a Non-Executive – Independent Director.

v. Reporting of Internal Auditor: The Internal Auditor of the Company directly reports to the Audit Committee.

vi. Risk Management: The Company has in place a Risk Management Committee. The Risk Management Committee's composition, roles and responsibilities are stated under the Committee's section forming part of this Report.

Compliance of the provisions of Regulation 26(6) of the Listing Regulations:

None of the Key Managerial Personnel, Director(s) and Promoter(s) of the Company has entered into any agreement for themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

Declaration regarding compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct

This to inform that for the financial year ended March 31, 2026, all members of the Board and the Senior Management Personnel have affirmed in writing their adherence to the Code of Conduct adopted by the Company.

Disclosures with respect to demat suspense account/ unclaimed suspense account

Sl. No	Particulars	No. of Shareholders	No. of Shares
1.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	1,107	11,341
2.	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	18	205
3.	Number of shareholders to whom shares were transferred from suspense account during the year;	8	182
4.	Transfer of shares to IEPF	1,099	11,159
5.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year.	-	-

Pursuant to the newspaper advertisement published on May 28, 2025, the Company transferred 11,159 unclaimed shares lying in the Suspense Account, arising from the Composite Scheme of Arrangement among Strides Shasun Limited (Strides), SeQuent Scientific Limited (SeQuent), and Solara Active Pharma Sciences Limited (Solara) approved by the NCLT vide order dated March 9, 2018, to the Investor Education and Protection Fund (IEPF) Authority during the year.

Disclosure of certain types of agreements binding Listed Entities

The Company has not entered into such agreements and no such agreement which is required to be disclosed under clause 5A of paragraph A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Address and Contact Details for stakeholder's reference:

Registered Office:
Cyber One, Unit No. 902,
Plot No. 4 & 6, Sector 30A,
Vashi, Navi Mumbai - 400 703.
Tel: 91-22-27892924
E- mail id: investors@solara.co.in

Corporate Office & Address for Correspondence:
TICEL Bio Park, 6th floor,
Module No. 601, 602 & 603, Phase II - CSIR Road,
Taramani, Chennai, Tamil Nadu, India, 600113.
Tel/Fax : 91-44-44 47406200/ 47406190
E- mail id: investors@solara.co.in

Company Secretary, Compliance Officer & Nodal Officer:
Mrs. Pooja Jaya Kumar
2nd Floor, Embassy Vogue, Palace Road,
Vasanth Nagar, Bangalore – 560052.
Tel : 080 46632102
Mail: Pooja.j@solara.co.in

Company's designated email id for Investor Complaints:
E- mail id: investors@solara.co.in

Company's Website
www.solara.co.in

Registrars & Share Transfer Agents:
Cameo Corporate Services Limited
Subramaniam Building, No.1 Club House Road,
Chennai – 600 002.
Contact Persons:
Mrs. Sreepriya K, Head-RTA & Company Secretary
Mr. Nagaraj V, Manager.
Tel/Fax : 91-44-28460390
E- mail: investor@cameoindia.com
Online Investors Portal- wisdom.cameoindia.com

For and on behalf of the Board of Directors

Place: Ooty
Date: May 15, 2026

Sandeep Shashikantha Rao
Managing Director & CEO
DIN: 10838251

Mohanraj Sanjeevi
Whole Time Director
DIN: 08420411

Corporate Governance Compliance Certificate

To
The Members of
M/s. Solara Active Pharma Sciences Limited,
Registered Office: Cyber One, Unit No. 902, Sector 30A, Plot No. 4 & 6,
Vashi, Navi Mumbai, Sanpada, Thane, Maharashtra - 400703

I have examined the compliance of the conditions of Corporate Governance by M/s. Solara Active Pharma Sciences Limited ('the Company') having CIN: L24230MH2017PLC291636 and having its Registered Office at Cyber One, Unit No. 902, Sector 30A, Plot No. 4 & 6, Vashi, Navi Mumbai, Sanpada, Thane, Maharashtra - 400703 for the year ended on March 31, 2026, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub- regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and on the basis of my examination of the records produced, explanations and information furnished, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable, for the financial year ended on March 31, 2026.

I further state that such compliance is neither as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Chennai
Date: 01-05-2026

Parimala Natarajan
Company Secretary in Practice
FCS No: 5597
CP No: 5239
UDIN: F005597H000254670
Peer Review No.: 3784/2023

CS. PARIMALA NATARAJAN,

B.Com. M.B.A, F.C.s
Company Secretary in Practice
C.P. No 5239 , M.No.F5597
No. 210. A-Block. Vijaya Bhagghyam
Court, No. 273/34A, Velachery Main Road,
Velachery, Chennai - 600 042.

Annexure I to the CG

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 of
M/s. Solara Active Pharma Sciences Limited,
Registered Office: Cyber One, Unit No. 902, Sector 30A, Plot No. 4 & 6,
Vashi, Navi Mumbai, Sanpada, Thane, Maharashtra - 400703

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. Solara Active Pharma Sciences Limited ('the Company') having CIN: L24230MH2017PLC291636 and having its Registered Office at Cyber One, Unit No. 902, Sector 30A, Plot No. 4 & 6, Vashi, Navi Mumbai, Sanpada, Thane, Maharashtra - 400703 (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 Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my 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, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st 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.

S. No.	Name of Director	DIN	Date of Appointment in Company
1	Mr. Ramakrishnan Rajagopal	00161542	11.04.2018
2	Dr. Kausalya Santhanam	06999168	11.04.2018
3	Mr. Arun Kumar Pillai	00084845	04.08.2021
4	Mr. Rajendra Kumar Srivastava	07500741	14.11.2023
5	Mr. Rajiv Vijay Nabar	10383397	14.11.2023
6	Mr. Manish Gupta	06805265	22.07.2024
7	Mr. Sandeep Shashikantha Rao	10838251	21.02.2025
8	Mr. Sanjeevi Mohanraj	08420411	01.01.2026

Ensuring the eligibility for the appointment I continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my 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.

Place: Chennai
Date: 01-05-2026

Parimala Natarajan
Company Secretary in Practice
FCS No: 5597
CP No: 5239
UDIN: F005597H000254648
Peer Review No.: 3784/2023

No. 210. A-Block. Vijaya Bhagghyam Court,
No. 273/34A, Velachery Main Road,
Velachery, Chennai - 600 042.

Annexure II to the CG

Declaration regarding compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct

I, Sandeep Shashikantha Rao, Chief Executive Officer and Managing Director of Solara Active Pharma Sciences Limited("Company"), hereby declare that all the members of the Board of Directors and the Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct of the Board of Directors and Senior Management of the Company for the financial year ended March 31, 2026.

This declaration is made in compliance with applicable regulatory requirements and is based on the confirmations received from the members of the Board and Senior Management Personnel.

Sandeep Shashikantha Rao
Managing Director & CEO

Place: Ooty
Date: May 15, 2026

Business Responsibility and Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L24230MH2017PLC291636
2	Name of the Listed Entity	Solara Active Pharma Sciences Limited
3	Year of incorporation	2017
4	Registered office address	'Cyber One', Unit No. 902, Plot No. 4 & 6, Sector 30A, Vashi, Navi Mumbai, Mumbai, Maharashtra, India, Pin code: 400703
5	Corporate address	TICEL BIO PARK., 6th floor Module No. 601, 602, 603, Phase II - CSIR Road, Taramani, Chennai, Tamil Nadu, India, Pin code: 600113
6	E-mail	investors@solara.co.in
7	Telephone	+91 44 4344 6700
8	Website	www.solara.co.in
9	Financial year for which reporting is being done	April 1, 2025 to March 31, 2026
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)
11	Paid-up Capital	₹ 44.51 Crores.
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Ms. Pooja Jaya Kumar Company Secretary Ph: +91 44 43446700 / 080 46632102 Email: pooja.j@solara.co.in | Investors@solara.co.in
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone. The boundary of reporting includes Solara Active Pharma (the Company)'s following 10 locations: • **06 manufacturing locations:** – Ambernath – Cuddalore – Mangalore – Mysore – Pondicherry – Vizag* • **02 offices and 01 R&D Center:** – Corporate Office, Chennai – Sales and Marketing office, Bangalore – R&D Center, Chennai • 01 registered office in Mumbai which is not considered as part of the reporting boundary due to its negligible operational footprint.
14	Name of assurance provider	Not Applicable
15	Type of assurance obtained	Not Applicable

*Additionally, in the previous reporting year FY25, the Company recorded one month data in FY25 from Vizag plant as opposed to complete 12 months reporting in FY26.

II. Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Active Pharmaceutical Ingredients	Design and manufacture commercial APIs across therapeutic categories, complex products, including polymer-based APIs	100 %

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Active Pharmaceutical Ingredients	21001	100%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	06	03 offices & 01 R&D Center*	10
International	0	0	0

*The 3 offices include a registered office in Mumbai which has not been considered as part of the reporting boundary since the environmental and social footprint is negligible relative to other locations.

a. Markets served by the entity:

a **No. of Locations**

Locations	Number
National (No. of States)	21
International (No. of Countries)	64

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

52%

c. **A brief type of customers**

Solara's customers comprise leading generic and innovator pharmaceutical companies globally that utilize the Company's Active Pharmaceutical Ingredients (APIs) in the manufacture of finished pharmaceutical formulations.

IV. Employees

20. Details as at the end of Financial Year (FY2025-26)

a. Employees and workers (including differently abled)

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1	Permanent (D)	1027	928	90%	99	10%
2	Other than Permanent (E)	5	4	80%	1	20%
3	**Total employees (D + E)**	**1032**	**932**	**90%**	**100**	**10%**
WORKERS						
4	Permanent (F)	642	642	100%	0	NA
5	Other than Permanent (G)	1434	1321	92%	113	8%
6	**Total workers (F + G)**	**2076**	**1963**	**95%**	**113**	**5%**

b. Differently abled employees and workers:

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1	Permanent (D)	1	1	100%	0	NA
2	Other than Permanent (E)	0	0	NA	0	NA
3	**Total differently abled employees (D + E)**	**1**	**1**	**100%**	**0**	**NA**
DIFFERENTLY ABLED WORKERS						
4	Permanent (F)	0	0	NA	0	NA
5	Other than Permanent (G)	0	0	NA	0	NA
6	**Total differently abled workers (F+G)**	**0**	**0**	**NA**	**0**	**NA**

21 Participation/Inclusion/Representation of women

Representative Stakeholder	Total (A)	No. and percentage of Females (B)	
		No (B)	% (B / A)
Board of Directors	8	1	13%
Key Management Personnel	2	1	50%

Note: Out of 4 Key Managerial Personnel, 2 Key Managerial Personnel are part of Board of Directors and have been considered under the same.

22. Turnover rate for permanent employees and workers

	FY 2025-26 (Turnover rate in current FY)			FY 2024-25 (Turnover rate in previous FY)			FY2023-24 (Turnover rate in prior to previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	13%	10%	13%	31%	22%	30%	21%	28%	22%
Permanent Workers	4%	NA	4%	5%	NA	5%	4%	NA	4%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

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

Sr. No.	Name of the holding /subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Chemsynth Laboratories Private Limited	Subsidiary	49%	No
2	Shasun USA Inc	Subsidiary	100%	No
3	Synthix Global Pharma Solutions Limited	Subsidiary	100%	No

Solara Active Pharma Sciences LTDA was also a 100% owned subsidiary as of FY 2024-25 which is no longer owned by the Company (effective 30th July 2025).

VI. CSR Details

		Response
24.	(i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
	(ii) Turnover (in ₹)	1,374.87 Cr.
	(iii) Net worth (in ₹)	1,252.88 Cr.

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 the documented management approved SOP for grievance mechanism and the web-link for grievance redressal policy)	FY2025-26			FY2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks (e.g., categorization of grievances if available)	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	• The Company has a Stakeholder Engagement Policy which outlines the process to record and redress grievances for customers, suppliers, communities and government officials. The link can be referred to here; https://solara.co.in/uploads/2025/5/Stakeholder_Engagement_Policy.pdf • Additionally, the Company also has a community grievance redressal policy - https://solara.co.in/uploads/2023/06/Community-Grievance-Policy.pdf • The Company also has a Whistleblower Policy to register whistleblowing complaints and grievances https://solara.co.in/uploads/2026/5/Whistle-Blower-Policy_2026.pdf?v=1778852330	0	0	0	0	0	-
Investors (other than shareholders)		0	0	0	0	0	-
Shareholders		1	0	Payment of Call Money-Rights Issue	0	0	-
Employees and workers		0	0	0	0	0	-
Customers		0	0	0	33	7	-
Value Chain Partners		0	0	0	0	0	-

26. 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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	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	Energy Management	Risk and Opportunity	Risk: Energy-intensive API manufacturing faces transition and climate-related risks while creating opportunities through renewable energy and energy efficiency. Opportunity: Efficient energy management measures and transitioning to renewable energy sources facilitate reduction of operational expenses, a decreased environmental footprint and improved operational sustainability in the long run.	The Company is accelerating adoption of renewable energy measures, reducing GHG emissions and undertaking targets to achieve positive environmental footprint	**Negative:** Rising energy and carbon costs **Positive:** Reduced operating costs, improved resilience and investor confidence.
2	Water Availability	Opportunity	Uninterrupted water availability is critical requirement for API manufacturing and Solara treats it as an opportunity to continuously work towards optimizing freshwater consumption through goals setting, robust governance systems and investment in water recycling technology. A key initiative includes utilization of STEW water in Pondicherry to further protect the environment and reduce freshwater consumption	Not Applicable	**Positive:**Efficient water management practices can help avoid high operational costs for water procurement, and potential production downtime due to water shortages
3	Waste Management	Risk	Waste Management in API manufacturing units is a critical aspect considering the hazardous nature of waste generated. Improper disposal of these materials can lead to extensive damage to the ecosystem. The growing number of waste management regulations has made the process more complex and costly. Thus, generation of hazardous waste and solvent residues can create environmental and regulatory risks.	Established internal targets and periodic monitoring system to improve year on year efficiency of waste management systems. Towards this, Solara has undertaken a commitment to reduce incinerable and landfilled waste by 5% annually	**Negative:** : Effective waste management and recycling programmes requires significant investment. Noncompliance with waste disposal regulations can result in hefty fines, legal costs, and environmental cleanup expenses.
4	Health and Safety	Risk	Material handling of hazardous chemicals can result in workplace accidents. Unhealthy, unsafe and hazardous work conditions may prove detrimental to the physical and mental well-being of the employees. This also poses a risk to the company's reputation and can lead to significant fines and legal liabilities.	Company commitment to maintain a robust health and safety system by identification and elimination of the causes of injuries and accidents. Periodic monitoring mechanism and investigation procedures Robust systems for hazard identification and mitigation to promote efficiency and higher productivity	**Negative:** There can be legal liabilities and substantial fines in case of an accident involving the company. A poor safety record can lead to higher insurance premiums and difficulty retaining and attracting talent due to fear of safety.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	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)
5	Policy Influence & regulatory compliance	Risk	Pharmaceutical business is a stringently regulated industry which is constantly evolving. Even a minor non-compliance to regulations can risk loss of reputation and business. It is critical to conduct proactive checks which is vital for adherence to regulatory requirements.	A robust control mechanism and stringent checks & balances in place to ensure adherence to all policies and regulatory requirements	**Negative:** Noncompliance to regulatory requirements may result in significant fines and high legal costs. Such non-compliances can also lead to reputational damage, affecting customer and investor relations and potentially losing business opportunities
6	Employee Recruitment, Development & Retention	Opportunity	The Pharmaceutical industry relies on highly skilled employees to develop new products, manage government regulations and commercialize new products. Companies that attract and retain employees despite a constrained talent pool may be better positioned to protect and enhance shareholder value	Not Applicable	**Positive:** : Employee retention may result in saving costs for recruitment & training, and a low turnover rate can boost employee productivity.
7	Supply Chain Management	Risk and Opportunity	**Risk:** Management of the supply chain quality is essential for protecting consumer health and corporate value. Biotechnology and pharmaceuticals entities that fail to ensure quality throughout their supply chains may be susceptible to lost revenue, supply disruptions and reputational damage. **Opportunity:** : Disclosure of supply chain audit programmes can provide investors with an understanding of how the company is protecting shareholder value	Created a Supplier Code of Conduct and committed to collaborate with Tier-1 suppliers in order to foster sustainable performance	**Negative:** Noncompliance, Disruptions or violations in may lead to fines/ penalties, delays in supply or increase in operational cost. **Positive:** The company's adherence to its responsible sourcing increases its environmental and social performance, and improvement in brand reputation due to sustainable supply chain management.
8	Business Ethics	Opportunity	Pharmaceutical business is subjected to various jurisdictional laws and regulations pertaining to bribery, corruption and health care fraud and abuse. Adherence to compliance requirements throughout global & domestic operational footprint and corporate disclosure of legal / regulatory fines & codes of ethics that govern their interactions with health care professionals may allow investors to monitor performance and instill trust.	Not Applicable	**Positive:** : By ensuring compliance and following best practices, the company can avoid fines and build trust within customers. and stakeholders.

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)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	https://solara.co.in/investor-relations/policies-and-guidelines								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/ certifications/labels/ standards	International certifications ISO 45001:2018 and ISO 14001:2015 adopted by our Company at 4 sites (Cuddalore, Puducherry, Mangalore and Ambernath)								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has undertaken Long Term and Short-Term Qualitative and Quantitative Targets and the same can be found on our goals and targets document uploaded on our website: EHS_Policies_Implementation_Guide.pdf • Increase renewable energy share by 2% annually. • Achieve GHG emissions reduction by 90% (Scope 1 & 2) by FY 2050 against baseline of FY24; with an annual absolute reduction of 4%. • Reduce freshwater consumption by 5% on an annual basis • Commit to reduce harm to environment by reducing 5% incinerable waste on an annual basis • Boost local sourcing by reducing overseas suppliers by 33% • Maintain Zero Product Recall • Reduce 10% LTIFR on an annual basis with a target of 0.2 • Achieve a Zero Accident workplace; aligned with Solara's Goal Zero								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	• The Company's total energy mix comprises of 81% of renewable energy in FY2025-26. • The Company achieved 16% reduction in waste disposed to landfilling in the reporting period. • The Company achieved a 0.27% increase in renewable fuel consumption in the reporting period. • The Company has achieved 8.5% reduction in Scope 1 & 2 GHG emissions. • 71% sourcing of goods and services conducted within India with 33% from MSMEs in the reporting period. • Recorded zero product recalls in the reporting period.								

Governance, leadership, and oversight	
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)	
At Solara, sustainability is a strategic imperative and a key driver of long-term business success. We firmly believe that strong sustainability performance not only creates value for stakeholders but also strengthens business resilience, enhances competitiveness, and supports sustainable growth. This report reflects our unwavering commitment to advancing sustainability excellence across all aspects of our operations. Since our inception as a standalone pure-play API company in 2018, sustainability has remained deeply embedded in our business philosophy and decision-making processes. We continue to pursue balanced growth while contributing meaningfully to the creation of a more sustainable future. Recognizing the strategic importance of ESG, Solara has adopted a structured and forward-looking approach to integrating sustainability into its business operations. Through the identification of material ESG priorities and the development of a comprehensive sustainability roadmap, we are continuously strengthening our sustainability performance. Long, medium and short-term goals and targets have been established to guide our progress and ensure accountability as we advance toward our sustainability ambitions. Environmental stewardship remains a critical focus area for Solara. The Company continues to invest in renewable energy and actively collaborates with partners through group captive solar power projects to increase the share of clean energy in its operations. We remain committed to reducing our greenhouse gas (GHG) emissions through the increased adoption of renewable energy, alternative fuels, energy-efficiency initiatives, and Zero Liquid Discharge (ZLD) practices. Simultaneously, we have implemented several resource-efficiency and cost-optimization programmes, including improvements in product yields and enhanced solvent recovery, enabling us to create value while reducing our environmental footprint. Beyond our own operations, Solara is increasingly focused on promoting sustainability throughout its value chain. We actively engage our suppliers and business partners to foster responsible environmental, social, and governance practices across the supply chain. Our commitment to continuous improvement is reflected in our participation in the EcoVadis sustainability assessment over the past five years. During this period, we have consistently strengthened our sustainability performance, achieving significant improvements in areas such as labour and human rights, while maintaining strong performance in environmental management, sustainable procurement, and business ethics. Sustainability is deeply embedded in Solara's culture and business model, guided by our core RITE values of Respect, Integrity, Transparency, and Efficiency. These principles underpin our approach to responsible growth and value creation. Looking ahead, we remain committed to achieving top-quartile performance on the EcoVadis platform and aspire to attain a Silver Medal rating in the near term. As a leading pure-play API company, Solara is dedicated to delivering sustainable business performance while creating positive environmental and social impact for future generations.	
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy / (ies).	DIN: 10838251 Mr. Sandeep Shashikantha Rao Managing Director & CEO
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.	No Note: All sustainability activities are overseen by the CEO.

Details of Review of NGRBCs by the Company :

10	Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	Performance against above policies and follow up action	D	D	D	D	D	D	D	D	D	A	A	A	A	A	A	A	A	A
	Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	D	D	D	D	D	D	D	D	D	A	A	A	A	A	A	A	A	A

11.		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	N	N	N	N	N	N	N	N	N

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

Questions	P 1	P 2	P 3	P 4	P 5	P 6	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)	Not Applicable								
The entity does not have the financial or / human and technical resources available for the task (Yes/No)	Not Applicable								
It is planned to be done in the next financial year (Yes/No)	Not Applicable								
Any other reason (please specify)	Not Applicable								

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	2	**Principles 1, 3 and 5:** Code of Conduct which includes business ethics, guidelines on conflicts of interest, equal employment opportunity, POSH, health and safety, among others	100%
Key Management Personnel	13	**Principles 1, 3, 5 and 8:** • Human Rights Policy • Code of Conduct • Child Labour policy • Anti bribery policy • Business Ethics & Integrity • Equal opportunity policy • Diversity & Inclusion • Employees Grievance and Escalation Management • Employees Disciplinary Action • Whistle blower • POSH • CSR	100%
Employees other than BoD and KMPs	13		100%
Workers	13		100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

Category	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	Not applicable as no fines/ penalties / punishment / award / compounding fees/ settlement amount paid in proceedings.				
Settlement					
Compounding Fee					
	Non-Monetary				
	NGBRC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (in INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Imprisonment	Not applicable as no fines/ penalties / punishment / award / compounding fees/ settlement amount paid in proceedings.				
Punishment					

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

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

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

Yes, the Company have an Anti-Bribery & Corruption Policy in place. We are committed to conducting business with integrity, honesty, and fairness, as outlined in this policy, which enforces a zero-tolerance approach to bribery and corruption. The policy applies to all our stakeholders, including employees, board members, contractors, consultants, service providers, affiliates, and global partners. It outlines clear guidelines on ethical practices related to gifts, entertainment, travel, employment, political contributions, and third-party relationships, ensuring compliance with anti-corruption laws and the prevention of unethical practices. With reporting mechanisms, internal controls, and regular reviews in place, we monitor compliance and provide comprehensive training to employees to ensure effective policy implementation. Management retains the authority to amend or withdraw the policy as required. Weblink: https://solara.co.in/investor-relations/policies-and-guidelines/

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	FY 2024-25
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints regarding conflict of interest:

Category	FY 2025-26		FY 2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the directors	0	0	0	0
Number of complaints received in relation to issues of conflict of interest of the KMPs	0	0	0	0

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

(BRSR Core Attribute 8: Fairness in Engaging with Customers and Suppliers)

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

Category	FY 2025-26	FY 2024-25
Number of days of accounts payables	143	160

9. Open-ness of business
(BRSR Core Attribute 9: Open-ness of business)
Provide details of concentration of purchase and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	0%	0%
	b. Number of trading houses where purchase is made from	0	0
	c. Purchase from top 10 trading houses as % of total purchase from trading houses	0%	0%
Concentration of Sales	a. Sales to dealers / distribution as % of total sales	0.96%	1.4%
	b. Number of dealers / distributions to whom sales are made	2	3
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	100%	100%

Parameter	Metrics	FY 2025-26	FY 2024-25
Share of RPTs in	a. Purchases (Purchases with related parties / total purchases)	0%	0%
	b. Sales (Sales to related parties / total sales)	25%	17.6%
	c. Loans & Advances (Loans & Advances given to related parties / total loans & advances)	0%	0%
	d. Investments (Investments in related parties / total investments made)	100%	0%

LEADERSHIP INDICATORS

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

Yes, the Company has implemented processes to prevent and manage conflicts of interest involving our board members through our Code of Conduct and Ethics for Board of Directors. Our directors are required to act in our best interests and promptly disclose any actual or potential conflicts to the Board, such as ownership in competing companies, participation in joint ventures, or employment with competitors. Any transactions involving conflicts can only proceed with express approval from the Board. Weblink: Code of Conduct and Ethics for Board of Directors

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2025-26	FY 2024-25	Details of Improvements in environmental and social impacts
R&D (%)	2%	8%	Expenses related to process improvements to reduce carbon footprint
Capex (%)	2%	4%	Capital expenditure towards process improvement to reduce carbon footprint and towards health & safety measures.

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

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

A. Yes.

B. In FY 2025-26, 60% of inputs were sourced sustainably.

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

Waste Type	Waste management procedure in place
Plastic waste (including packaging)	Plastic waste is managed in accordance with Pollution Control Board (PCB) regulations and is disposed of through authorized recyclers at each site. The generation and disposal of plastic waste are meticulously tracked.
E-Waste	E-waste is securely disposed of through authorized recyclers following the establishment of an agreement and the collection of all necessary legal documents.
Hazardous Waste	Hazardous waste is securely disposed of by authorized agencies, only after thorough assessment and collection of all required legal documents to ensure safe disposal.
Other Waste	All other wastes are sent to authorized waste disposal agencies.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

No, all our sites are Export Oriented Units and thus are exempted from fulfilling EPR obligations.

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 the 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 inpublic domain (Yes/ No) If yes, provide the weblink
21001	Ibuprofen	21%	Cradle to Grave	Yes	No
	Gabapentin	7%	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.

Name of Product/Service	Description of the risk/concern	Action Taken
Ibuprofen	The life cycle assessment of ibuprofen evaluates impact categories such as global warming, ozone depletion, acidification, eutrophication, water consumption, land use, and ecotoxicity within a cradle-to-product distribution boundary. Emissions are primarily attributed to raw material extraction (79%), manufacturing (20%), raw material transportation (1%), and product distribution (0%). The highest emissions are generated during raw material extraction, with aldehyde having the greatest impact, followed by sodium di-chromate, sulphuric acid, acetone, and activated carbon	Initiated process development to transition from conventional drug synthesis, processing, and manufacturing techniques to greener alternatives that are cost-effective, sustainable, environmentally friendly, and economically viable.
Gabapentin	The life cycle assessment of Gabapentin highlights significant environmental impacts across categories such as global warming, ozone depletion, acidification, eutrophication, water consumption, land use, and ecotoxicity within a cradle-to-grave system boundary. The assessment reveals that raw material extraction generates the highest emissions, with sodium hypochlorite and tributyl amine identified as the most environmentally impactful substances.	The process development currently in progress

PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

ESSENTIAL INDICATORS

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

Category	% Of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care Benefits	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent Employees											
Male	**928**	928	100%	928	100%	NA	NA	928	100%	0	0
Female	**99**	99	100%	99	100%	99	100%	0	0%	0	0
Total	**1027**	**1027**	**100%**	**1027**	**100%**	**99**	**100%**	**928**	**100%**	**0**	**0**
Other than Permanent Employees											
Male	**4**	0	0	0	0	0	0	0	0	0	0
Female	**1**	0	0	0	0	0	0	0	0	0	0
Total	**5**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

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

Category	% Of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	642	642	100%	642	100%	0	0	642	100%	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	**642**	**642**	**100%**	**642**	**100%**	**0**	**0**	**642**	**100%**	**0**	**0**
Other than Permanent Employees											
Male	1321	0	0	0	0	0	0	0	0	0	0
Female	113	0	0	0	0	0	0	0	0	0	0
Total	**1434**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format – (BRSR Core Attribute 5 : Enhancing Employee Wellbeing and Safety)

Parameter	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	0.35%	1.2%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY2025-26			FY2024-25		
	No. of employees covered as a % of total employees*	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI*	13.44%	8.57%	Yes	1.1%	0	Yes

*The percentage coverage includes only those employees and workers who are covered or entitled under ESI.

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. Solara ensures that employees with disabilities are treated equally and without discrimination, in line with its commitment to providing equal opportunities to all employees.

The Company also ensures accessibility at its work locations and has taken measures to make its premises accessible for differently abled employees and workers, in accordance with the requirements of the Rights of Persons with Disabilities Act, 2016. Through these initiatives, Solara promotes an inclusive, supportive, and accessible workplace environment.

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, Solara has an Equal Opportunity Policy in line with the Rights of Persons with Disabilities Act, 2016. The policy ensures a merit-based, transparent selection process free from bias, and provides necessary facilities, amenities, and training to empower differently abled professionals to perform their duties effectively. Weblink to the policy: https://solara.co.in/investor-relations/policies-and-guidelines/

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

Sl. No.	Particulars	Permanent Employees			Permanent Workers		
		Male	Female	Total	Male	Female	Total
1	Returned to work rate	100%	100%	100%	100%	100%	100%
2	Retention rate	100%	100%	100%	100%	100%	100%

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

Category	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers Other than Permanent Workers Permanent Employees Other than Permanent Employees	Yes, Solara has the following grievance redressal mechanism for our employees and workers: • Representation through recognised union representatives • Standing Orders • Whistle Blower mechanism • Reporting mechanism under POSH • Grievance redressal system

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

Category	FY2025-26			FY2024-25		
	Total employees / workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	1027	0	0	1105	0	-
Male	928	0	0	1009	0	-
Female	99	0	0	96	0	-
Total Permanent Workers	642	642	100%	670	670	100%
Male	642	642	100%	670	670	100%
Female	0	0	0	0	-	-

8. **Details of training given to employees and workers**

Category	FY2025-26					FY2024-25				
	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	932	932	100%	932	100%	1016	817	80%	817	80%
Female	100	100	100%	100	100%	98	66	67%	66	67%
Total	**1032**	**1032**	**100%**	**1032**	**100%**	**1114**	**883**	**79%**	**883**	**79%**
Workers										
Male	642	642	100%	642	100%	1708	1708	100%	1055	62%
Female	0	0	0	0	0	102	102	100%	31	30%
Total	**642**	**642**	**100%**	**642**	**100%**	**1810**	**1810**	**100%**	**1086**	**60%**

Note: As a part of our procedures, all the other than permanent employees and workers are trained in all safety-related and skill related trainings before deployment in their respective roles.

9. Details of performance and career development reviews of employees and workers

Category	FY2025-26			FY2024-25		
	Total (A)	No. (B)	% (B/A)	Total (A)	No. (B)	% (B/A)
Employees						
Male	932	932	100%	1016	1009	99%
Female	100	100	100%	98	96	100%
Total	**1032**	**1032**	**100%**	**1112**	**1105**	**99%**
Workers*						
Male	642	642	100%	1708	670	39%
Female	0	0	0	102	0	-
Total	**642**	**642**	**100%**	**1810**	**670**	**37%**

Note: The above data has been reported for only permanent employees and workers since performance reviews are not applicable for other than permanent employees and workers.

*For the permanent workers, performance and related reviews are covered under the Long Term Settlement Agreements.

10. Health and safety management system:

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes, a robust occupational health and safety management system has been implemented at all our locations. 4 of our manufacturing sites i.e., Cuddalore, Puducherry, Mangaluru and Ambernath are certified for ISO 45001 and ISO 14001.

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

The company prioritises process safety by systematically identifying hazards, assessing risks, and implementing controls to safeguard employees, stakeholders, and the environment.

Key processes include:

- Hazard Identification & Risk Management: Conduct regular assessments of hazardous materials,
- processes, and non-routine tasks.
- Safe Procedures: Develop and update procedures for routine and emergency operations.
- Management of Change: Evaluate safety impacts of operational or organizational changes and train
- personnel accordingly.
- Preventive Maintenance: Perform routine inspections and maintenance to ensure equipment reliability.
- Training & Competency: Provide regular refresher training for employees and contractors.
- Incident Management: Investigate safety incidents and near misses, identify root causes, and implement
- corrective measures.
- Emergency Response: Maintain an effective emergency plan in collaboration with local authorities.
- Audits and Compliance: Conduct audits to ensure adherence to regulations and standards.
- Performance Monitoring: Track key performance indicators (KPIs) to continually improve process safety

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

Yes, the Company has well-established Standard Operating Procedures (SOPs) for employees to identify and report work-related hazards and the subsequent steps to mitigate them. In addition, the Company trains all employees and workers through occupational health and safety modules. The training modules cover aspects of the methodology to identify work-related hazards, analyse the risks associated with them, and take subsequent steps to mitigate them.

During safety and emergency evacuation drills, employees are trained in dealing with emergency equipment such as fire hydrants, firefighting systems, leak and spill control procedures, safety alarms, among others. In addition, the proficiency of employees is periodically tested in dealing with emergency situations. The practical trainings and online safety modules equip employees with the right procedures for reporting work-related hazards and the steps to remove themselves from such situations. There are drop boxes at various locations at the site, so that employees can immediately report unsafe acts, unsafe working conditions, and near misses.

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

Yes, non-occupational medical and healthcare services are provided to employees and workers. Further, medical insurance is provided to all employees and workers. With an endeavor to promote physical and mental wellbeing, comprehensive health programmes have been designed to promote healthy lifestyle practices among employees. Some examples of health programmes and services offered to employees include wellness sessions, annual health check-ups, distribution of health drinks, etc.

11. **Details of safety related incidents, in the following format: (BRSR Core Attribute 5 : Enhancing Employee Wellbeing and Safety)**

Safety incidents	Category	FY2025-26	FY2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0.80	0
Total recordable work-related injuries	Employees	0	0
	Workers	4	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

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

- The guidelines and principles of ISO 45001:2018, OSHA standards, the Factories Act, and other state-level regulatory requirements are embedded within the Environment, Health and Safety (EHS) management systems.
- The EHS policy advocates the provision of a safe working environment to all the employees, contractors, sub-contractors, visitors, and the neighboring communities. We undertake periodic internal and external audits to assess the safety practices and procedures in alignment with the EHS management system and the ISO 45001:2018 guidelines.
- As part of the auditing procedure, we recognise the critical areas which require immediate corrective action. The safety incidents and hazards are investigated to determine the root cause, and subsequently, corrective action plans are laid out to prevent the occurrence of similar incidents in the future. Further, as part of the EHS management system, we provide safety trainings through modules and safety drill practices to all our employees and workers. The safety training programmes enable the development of a strong foundation among the workforce, in terms of their ability to identify, mitigate and prevent risks pertaining to Occupational Health and Safety.
- Safety committee meeting is periodically conducted with management employees and workers to identify the workplace issues and to mitigate the risk of workplace injuries and illnesses.
- Adequate safety signages, caution boards, Do's & Don'ts and safety instruction boards are displayed in all locations.
- We endeavor to prevent negative health impact on the employees through various health awareness sessions, provision of medical facilities and medical insurance benefits.
- We provide voluntary health promotion services such as lifestyle counselling, stress management sessions, nutritional awareness campaigns among others for inculcating healthy lifestyle practices.

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

Category	FY2025-26			FY2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

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14. Assessments for the year:

	No. of plants and office assessed (by entity or statutory authorities or third parties)	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	08	100%
Working Conditions	08	100%

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

No safety-related incidents on significant concerns and risks were recorded. However, the company ensures corrective actions to mitigate any foreseeable and unforeseeable risks.

The following corrective actions in place, in case significant concerns arise:

- Hazard identification and Risk assessment and Job safety analysis has carried out for all critical activities.
- All locations have identified the significant risk activities, concerns arising from assessment of Health & safety practices are addressed accordingly control measures has been taken by implementing necessary Engineering & Administrative controls.
- Training needs for employees has been identified, and annual training calendar has been prepared.
- Risk Based Process Safety Management has been implemented and monitored at all the locations to prevent intended release of chemicals.
- Corporate EHS guideline and Procedures is established for all activities and is reviewed periodically.
- Periodic audit and inspection is carried out on all critical equipment and portable tools & equipment.
- Preventive maintenance is performed for all equipment, and testing and calibration is performed for all safety devices such as pressure/ vacuum gauge, safety relief valve, NRV, control / ON/Off valves, Pressure reducing valves etc.,
- Management of Change process is in-place to assess the hazard associated with the change.
- Leadership rounds are regularly performed by site leadership team to identify the unsafe acts & conditions.
- Identification & Reporting of Near miss by Employees is in place and 100% investigation of all near miss is conducted.
- Investigation of all incidents and 100% implementation of all corrective action. Investigation reports and its learnings are shared across all Solara sites for deployment of corrective action to prevent similar incident. Also, effectiveness is checked during the safety inspection / audit.
- Personal Protective equipment (PPE) compliance is monitored through strict supervision.
- Internal audits of Solara Units at site level are conducted on a periodic basis. Corrective and preventive measures are taken based on the findings.
- Detailed investigations are carried out for all accidents to identify the root causes and to understand the measures required to prevent recurrence.
- Accident investigation findings with corrective and preventive measures form part of the report presented to the Safety Committee on monthly basis, site ORM and to the Board each quarter. The learnings from all accidents are disseminated across the organization at periodic intervals and formal compliance is obtained.

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 | B. Workers – Yes

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

   The Company ensures that the statutory dues, as applicable within its remit, are deducted and deposited by the value chain partners in accordance with relevant regulations through constant monitoring of available tools and the documentary proofs from the value chain partners. The Company expects its value chain partners to uphold business responsibility principles and the values of transparency and accountability.

3. 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

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**

   Core stakeholders are individuals, groups, or institutions that contribute value to a business or are significantly impacted by its decisions. Both internal stakeholders, such as employees and leadership, and external stakeholders, including regulators, investors, suppliers, customers, and the community, are identified as essential components of operations.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisement, Community meetings, Notices Board, Website)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others)	Purpose and scope of engagement including key topics and concerns raised during such engagements
Employees	No	• Intranet Portal • Functional and cross functional committees • Leader's talk • Regular Employee Communication Forums	On a regular basis	We engage with employees through key initiatives, including prioritizing benefits for their well-being, offering learning and development programmes, ensuring workplace safety, conducting performance reviews for career growth, and providing regular business updates to foster transparency and collaboration.
Customers	No	• Customer Satisfaction Survey • Customer meets • Digital/ telephonic Interactions	On a regular basis	We engage with customers by actively seeking feedback, addressing their needs, and resolving open issues promptly to ensure satisfaction and build trust. Open communication helps improve products and services while fostering long-term relationships.
Suppliers and Vendors	No	• Supplier and Vendor meets • Face-to-face and electronic correspondence • Digital/ telephonic Interactions	Half yearly	We engage with suppliers and vendors through open issue resolution, performance assessments, and recognition activities to foster collaboration and enhance efficiency. Engagement also includes discussions on sustainability parameters, ensuring alignment with environmental and social responsibility.
Investors/ Shareholders	No	Email, newspaper advertisement, website, Annual General Meetings, disclosures to stock exchanges and investor meetings / calls / conferences	Need based and Quarterly calls	We engage with investors and shareholders by providing regular updates on performance, strategy, growth, and opportunities while ensuring transparency. It is also committed to promptly addressing grievances to build trust and maintain strong relationships.
Community	No	• Physical meetings • Digital interactions	Concurrent /need basis	We engage with the community through impactful CSR initiatives focused on development and sustainability. It also ensures prompt grievance redressal to address community concerns and build strong, positive relationships.
Regulatory and government bodies	No	• Physical meetings • Digital communications • Through submissions	On a need basis	We engage with regulatory and government bodies through policy advocacy and providing inputs on regulations that impact its operations. This ensures compliance and supports its core business activities of development, manufacturing, and sales while fostering collaborative relationships.

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.**

   Regular consultations are conducted with various stakeholders as needed through our functional and plant heads, ensuring that diverse perspectives on economic, environmental, and social issues are collected. Crucial feedback received during these consultations is systematically reported to the board, where it undergoes thorough assessment and consideration for potential action, thereby aligning stakeholder insights with our strategic objectives and operational improvements.

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, a policy dedicated to stakeholder management has been implemented; however, there have been no recorded instances or significant issues reported during the current reporting period.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**
   Throughout the current reporting period, no concerns have been raised by vulnerable or marginalized stakeholder groups.

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			FY 2024-25		
	Total (A)	No. employees / workers covered (B)	% (B / A)	Total (A)	No. employees / workers covered (B)	% (B / A)
Employees						
Permanent	1027	1027	100%	1105	1105	100%
Other than permanent	5	3	60%	9	9	100%
Total Employees	**1032**	**1030**	**100%**	**1114**	**1114**	**100%**
Workers						
Permanent	642	642	100%	670	670	100%
Other than permanent	1434	1321	92%	1140	1140	100%
Total Workers	**2076**	**1963**	**95%**	**1810**	**1810**	**100%**

Note: Solara ensures human rights training of all the employees and all employees are aware of the board-approved human rights policy available on Company website https://solara.co.in/uploads/2025/5/Human_Rights_Policy.pdf

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2025-26					FY 2024-25				
	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	**1027**	**0**	**0**	**1027**	**100%**	**1105**	**0**	**0**	**1105**	**100%**
Male	928	0	0	928	100%	1009	0	0	1009	100%
Female	99	0	0	99	100%	96	0	0	96	100%
Other than Permanent	**5**	**0**	**0**	**5**	**100%**	**9**	**0**	**0**	**9**	**100%**
Male	4	0	0	4	100%	7	0	0	7	100%
Female	1	0	0	1	100%	2	0	0	2	100%
Workers										
Permanent	**642**	**0**	**0**	**642**	**100%**	**670**	**0**	**0**	**670**	**100%**
Male	642	0	0	642	100%	670	0	0	670	100%
Female	0	0	0	0	0	0	0	0	0	0
Other than Permanent	**1434**	**987**	**69%**	**445**	**31%**	**1140**	**769**	**67%**	**371**	**33%**
Male	1321	874	66%	447	34%	1038	710	68%	328	32%
Female	113	113	100%	0	0	102	59	58%	43	42%

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration/ wages

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (INR)	Number	Median remuneration/ salary/ wages of respective category (INR)
Board of Directors (BoD)*	7	2,65,90,398.00	1	0**
Key Managerial Personnel	1	1,56,50,008.00	1	20,00,004.00
Employees other than BoD and KMP***	932	8,24,638.00	100	6,66,764.00
Workers***	642	9,15,608.00	0	NA

*For the purpose of median remuneration calculations, only whole time directors are considered; while others receive only sitting fee.

**1 female is an independent director and is only provided sitting fees, therefore the median remuneration is not applicable

***Includes permanent employees and permanent workers.

b) Gross wages paid to females as % of total wages paid by the entity, in the following format: (BRSR Core Attribute 6 : Enabling Gender Diversity in Business)

	FY2025-26 Current Financial Year	FY2024-25 Previous Financial Year
Gross wages paid to females as % of total wages	5.26%	4.8%

*Includes both permanent and other than permanent female employees

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the Head - HR is the designated authority for addressing human rights impacts or concerns.

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

Process for grievance redressal has been detailed in Employee Disciplinary Action Policy

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

Category	FY2025-26			FY2024-25		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Employees						
Sexual Harassment	0	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	0	0	-	0	0	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY2025-26 Current Financial Year	FY2024-25 Previous Financial Year
Total complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employee/ workers	0	0
Complaints on POSH upheld	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company is committed to ensuring that no employee who brings forward a harassment concern is subject to any form of retaliation. Any retaliation will be subject to disciplinary action. Through the Code of Conduct and defined polices, the company ensures that the victim and/or witnesses are not victimized or discriminated against while dealing with complaints of sexual harassment.

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

No, human rights requirements are not explicitly incorporated into our business agreements and contracts. However, it is explicitly outlined that all parties engaged in the business dealings are expected to adhere to applicable laws, including those pertaining to human rights obligations.

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	100%

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

Not Applicable

LEADERSHIP INDICATORS

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

Not applicable as no human rights related risks were identified.

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

Yes, Solara promotes Equal opportunity, Diversity, and Inclusion through its policy framework, with a focus on creating a fair, inclusive, and accessible work environment for all individuals, including persons with disabilities. In line with the Rights of Persons with Disabilities Act, 2016, its premises are equipped with accessibility-enabled infrastructure such as ramps, lifts, washrooms, and related facilities to support ease of access and provide a safe, comfortable, and barrier-free environment for employees and visitors with disabilities.

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:(BRSR Core Attribute 3: Energy footprint)

Parameter	Unit	FY 2025-26	FY 2024-25
From renewable sources			
Total electricity consumption (A)	GJ	1,46,534.06	1,39,546.42
Total fuel consumption (B)	GJ	6,31,695.06	6,30,009.57
Energy consumption through other sources (C)	GJ	0	0
Total energy consumed from renewable sources (A+B+C)	GJ	**7,78,229.12**	**7,69,555.99**
From non-renewable sources			
Total electricity consumption (D)	GJ	1,36,281.24	141,922.02
Total fuel consumption (E)	GJ	47,159.79	37,898.73
Energy consumption through other sources (F)	GJ	0	0
Total energy consumed from non-renewable sources (D+E+F)	**GJ**	**183441.03**	**1,79,600.41**
Total energy consumed (A+B+C+D+E+F)[2]	**GJ**	**9,61,670.15**	**9,49,376.74**
Energy intensity per rupee of turnover *(Total energy consumption/ Revenue from operations in rupees)* [3]	GJ/ ₹	0.000070	0.000074
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)4 *(Total energy consumed / Revenue from operations adjusted for PPP)*	GJ / $	0.00143	0.00153
Energy intensity in terms of physical output	**GJ/ MT**	**192.5**	**196.1**

Note 1: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

Note 2: The Company witnessed 81.47% consumption from renewable sources in its overall energy consumption mix in FY26, similar to 81.07% recorded in FY25

Note 3: For 'intensity per rupee of turnover', total revenue from operations has been considered as turnover as per note no. 6 of Audited Standalone Financial Statements https://solara.co.in/uploads/2026/5/Q4-Financial-Results.pdf?v=1778852097.

Note 4: The intensity adjusted for PPP has been calculated basis the guidelines set forth in SEBI's circular dated December 20, 2024, which outlines Industry Standards Forum guidance for BRSR Core. The PPP factor has been sourced from IMF database https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND/FIN. For FY 2025-26, the PPP as per IMF stands at 20.34 whereas for FY 2024-25 it stood at 20.66.

Note 5: For physical output, intensity metrics are calculated by dividing the total annual energy consumption by the total production quantity during the year.

Note 6: The reported energy consumption from fuel and total energy have increased from 3,76,78.392 to 37898.73 GJ and 949156.399 to 9,49,376.74following a correction in the activity quantity data used for the calculation and even the intensity value.

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.

Not applicable. There are no sites/facilities that have been identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. Provide details of the following disclosures related to water, in the following format: (BRSR Core Attribute 2 : Water footprint)

Parameter	Unit	FY 2025-26	FY2024-25
Water withdrawal by source (in kilolitres)			
(i) Surface water	KL	0	0
(ii) Groundwater	KL	35,718	39,383
(iii) Third party water	KL	3,42,769	2,74,337*
(iv) Seawater / desalinated water[2]	KL	0	0
(v) Others (Stew water)	KL	3,042	3,757
Total volume of water withdrawal (i + ii + iii + iv + v)	**KL**	3,81,529	3,17,477
Total volume of water consumption	KL	3,80,732	3,16,999
Water intensity per rupee of turnover *(Water consumed / turnover)*[3]	KL/ ₹	0.000027	0.000024
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)[4] *(Total water consumption / Revenue from operations adjusted for PPP)*	KL/$	0.0005657	0.0005102
Water intensity in terms of physical output	KL / MT	76.2	64.6

Note 1: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

Note 2: In FY 2025-26, the Company reported STEW water in "Others" category of water withdrawal. The Puducherry facility sources Secondary Treated Effluent Water (STEW) from government-authorised sewage treatment infrastructure for industrial operations. This supports circular water management, reduces dependence on freshwater resources and aligns with the Government of Puducherry's wastewater reuse initiatives

Note 3: For 'intensity per rupee of turnover', total revenue from operations has been considered as turnover as per note no. 6 of Audited Standalone Financial Statements https://solara.co.in/uploads/2026/5/Q4-Financial-Results.pdf?v=1778852097

Note 4: The intensity adjusted for PPP has been calculated basis the guidelines set forth in SEBI's circular dated December 20, 2024, which outlines Industry Standards Forum guidance for BRSR Core. The PPP factor has been sourced from IMF database https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND/FIN. For FY 2025-26, the PPP as per IMF stands at 20.34 whereas for FY 2024-25 it stood at 20.66.

Note 5: For physical output, intensity metrics are calculated by dividing the total annual water consumption by the total production quantity during the year.

4. Provide the following details related to water discharged: (BRSR Core Attribute 2: Water footprint)

Parameter	Unit	FY2025-26 Current Financial Year	FY2024-25 Previous Financial Year
Water discharge by destination and level of treatment (in kilolitres)			
(i) To Surface water	KL	0	0
- No treatment	KL	0	0
- With treatment – please specify level of treatment	KL	0	0
(ii) To Groundwater	KL	0	0
- No treatment	KL	0	0
- With treatment – please specify level of treatment	KL	0	0
(iii) To Seawater	KL	0	0
- No treatment	KL	0	0
- With treatment – please specify level of treatment	KL	0	0

Parameter	Unit	FY2025-26 Current Financial Year	FY2024-25 Previous Financial Year
Water discharge by destination and level of treatment (in kilolitres)			
(iv) Sent to third parties	KL	798	479
- No treatment	KL	798	479
- With treatment – please specify level of treatment	KL	0	0
(v) Others	KL	0	0
- No treatment	KL	0	0
- With treatment – please specify level of treatment	KL	0	0
Total water discharged (in kiloliters)	**KL**	**798***	**479**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

*The data in FY 2025-26 only includes data from manufacturing facility at Vizag from which water is discharged to third parties in compliance with regulations for discharge.

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

The Company has implemented a Zero Liquid Discharge in 5 out of 6 manufacturing locations. The company actively promotes water conservation through a strategic approach of reducing, reusing, recharging, and recycling water within its manufacturing premises and uses STEW water in one manufacturing plant to reduce freshwater consumption. As part of our recycling initiatives, we provide tertiary treatment to its effluent, allowing the treated water to be efficiently recycled and reused as make-up water for cooling towers and for gardening purposes within the company premises.

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	FY2024-25
NOx	Metric tonne	62.78	40
SOx	Metric tonne	12.69	10
Particulate matter (PM)	Metric tonne	49.5	40
Persistent Organic Pollutants (POC)	Metric tonne	0	0
Volatile organic compounds (VOC)	Metric tonne	0	0
Hazardous air pollutants (HAP)	Metric tonne	0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format: (BRSR Core Attribute 1: Green-house gas (GHG) footprint)**

Parameter	Unit	FY2025-26	FY2024-25
Total Scope 1 emissions	tCO_2e	10,458.71	12,131
Total Scope 2 emissions	tCO_2e	26,877.69	28,660
Total Scope 1 and Scope 2 emissions per rupee of turnover	tCO_2e/ ₹	0.0000027	0.0000032
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	tCO_2e/ $	0.00005	0.00007
Total Scope 1 and Scope 2 emission intensity in terms of physical output	tCO_2e/ MT	7.47	8.43

Note 1: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – No

Note 2: The contribution of renewable electricity in overall electricity consumption mix is 81%.

Note 3: For 'intensity per rupee of turnover', total revenue from operations has been considered as turnover as per note no. 6 of Audited Standalone Financial Statements.

Note 4: The intensity adjusted for PPP has been calculated basis the guidelines set forth in SEBI's circular dated December 20, 2024, which outlines Industry Standards Forum guidance for BRSR Core. The PPP factor has been sourced from IMF database https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND/FIN. For FY 2025-26, the PPP as per IMF stands at 20.34 whereas for FY 2024-25 it stood at 20.66.

Note 5: For physical output, intensity metrics are calculated by dividing the total annual GHG emissions by the total production quantity during the year.

Note 6: Reduction in scope 1 & 2 emissions is attributable to increased use of renewable fuels and electricity.

Note 7: The reported Scope 1 emissions have increased from 12,118 tCO_2e to 12,131 tCO_2e following a correction in the activity quantity data used for the calculation and even the intensity value.

Additional Notes:

Note 1: We report our emissions with reference to the latest Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol).

Note 2: Scope 1 Emission factors are reported as per the UN's Intergovernmental Panel on Climate Change (IPCC), 2006.

Note 3: Scope 2 Emissions are reported with grid emission factor from Version 21 of the Central Electrical Authority's CO_2 database.

8. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

   Yes, Solara continues to implement energy transition initiatives aimed at reducing greenhouse gas (GHG) emissions. During FY 2025-26 renewable energy constituted 81% of the overall electricity mix during the reporting period. These initiatives have contributed significantly to reducing the Company's dependence on conventional fossil fuel-based energy sources and lowering its overall carbon footprint.

9. **Provide details related to waste management by the entity, in the following format:**
   (BRSR Core Attribute 4: Embracing circularity – details related to waste management by the entity)

Parameter	Unit	FY2025-26	FY2024-25
Total Waste generated (in metric tonnes)			
Plastic waste (A)	MT	282.69	19
E-waste (B)	MT	2.31	1
Bio-medical waste (C)	MT	1.68	1
Construction and demolition waste (D)	MT	0	0
Battery waste (E)	MT	3.59	0
Radioactive waste (F)	MT	0	0
Other Hazardous waste. Please specify, if any. (G)	MT	26,499.410	20,415
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	MT	418.24	806
Total (A+B+C+D+E+F+G+H)	**MT**	**27,207.92**	**21,242**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	MT/ ₹	0.0000020	0.0000017
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	MT/ $	0.000040	0.000034
Waste intensity in terms of physical output (MT/ MT) (Total Waste Generated / Production)	MT/ MT	5.45	4.33
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)			
(i) Recycled	MT	22,457.28	17,962
(ii) Re-used	MT	9.74	9
(iii) Other recovery operations – Sludge recovery plant	MT	4,569.03	2,876
Total	**MT**	**27,036.05**	**20,847**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)			
Category of waste			
(i) Incineration	MT	73.57	12
(ii) Landfilling	MT	532.54	637
(iii) Other disposal operations	MT	0	0
Total	**MT**	**606.12**	**649**

Note 1: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

Note 2: The intensity adjusted for PPP has been calculated basis the guidelines set forth in SEBI's circular dated December 20, 2024, which outlines Industry Standards Forum guidance for BRSR Core. The PPP factor has been sourced from IMF database https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND/FIN. For FY 2025-26, the PPP as per IMF stands at 20.34 whereas for FY 2024-25 it stood at 20.66.

Note 3: For 'intensity per rupee of turnover, total revenue from operations has been considered as turnover as per note no. 6 of Audited Standalone Financial Statements.

Note 4: For physical output, intensity metrics are calculated by dividing the total annual waste generated by the total production quantity during the year.

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.**

    a) Evaluation of products and manufacturing routes through scientific literature and technical assessments to select processes involving less hazardous and toxic chemicals, while minimizing hazardous waste generation.

    b) Continuous process development and optimisation to reduce the use of hazardous and toxic substances in manufacturing operations.

    c) Ongoing initiatives focused on process and yield improvement, enhanced solvent recovery and recycling, and reduction of hazardous waste generation, including minimising waste sent for landfill and incineration.

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:

Sr No	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	NA	NA	NA

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA	NA	NA	NA	NA	NA

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

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 as we are compliant with all the applicable environmental law/ regulations/ guidelines				

LEADERSHIP INDICATORS

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

(i) Name of the area – **Puducherry, Bangalore and Cuddalore**

(ii) Nature of operations - Manufacturing plants in Puducherry and Cuddalore and Sales and Marketing Office in Bangalore

(iii) Water withdrawal, consumption and discharge in the following format

Parameter	Unit	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)			
(i) Surface water	KL	0	0
(ii) Groundwater	KL	35,718	39,383
(iii) Third party water	KL	2,16,306	122
(iv) Seawater / desalinated water	KL	0	0
(v) Others (Secondary Treated Effluent Water- STEW)[2]	KL	3,042	3,757
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)[3]	**KL**	2,55,066	43,262
Total volume of water consumption	**KL**	2,55,066	43,262
Water intensity per rupee of turnover[4]	**KL/ ₹**	0.000019	0.0000034
Water discharge by destination and level of treatment (In kiloliters)			
(i) Into Surface water		0	0
- No treatment		0	0
- With treatment – please specify level of treatment		0	0
(ii) Into Groundwater		0	0
- No treatment		0	0
- With treatment – please specify level of treatment		0	0
(iii) Into Seawater		0	0
- No treatment		0	0
- With treatment – please specify level of treatment		0	0
(iv) Sent to third-parties		0	0
- No treatment		0	0
- With treatment – please specify level of treatment		0	0

Parameter	Unit	FY 2025-26	FY 2024-25
(v) Others		0	0
- No treatment		0	0
- With treatment – please specify level of treatment		0	0
Total water discharged (in kiloliters)		**0**	**0**

Note 1: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – No

Note 2: In FY 2025-26, the Company reported STEW water in "Others" category of water withdrawal. The Puducherry facility sources Secondary Treated Effluent Water (STEW) from government-authorised sewage treatment infrastructure for industrial operations. This supports circular water management, reduces dependence on freshwater resources and aligns with the Government of Puducherry's wastewater reuse initiatives.

Note 3: The water withdrawal and discharge from and to water stress areas in FY 2024-25 was only considered for Puducherry. Sales and Marketing office in Bangalore, Corporate Office and R&D center in Chennai. However, in the current reporting year, the CGWA data base https://cgwb.gov.in/gw_status/ and Ground Water Risk Assessment (GWRA 2025) has been updated. Thus, the quantities for Cuddalore are also reported in this reporting year, considering their appropriate water-stress categorization and corroborating company locations of plants and offices in these locations. We have considered critical and over-exploited regions while reporting water stress in line with SEBI's BRSR guidance.

Note 4: For 'intensity per rupee of turnover', total revenue from operations has been considered as turnover as per note no. 6 of Audited Standalone Financial Statements https://solara.co.in/uploads/2026/5/Q4-Financial-Results.pdf?v=1778852097

2. **With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

   No significant impacts identified as per assessments and therefore, no prevention or remediation activities undertaken.

3. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr No	Initiative Undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Reduce carbon emissions	Using energy-efficient equipment and energy-efficient lighting in our offices	75% less energy than conventional lighting
2	Measures to conserve water	Use of sensor-based taps and use of aerators in taps to reduce water flow	Reduction of Water Consumption
3	Waste reduction	Installation of paddle dryer	Reduction in moisture content of waste resulted in reduction of waste quantity generated hence quantity disposed also reduced.

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

   The Company has established a comprehensive Emergency Preparedness and Business Continuity framework to proactively manage risks and ensure operational resilience during emergency situations. The framework includes documented procedures for fire incidents, natural disasters and other potential emergencies, supported by automated fire detection systems, defined evacuation protocols, clearly marked assembly points and compliant emergency exit routes. Regular maintenance of firefighting equipment, periodic mock drills, emergency response training and awareness programmes enhance preparedness across all facilities. Personal Protective Equipment (PPE) is provided to safeguard employees during emergency situations. In addition, the Business Continuity Plan addresses potential disruptions across the supply chain, including upstream and downstream transportation risks, enabling effective risk mitigation and continuity of critical business operations.

5. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

   No, the organization has not identified any significant adverse environmental impacts arising from its value chain during the reporting period.

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.

   We are affiliated with 4 industry chambers and 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 No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Pharmaceuticals Export Promotion Council of India	National
2	Federation of Indian Export Organisations	National
3	Southern Indian Chamber of Commerce & Industry	National
4	Export Promotion Council for EOUs & SEZs	National

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.

Name of authority	Brief of the case	Corrective action taken
Not applicable as no cases have been recorded due to unfair trade practices or anti-competitive behavior.		

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
Not Applicable					

2 Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable					

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

Solara provides a formal channel for external stakeholders, including customers, suppliers, communities, NGOs, and government bodies, to raise grievances via email. Upon receiving a complaint, the company constitutes a grievance committee that investigates the concern fairly and transparently, develops corrective actions, and communicates the resolution to the stakeholder. All grievances are recorded, acknowledged within five working days, investigated, and tracked through a structured grievance redressal process. The Company follows up with stakeholders after resolution to assess satisfaction, provides an escalation route to senior management if needed, and maintains confidential records until formal closure of the grievance. Refer to the community grievance policy for details: https://solara.co.in/uploads/2023/06/Community-Grievance-Policy.pdf

4 Percentage of input material (inputs to total inputs by value) sourced from suppliers: (BRSR Core Attribute 7: Enabling Inclusive Development)

Parameter	FY2025-26	FY2024-25
Directly sourced from MSMEs/ small producers	33%	20%
Directly from within India	71%	67%

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 (BRSR core attribute 7: Enabling Inclusive Development)

Parameter	FY2025-26	FY2024-25
Rural	Not applicable	Not applicable
Semi-urban	Not applicable	Not applicable
Urban	63.8%	79.4%
Metropolitan	36.2%	20.6%

Note: The disclosure is categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan: Content | Official Website of Reserve Bank of India

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

ESSENTIAL INDICATORS

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**
   Solara places strong emphasis on customer response and satisfaction, supported by a robust system for managing customer complaints and feedback. The Company has Quality Management System in place and the customer complaints are dealt with in accordance with the standards and operating procedures set out.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

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

Category	FY2025-26			FY2024-25		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at 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	-
Other: Quality	14	4	2 complaints were closed in April 2026, 1 case was closed in June 2026, and 1 case is in open state.			2 complaints were closed in April & May 2025 and for 01 Complaint, a final Investigation is shared with customer and feedback for closure is awaited.
Other: Packing issue	0	0	NA	15	4	Final Investigation shared with customers for the 04 open complaints and awaiting customer feedback for final closure.
Other: Other Category	11	3	1 complaint was closed in April 2026 and 2 were closed in May 2026.	3	0	NA

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

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**
   Solara upholds the Information Security Policy and ensures that all staff members receive training on th policy. The policy outlines the procedures for safeguarding and managing the Company's information and assets. Additionally, it establishes clear roles and responsibilities for information protection and managing cyber incidents. Weblink: https://solara.co.in/investor-relations/policies-and-guidelines/

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 / service**
   Active monitoring of cyber security for Solara Active Pharma Sciences Limited is handled both internally and by third-party experts. Routine reviews are carried out, and necessary steps are taken to enhance the cyber security measures. Employees are educated on data privacy awareness, and new procedures for data privacy requirements are being reviewed and prepared for implementation.

7. **Provide the following information relating to data breaches:**
   (BRSR Core Attribute 8: Fairness in Engaging with Customers and Suppliers)

   a. Number of instances of data breaches – Nil

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

   C. Impact, if any, of the data breaches -Nil

Independent Auditor's Report

To The Members of

Solara Active Pharma Sciences Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone financial statements of Solara Active Pharma Sciences Limited (the "Company"), which comprise the Balance Sheet as at March 31, 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 standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its loss and other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue Recognition** (Refer note 2.1 (iii) and note 26 of the standalone financial statements) The Company's revenue mainly arose from sale of pharmaceutical products, which are in the nature of API (i.e. Active Pharmaceutical Ingredient). The Company recognises revenue based on the terms and conditions of transactions, which vary with different customers. For sales transactions in a certain period around balance sheet date, it is essential to ensure whether the transfer of control of the goods by the Company to the customer occurs before the balance sheet date or otherwise. Considering that there are significant volume of sales transactions close to the year end, involving material amounts and such revenue recognition is subject to whether transfer of control to the customer has occurred before the balance sheet date or otherwise, we consider the risk of revenue from sale of goods being recognised in the incorrect period, a key audit matter.	**Principal audit procedures performed included the following:** We evaluated the design of internal controls over recognition of revenue in the appropriate period in accordance with the Company's accounting policy. On a sample basis, we tested the operating effectiveness of the internal control relating to the determination of point of time at which the transfer of control of the goods occurs. We tested the relevant information technology systems used in recording the revenue including Company's system generated reports, based on which selection of samples was undertaken. On sample basis, we performed test of details of sales recorded close to year end through following procedures: – Analysed the terms and conditions of the underlying contract with the customers; and – Verified the evidence for the transfer of control of the goods prior to the balance sheet date or otherwise, from relevant supporting documents.

Sr. No.	Key Audit Matter	Auditor's Response
2.	**Impairment assessment of Goodwill Relating to Human API Business and related Cash Generating Unit ("CGU"):** Refer note 7 of the standalone financial statements. The Company carried Goodwill of ₹ 364.90 Crores as at Balance Sheet date arising from past Acquisitions. As Indicated in note 2.1 (xv) to the Standalone financial statements, the Management of the Company assesses the Impairment of the Goodwill and related assets of CGU annually or more frequently when impairment indicators exist The Carrying value of the Goodwill and related assets of CGU will be recovered through future cash flows and there is a risk of impairment loss where the actual cash flows are less than expected. The Impairment assessment performed by the Management contained a number of significant judgements and estimates including short and long-term growth rates and discount rate. We focused on this area because of the significance of the balance and the significant judgements and assumptions involved in Impairment assessment by the Management about the future results of the Human API Business	**Principal Audit Procedures performed included the following:** • We assessed the Management's process for impairment assessment of goodwill and related assets of CGU. • Evaluated the design and implementation of the Management's internal control around the impairment assessment process and the related disclosure. • Tested the operating effectiveness of the above controls. • Understood the key assumptions considered in the Management's estimates of future cash flows. • Involving our valuation specialists, we evaluated the terminal growth rate considered in the estimates of future cash flows and the discount rate used in the calculations. • Compared the historical cash flows (including for current year) against past projections of the Management for the same periods and gained understanding of the rationale for the changes. • Performed sensitivity analysis on the Key assumptions within the forecast cash flows and focused our attention on those assumptions we considered most sensitive to the changes such as revenue growth and profitability during the forecast period, the terminal growth rate and discount rate applied to the future cash flows. • We tested management workings of the extent to which a change in these assumptions both individually or in aggregate would result in impairment and considered the likelihood of such events occurring. We further assessed the adequacy and accuracy of the disclosures made in the standalone financial Statements for the year ended March 31, 2026.

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 Board's report, Management Discussion and Analysis, Corporate Governance Report and Business Responsibilities and Sustainability report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Board's report, Management Discussion and Analysis, Corporate Governance Report and Business Responsibilities and Sustainability report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the Board's report, Management Discussion and Analysis, Corporate Governance Report and Business Responsibility and Sustainability Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Board of Directors for the Standalone Financial Statements

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

selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

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

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for not complying with the requirement of audit trail as stated in (i) (vi) below.

   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 March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.

   f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.

   g) 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.

   h) 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.

   i) 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 37 to the standalone financial statements.

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

      iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 47(h) to the standalone financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 47(i) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

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 March 31, 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 except that in respect of one accounting software, audit trail was not enabled for certain critical tables (refer note 48 to the standalone financial statements). Accordingly, we are unable to comment on whether there was any instance of the audit trail feature being tampered with.

Additionally, the audit trail that was enabled and operated has been preserved by the Company as per the statutory requirements for record retention, as stated in Note 48 to the standalone financial statements.

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)

Sandeep Kukreja
(Partner)
(Membership No. 220411)
(UDIN: 26220411ZVQSGU3720)

Place: Bengaluru
Date: May 15, 2026

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(g) 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 **Solara Active Pharma Sciences Limited** (the "Company") as at March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S 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 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 standalone 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 standalone 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 standalone financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

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

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 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

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For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sandeep Kukreja
(Partner)
(Membership No. 220411)
(UDIN: 26220411ZVQSGU3720)

Place: Bengaluru
Date: May 15, 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 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) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, 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, capital work-in-progress, investment properties and right-of-use assets 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 lessee and lease agreements are duly executed in favour of the Company) disclosed in the standalone financial statements included in property, plant and equipment, according to the information and explanations given to us and the sale deed provided to us and confirmation directly received by us from the lenders in case of land and buildings whose title deeds have been pledged as security for loans, we report that, the title deeds of such immovable properties are not held in the name of the Company as at the balance sheet date:

Description of the property	As at the Balance Sheet Date (₹ in crores)		Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
	Gross carrying value	Carrying value in the standalone financial statements				
Freehold Land	0.21	0.21	Shasun Drugs wholly owned by Messrs . Shasun Chemicals (Madras) Pvt. Ltd.	No	October 01, 2017	The title deeds are in the name of transferor Companies, which were transferred to the Company pursuant to the Composite Scheme of Arrangement as approved by the National Company Law Tribunal. The Company is in the process of transferring in its name.
Freehold Land	0.33	0.33	Shasun Chemicals and Drugs Limited	No	October 01, 2017	
Freehold Land	2.09	2.09	Strides Shasun Limited	No	October 01, 2017	
Freehold Land	0.14	0.14	Shasun Pharmaceuticals Limited	No	October 01, 2017	
Freehold Land	52.18	52.18	Sequent Scientific Limited	No	October 01, 2017	
Buildings	44.53	30.92	Sequent Scientific Limited	No	October 01, 2017	
Buildings	91.78	65.19	Shasun Drugs wholly owned by Messrs . Shasun Chemicals (Madras) Pvt. Ltd.	No	October 01, 2017	
	191.26	**151.06**				

d) The Company has not revalued its property, plant and equipment (including Right of use asset) and intangible assets during the year.

e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 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 the 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 has been obtained and in respect of goods in-transit, the goods have been received subsequent to the year end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements, working capital positions and statements on ageing analysis of debtors 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 investment, provided guarantee and granted unsecured loans or advances in the nature of loans to Companies or any other parties, in respect of which:

a) The Company has not provided any loans or advances in the nature of loans or provided security to any other entity during the year. However, stood guarantee during the year and details of which are given below:

₹ in Crores

	Guarantees
A. Aggregate amount granted during the year	
- Subsidiary	50.00
B. Balance outstanding as at balance sheet date in respect of above cases:	
- Subsidiary	50.00

b) The investment made, guarantee provided and the terms and conditions of all advances in the nature of loans and guarantee provided are in our opinion, prima facie, 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 not been stipulated and in the absence of such schedule, we are unable to comment on the regularity of the repayments of principal amounts and payment of interest. (Refer reporting under clause (iii)(f) below).

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) None of the loans or advances in the nature of loans granted by the Company have fallen due during the year.

f) The Company has granted advances in the nature of loans which are repayable on demand or without specifying any terms or period of repayment details of which are given below details of which are given below:

₹ in Crores

	All Parties	Promoters	Related Parties
Aggregate of advances in nature of loans			
Repayable on demand (A)	-	-	-
Agreement does not specify any terms or period of repayment (B)	8.89	-	8.89
Total (A+B)	**8.89**	**-**	**8.89**
Percentage of advances in nature of loans to the total loans	100%	-	100%

* The amounts reported are at gross amounts, without considering provision made.

iv) The Company has not granted any loans, made investments or provided guarantees that are covered under the provisions of Sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause (iv) of the Order is not 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 cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii) In respect of statutory dues:

a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities in all cases during the year. We have been informed that the provisions of the Sales tax, Service tax, duty of excise, Value Added Tax are not applicable to the Company.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues in arrears as at March 31, 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) which have not been deposited as on March 31, 2026 on account of disputes are given below:

Name of the Statute	Nature of Dues	Forum where dispute is pending	Period to which the Amount relates	Amount involved (₹ in Crore)	Amount unpaid ₹ in Crore)
Central Excise Act, 1944	Central Excise	Commissioner of GST & Central Excise	F.Y. 2011-12 to F.Y. 2017-18	2.74	2.74
Finance Act, 1994	Service Tax	Commissioner of GST & Central Excise	F.Y. 2017-18	0.17	0.17
Customs Act, 1962	Merchandise Exports from India Scheme	Commissioner of Customs	F.Y. 2018-19 to F.Y. 2020-21	2.77	2.77
Customs Act, 1962	Basic Custom Duty	Customs Excise & Service Tax Appellate Tribunal	F.Y. 2017-18	0.12	0.12
Customs Act, 1962	Duty Drawback	Commissioner of Customs	FY 2020-21 to FY 2021-22	0.16	0.16
Employees Provident Fund Act 1952	Provident Fund	The Central Government Industrial Cum Labour Court, Chennai	F.Y. 2009-10 to 2014-16	0.66	-
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	FY 2017-28 and FY 2019-20	105.08	-
Income Tax Act, 1961	Income Tax	Commissioner of Income-tax (Appeals)	FY 2018-19, FY 2021-22 to FY 2023-24	300.36	161.92

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 to bank. There are no borrowings from financial institutions and government, and the Company has not issued any debentures.

b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

d) On an overall examination of the standalone 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 Standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company did not have any associate or joint venture during the year.

f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries companies. The Company did not have any associate or joint venture during the year.

x) a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (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 (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 ended March 31, 2026.

b) To the best of our knowledge, no report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

c) We have taken into consideration the whistle blower complaints received by the Company during the year and provided to us, when performing our audit.

xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.

xiv) a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto December 2025 and the draft of the internal audit reports where issued after the balance sheet date covering the period January 2026 to March 2026 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 persons connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi) a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b), (c) not applicable.

b) The Group ("Companies in the Group") as defined in the Core Investment Companies (Reserve Bank) Directions) does not have any CIC (Core Investment Company) as part of the group and accordingly reporting under clause (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 standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date {refer note 2.1(ii)}. 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 is having net worth of rupees five hundred crore or more during the immediately preceding financial year. Hence, provisions of Section 135 of the Act are applicable to the Company during the year. However, considering that the Company has been incurring losses in the preceding three financial years, no amount is required to be spent by the Company.

(b) The Company do not have amount remaining unspent under sub-section (5) of Section 135 of the Companies Act, pursuant to any ongoing project, which needs to be transferred to special account in compliance with the provisions sub-section (6) of Section 135 of the said Act.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sandeep Kukreja
(Partner)
(Membership No. 220411)
(UDIN: 26220411ZVQSGU3720)

Place: Bengaluru
Date: May 15, 2026

Standalone Balance Sheet

as at March 31, 2026

₹ in Crores

Particulars		Note No.	As at March 31, 2026	As at March 31, 2025
A	**ASSETS**			
I	**Non-current assets**			
	(a) Property, plant and equipment	3	786.58	732.08
	(b) Right-of-use assets	4(i)	57.23	57.74
	(c) Capital work in progress	5	204.79	280.05
	(d) Investment property	6	-	2.28
	(e) Goodwill	7	364.90	364.90
	(f) Other intangible assets	8	22.20	29.80
	(g) Financial assets			
	(i) Investments	9	1.63	1.70
	(ii) Loans	10(i)	-	-
	(iii) Other financial assets	11(i)	16.74	16.32
	(h) Deferred tax assets (net)	12	-	-
	(i) Income tax assets (net)	13	6.63	4.51
	(j) Other non-current assets	14(i)	7.20	7.12
	Total non-current assets		**1,467.90**	**1,496.50**
II	**Current assets**			
	(a) Inventories	15	317.87	317.90
	(b) Financial assets			
	(ii) Trade receivables	16	438.87	326.57
	(ii) Cash and cash equivalents	17	4.00	3.81
	(iii) Bank balances other than (ii) above	18	0.16	0.16
	(iv) Loans	10(ii)	0.03	0.02
	(v) Other financial assets	11(ii)	6.25	12.36
	(c) Other current assets	14(ii)	41.51	67.78
	Total current assets		**808.69**	**728.60**
	Total assets (I + II)		**2,276.59**	**2,225.10**
B	**EQUITY AND LIABILITIES**			
I	**Equity**			
	(a) Equity share capital	19	44.51	40.25
	(b) Other equity	20	1,210.93	1,055.96
	Total equity		**1,255.44**	**1,096.21**
II	**Liabilities**			
I	**Non-current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	21(i)	60.94	113.86
	(ii) Lease liabilities	4(ii)	19.21	17.77
	(iii) Other financial liabilities	22(i)	-	0.42
	(b) Provisions	23(i)	53.47	58.77
	Total non-current liabilities		**133.62**	**190.82**
	Current liabilities			
2	(a) Financial liabilities			
	(i) Borrowings	21(ii)	554.09	662.20
	(ii) Lease liabilities	4(ii)	2.81	2.25
	(iii) Trade payables			
-	Dues of micro and small enterprises	25	19.19	37.99
-	Dues of other than micro and small enterprises	25	248.39	203.58
	(iv) Other financial liabilities	22(ii)	32.86	18.91
	(b) Provisions	23(ii)	13.88	2.23
	(c) Other current liabilities	24(i)	16.31	10.91
	Total current liabilities		**887.53**	**938.07**
	Total liabilities		**1,021.15**	**1,128.89**
	Total equity and liabilities (I + II)		**2,276.59**	**2,225.10**

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration Number: 117366W/W-100018

Sandeep Kukreja
Partner
Membership Number: 220411

Place : Bengaluru
Date : May 15, 2026

For and on behalf of Board of Directors

Sandeep Rao
Managing Director & Chief Executive Officer
DIN: 10838251

Place : Ooty
Date : May 15, 2026

Mohanraj S
Whole Time Director
DIN: 08420411

Place : Ooty
Date : May 15, 2026

Sarat Kumar
Chief Financial Officer

Place : Ooty
Date : May 15, 2026

Pooja Jaya Kumar
Company Secretary
Membership Number: A57415

Place : Bengaluru
Date : May 15, 2026

Standalone Statement of Profit and Loss

for the year ended March 31, 2026

₹ in Crores

Particulars		Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
1	REVENUE FROM OPERATIONS	26	1,368.98	1,283.76
2	Other income	27	5.89	9.14
3	**Total income (1+2)**		**1,374.87**	**1,292.90**
4	EXPENSES			
	(a) Cost of materials consumed	28	672.77	581.66
	(b) Purchases of stock-in-trade	29	3.49	5.75
	(c) Changes in inventories of finished goods, stock-in-trade and work in progress	30	8.25	39.00
	(d) Employee benefits expenses	31	219.20	211.68
	(e) Finance costs	32	94.24	114.81
	(f) Depreciation and amortisation expenses	33	99.68	99.25
	(g) Other expenses	34	278.59	241.83
	Total expenses (4)		**1,376.22**	**1,293.98**
5	LOSS BEFORE TAX AND EXCEPTIONAL ITEM (3-4)		**(1.35)**	**(1.08)**
6	EXCEPTIONAL ITEM - LOSS	35	(5.89)	-
7	LOSS BEFORE TAX (5 + 6)		**(7.24)**	**(1.08)**
8	TAX EXPENSES	36		
	(a) Current tax		-	-
	(b) Deferred tax		-	-
	Total tax expenses (8)		**-**	**-**
9	LOSS FOR THE YEAR (7-8)		**(7.24)**	**(1.08)**
10	OTHER COMPREHENSIVE INCOME			
A	**Items that will not be reclassified subsequently to profit or loss:**			
(i)	Remeasurement gains of defined benefit plans		3.27	1.06
(ii)	Income tax relating to items that will not be reclassified subsequently to profit or loss		-	-
	Total other comprehensive income for the year (10)		**3.27**	**1.06**
11	TOTAL COMPREHENSIVE LOSS FOR THE YEAR (9+10)		**(3.97)**	**(0.02)**
12	EARNINGS PER EQUITY SHARE (FACE VALUE OF ₹ 10/- EACH)	40		
	- Basic (in ₹)		(1.64)	(0.27)
	- Diluted (in ₹)		(1.64)	(0.27)

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration Number: 117366W/W-100018

Sandeep Kukreja
Partner
Membership Number: 220411

Place : Bengaluru
Date : May 15, 2026

For and on behalf of Board of Directors

Sandeep Rao
Managing Director & Chief Executive Officer
DIN: 10838251
Place : Ooty
Date : May 15, 2026

Mohanraj S
Whole Time Director
DIN: 08420411
Place : Ooty
Date : May 15, 2026

Sarat Kumar
Chief Financial Officer

Place : Ooty
Date : May 15, 2026

Pooja Jaya Kumar
Company Secretary
Membership Number: A57415

Place : Bengaluru
Date : May 15, 2026

Standalone Statement of Changes in Equity
for the year ended March 31, 2026

A. EQUITY SHARE CAPITAL

₹ in Crores

Particulars	Amount
Balance as at April 01, 2024	**36.00**
Changes in equity share capital during the year	
- Shares issued pursuant to Rights issue (refer note 50)	4.19
- Shares issued pursuant to exercise of stock options (refer note 42)	0.06
Balance as at March 31, 2025	**40.25**
Changes in equity share capital during the year	
- Shares issued pursuant to Rights issue (refer note 50)	4.14
- Shares issued pursuant to exercise of stock options (refer note 42)	0.12
Balance as at March 31, 2026	**44.51**

B. OTHER EQUITY

₹ in Crores

Particulars	Reserves and Surplus				Other items of other comprehensive income	Total equity
	Capital reserve	Securities premium	Retained earnings	Share options outstanding account	Remeasurement of the defined benefit liabilities/ (asset)	
Balance as at April 01, 2024	0.01	1,216.03	(295.37)	1.65	(20.90)	901.42
Loss for the year	-	-	(1.08)	-	-	(1.08)
Other comprehensive income for the year	-	-	-	-	1.06	1.06
Issue of shares pursuant to exercise of share options (refer note 42)	-	-	-	(0.75)	-	(0.75)
Premium on Issue of Share during the year pursuant to ESOP (refer note 42)	-	2.24	-	-	-	2.24
Premium on Issue of Share during the year pursuant to Right issue (refer note 50)	-	153.28	-	-	-	153.28
Share based compensation expense	-	-	-	2.68	-	2.68
Transfer to retained earnings on stock options lapsed during the year	-	-	0.29	(0.29)	-	-
Share issue expenses related to Rights issue (net of tax)	-	(2.89)	-	-	-	(2.89)
Balance as at March 31, 2025	**0.01**	**1,368.66**	**(296.16)**	**3.29**	**(19.84)**	**1,055.96**
Loss for the year	-	-	(7.24)	-	-	(7.24)
Other comprehensive income for the year	-	-	-	-	3.27	3.27
Issue of shares pursuant to exercise of stock options (refer note 42)	-	-	-	(2.12)	-	(2.12)
Premium on Issue of Share during the year pursuant to ESOP (refer note 42)	-	5.22	-	-	-	5.22
Premium on Issue of Share during the year pursuant to Right issue (refer note 50)	-	151.17	-	-	-	151.17
Share based compensation expense	-	-	-	4.67	-	4.67
Transfer to retained earnings on stock options lapsed during the year	-	-	0.44	(0.44)	-	-
Balance as at March 31, 2026	**0.01**	**1,525.05**	**(302.96)**	**5.40**	**(16.57)**	**1,210.93**

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration Number: 117366W/W-100018

Sandeep Kukreja
Partner
Membership Number: 220411

Place : Bengaluru
Date : May 15, 2026

For and on behalf of Board of Directors

Sandeep Rao
Managing Director & Chief Executive Officer
DIN: 10838251

Place : Ooty
Date : May 15, 2026

Mohanraj S
Whole Time Director
DIN: 08420411

Place : Ooty
Date : May 15, 2026

Sarat Kumar
Chief Financial Officer

Place : Ooty
Date : May 15, 2026

Pooja Jaya Kumar
Company Secretary
Membership Number: A57415

Place : Bengaluru
Date : May 15, 2026

Standalone Statement of Cash Flows

for the year ended March 31, 2026

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Loss before tax for the year	**(7.24)**	**(1.08)**
Adjustments for:		
Depreciation and amortisation expenses	99.68	99.25
Finance costs	94.24	114.81
Share based compensation expenses (net of reversals)	4.67	2.68
Rental income from investment property	(1.07)	(1.02)
Interest income	(1.08)	(0.76)
Liabilities / provisions no longer required written back	(0.49)	(5.25)
Loss on sale and / or write-off of property, plant and equipment	0.26	0.08
Impairment on investments in subsidiary	-	0.05
Bad debts written off / Allowance for doubtful trade and other receivables	4.23	3.79
Unrealised exchange (gain) / loss (net)	0.24	(1.47)
Operating cash flows before working capital changes	**193.44**	**211.08**
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	0.03	41.80
Trade receivables	(111.76)	19.74
Other assets (financial & non-financial)	32.25	(10.03)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	26.03	(59.33)
Other liabilities (financial & non-financial)	15.02	10.44
Cash generated from operations	**155.01**	**213.70**
Net income tax paid	(2.12)	(0.90)
Net cash flow generated from operating activities (A)	**152.89**	**212.80**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure for property, plant and equipment and intangible assets, including capital advances	(52.82)	(39.94)
Proceeds from sale of property, plant and equipment	0.51	0.38
Payment made for investment in Subsidiary	(0.01)	-
Proceeds from sale of investments in other entities	0.08	0.96
Interest received	1.03	0.75
Rental income from investment property	1.07	1.02
Net cash flow utilised in investing activities (B)	**(50.14)**	**(36.83)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares	158.52	159.02
Share issue expenses	-	(2.89)
Proceeds from non-current borrowings	-	75.00
Repayment of non-current borrowings	(88.90)	(110.95)
Net increase / (decrease) in current borrowings	(76.81)	(185.43)
Lease payments	(3.63)	(2.13)
Finance costs	(91.74)	(113.10)
Net cash flow utilised in financing activities (C)	**(102.56)**	**(180.48)**
Net increase in cash and cash equivalents (A+B+C)	**0.19**	**(4.51)**
Cash and cash equivalents at the beginning of the year	3.81	8.32

Standalone Statement of Cash Flows

for the year ended March 31, 2026

Reconciliation of cash and cash equivalents with the Standalone Balance Sheet:

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash and cash equivalents as per Standalone Balance Sheet (Refer note 17)	4.00	3.81
Cash and cash equivalents at the end of the year *	**4.00**	**3.81**
*** Comprises**		
Cash on hand	0.01	0.02
Balance with banks:		
- In current accounts	2.86	3.00
- In deposit accounts	1.13	0.79
Total	**4.00**	**3.81**

Note

1. Refer Note 4(ii) and note 21(iii) for supplementary information on standalone statement of cash flows.

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration Number: 117366W/W-100018

Sandeep Kukreja
Partner
Membership Number: 220411

Place : Bengaluru
Date : May 15, 2026

For and on behalf of Board of Directors

Sandeep Rao
Managing Director & Chief Executive Officer
DIN: 10838251
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Sarat Kumar
Chief Financial Officer

Place : Ooty
Date : May 15, 2026

Pooja Jaya Kumar
Company Secretary
Membership Number: A57415

Place : Bengaluru
Date : May 15, 2026

1 BACKGROUND

Solara Active Pharma Sciences Limited (hereinafter referred as “the Company”) is a public limited Company incorporated on February 23, 2017 under the provisions of Companies Act, 2013 with the object of, inter alia, undertaking the business of manufacturing, production, processing, formulating, sale, import, export, merchandising, distributing, trading of and dealing in active pharmaceutical ingredients. The Company has its registered address at 'Cyber One', Unit No. 902, Plot No. 4 & 6, Sector 30A, Vashi, Navi Mumbai - 400 703.

The standalone financial statements were approved by the Board of Directors and authorised for issue on May 15, 2026.

These financial statements comprise the standalone balance sheet of the Company, standalone statement of profit and loss (including other comprehensive income) and standalone statement of cash flows, standalone statement of changes in equity and material accounting policies and other explanatory information (together the “standalone financial statements).

2.1 Material accounting policies

(i) Statement of compliance

These standalone financial statements have been prepared to comply in all material aspects with the 'Indian Accounting Standards' ("Ind AS") notified under Section 133 of the Companies Act, 2013(the "Act") read with Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter, as applicable to the Company, and other relevant provisions of the Act.

(ii) Basis of measurement

The standalone financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value as described in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange of assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Going Concern

The Company has incurred a loss of ₹ 7.24 crores for the year ended March 31, 2026. As of March 31, 2026, the Company has accumulated losses of ₹ 319.53 crores and its net current liabilities exceed its net current assets by ₹ 78.84 crores.

To mitigate the situation and adequately fund its operations, the Company has sent the second and final call notice to the eligible members as on the record date calling for the balance amount of ₹ 134.99 crores of its rights issue. The Company continues to expect the renewal of its working capital facilities, as and when required, in the normal course of business and also increase revenues and margins on its products and accordingly expects to continue to have cash inflows from operations that are adequate enough to meet all future obligations as they fall due. Based on the above, the Board of directors have approved the preparation of the standalone financial results on a going concern basis.

(iii) Revenue recognition

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government) and is recorded net of provisions for sales discounts and returns, which are established at the time of sale. Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional.

Sale of goods

The Company receives revenue for supply of pharmaceutical products to external customers against orders received. The majority of these contracts contain single performance obligation for supply of goods. The average duration of a customers' order is less than 12 months.

Revenue from sale of goods is recognised upon transfer of control to the customer. The point at which control passes depends on the terms set forth in the customer's contract. Generally, the control is transferred upon shipment of the product to the customer or when the product is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the product sold.

'Bill and hold' sales, in which delivery is delayed at the buyer's request but the buyer takes title and accepts billing, revenue is recognised when the buyer takes title, provided:

(a) the buyer specifically requests the deferred delivery;

(b) the product is identified separately as belonging to buyer;

(c) the product is on hand and ready for delivery to the buyer at the time the sale is recognised;

(d) the seller does not have ability to use product or direct to another buyer; and

(e) the usual payment terms apply."

Sale of services

Revenue from development services is recognised on achievement of a development milestone and when it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

Share of Profit

Share of profits under manufacturing and supply agreements with customers are accrued based on sales as confirmed by the customers.

(iv) Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(v) Export Incentives

Export incentives are accrued for based on fulfilment of eligibility criteria for availing the incentives and when there is no uncertainty in receiving the same. These incentives include estimated realisable values/benefits from special import licenses and benefits under specified schemes as applicable.

(vi) Leases

The Company as lessor

"Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

The Company as lessee

The Company at the inception of the lease contract recognizes a Right-of-Use (RoU) .The Company assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves–

(a) the use of an identified asset,

(b) the right to obtain substantially all the economic benefits from use of the identified asset, and

(c) the right to direct the use of the identified asset.

The Company at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. 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.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

(vii) Foreign currencies transactions and translation

Items included in the standalone financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated. Income and expense items in foreign currency are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used..

(viii) Borrowing costs

Borrowing costs include:

(i) interest expense calculated using the effective interest rate method,

(ii) finance charges in respect of finance leases, and

(iii) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in standalone statement of profit and loss in the period in which they are incurred.

(ix) Employee benefits

Short term obligations

Liabilities for wages and salaries, including other benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Retirement benefit costs and termination benefits

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit and loss. Past service cost is recognised in standalone statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in standalone statement of profit and loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the standalone balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Defined contribution plan

Contribution to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related services are recognized as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

The Company presents the entire obligation for compensated absences as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement beyond 12 months from the reporting date.

(x) Taxation

The income tax expense or credit for the year is the tax payable on the current year's taxable income, based on the applicable income tax rate for each jurisdiction adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the standalone statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences and losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set-off against future tax liability. Accordingly, MAT is recognised as deferred tax asset in the Standalone Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Current and deferred tax for the year

Current and deferred tax are recognised in standalone statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

(xi) Exceptional items

Exceptional items comprise income or expenses arising from events or transactions that are significant by virtue of their size, nature, or incidence and are not expected to recur frequently in the normal course of business. These items, though arising from ordinary activities, are considered exceptional when their separate disclosure is necessary to enable users to obtain a proper understanding of the Company's financial performance. Accordingly, such items are presented separately in the Standalone Statement of Profit and Loss.

(xii) Property, plant and equipment

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the standalone balance sheet at cost less accumulated depreciation and accumulated impairment losses.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Freehold land is not depreciated.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Right-of-use assets are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Depreciation on Property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed to be different and are as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Building :	10 - 60 years
Plant & Machinery :	8 - 20 years
Vehicles :	5 years
Office Equipment :	3 - 5 years"

Individual assets costing less than ₹ 5,000 are depreciated in full in the year of purchase.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in standalone statement of profit and loss.

(xiii) Investment property

Properties that is held for long-term rentals or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of the investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment property are depreciated using the straight line method over their estimated useful lives. Investment properties generally have a useful life of 25-40 years. The useful life has been determined based on technical evaluation performed by the Management's expert.

(xiv) Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in standalone statement of profit and loss when the asset is derecognised.

Useful lives of intangible assets

Intangible assets are amortised over their estimated useful life on straight line method as follows:

Product portfolio :	10 years
Software Licenses :	3 - 5 years
Registration and brands :	5 - 10 years

(xv) Impairment of assets

Impairment of financial assets:

The Company assesses at each date of balance sheet, whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the twelve-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly, since initial recognition.

Impairment of investment in subsidiaries

The Company reviews its carrying value of investments in subsidiaries at cost, annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Impairment of goodwill

For the purposes of impairment testing, goodwill is allocated to cash-generating units. The allocation is made to those cash generating units or groups of cash generating units that are expected to benefit from the business combination in which such goodwill arose.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in standalone statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Impairment of non-financial assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of 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 the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in standalone statement of profit and loss.

(xvi) Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads. Cost is determined as follows:

Raw materials, packing materials and consumables: weighted average basis

Work-in progress: at material cost and an appropriate share of production overheads

Finished goods: material cost and an appropriate share of production overheads

Stock-in trade: weighted average basis

(xvii) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

(xviii) Contingent liabilities

Contingent liabilities are disclosed in notes when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(xix) Financial instruments

Investment in subsidiaries

The Company has accounted for its investments in subsidiaries at cost less impairment.

Other financial assets and financial liabilities

Other financial assets and financial liabilities are recognised when Company becomes a party to the contractual provisions of the instruments.

Initial recognition and measurement:

Other financial assets and financial liabilities are 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. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in standalone statement of profit and loss.

Subsequent measurement:

Financial assets at amortised cost: Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and contractual terms of 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 at fair value through profit or loss: Financial assets are measured at fair value through profit or loss unless it measured at amortised cost or fair value through other comprehensive income on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the standalone statement of profit and loss.

Financial liabilities are measured at amortised cost using effective interest rate method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial assets and liabilities:

The Company derecognises the financial asset only when the contractual rights to the cashflows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of the ownership of the asset to the other entity . If the Company neither transfers nor retains substantially all risks and rewards of ownership and continues to control the transferred asset , the Company recognizes its retained interest in the asset and associated liability for the amounts it may have to pay. If the Company retains substantially all risks and rewards of the ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in standalone statement of profit or loss. Financial liabilities are derecognised when these are extinguished , that is when the obligation is discharged, cancelled or has expired.The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost.

(xx) Operating Cycle

Based on the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months. The above basis is used for classifying the assets and liabilities into current and non-current as the case may be.

(xix) Statement of Cash flows

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(xxii) Key sources of estimation uncertainty

Key sources of estimation uncertainty In the application of the Company's accounting policies, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these 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 following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impairment of goodwill and other non-financial assets

Determining whether the asset is impaired requires to assess the recoverable amount of the asset or Cash Generating Unit (CGU) which is compared to the carrying amount of the asset or CGU, as applicable. Recoverable amount is the higher of fair value less costs of disposal and value in use. Where the carrying amount of an asset or CGU exceeds the recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a impairment loss may arise.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This assessment may result in change in the depreciation expense in future periods.

Defined benefit plans and compensated absences:

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Income taxes

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of deferred tax assets considered realisable, however, could reduce in the near term if estimates of future taxable income during the carry-forward period are reduced.

Controlling parties assessment

The Company performs assessment for identification of controlling parties. The assessment involves judgements which included consideration of controlling parties' absolute size of holding in the Company, determination of whether other parties are acting on the investor's behalf, determination of whether parties have the practical ability to exercise that right and the relative size of and dispersion of the shareholdings owned by the other shareholders. Based on assessment, the Company is not controlled by any single shareholder or group of shareholders.

Going Concern

The Management has prepared cash flow forecasts for the next 12 months. The forecasts include assumption such revenue projection, increase in gross margin and EBITDA due to cost control measures and strategic focus to maintain reduced inventory levels.

Inventory

The Company estimates the net realisable value (NRV) of its inventories by taking into account their estimated selling price, estimated cost of completion, estimated costs necessary to make the sale. Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realisable value. Inventories are written down to NRV where such NRV is lower than their cost.

Litigations

The Company is a party to certain direct and indirect tax disputes. Uncertain tax items for which a provision is made relate principally to the interpretation of tax legislation applicable to arrangements entered into by the Company. Due to the uncertainty associated with such tax items, it is possible that, on conclusion of open tax matters at a future date, the final outcome may differ significantly.

Notes
to the standalone financial statements for the year ended March 31, 2026

NOTE NO. 3 PROPERTY, PLANT AND EQUIPMENT

₹ in Crores

Particulars	Gross Block					Accumulated Depreciation					Net Block	
	As at April 01, 2025	Additions	Disposals	Reclassification*	As at March 31, 2026	As at April 01, 2025	Depreciation for the year	Eliminated on disposal	Reclassification*	As at March 31, 2026	As at March 31, 2026	As at March 31, 2025
Freehold Land	71.66	-	-	-	71.66	-	-	-	-	-	71.66	71.66
	(71.66)	-	-	-	(71.66)	-	-	-	-	-	(71.66)	(71.66)
Leasehold Improvements	3.48	3.70	-	-	7.18	2.89	0.77	-	-	3.66	3.52	0.59
	(3.48)	-	-	-	(3.48)	(2.42)	(0.47)	-	-	(2.89)	(0.59)	(1.06)
Buildings	329.99	23.62		3.02	356.63	80.90	11.98	-	0.85	93.73	262.90	249.09
	(328.26)	(1.73)	-	-	(329.99)	(69.16)	(11.74)	-	-	(80.90)	(249.09)	(259.10)
Plant and machinery	866.62	102.18	2.93	-	965.87	463.00	68.05	2.24	-	528.81	437.06	403.62
	(857.43)	(14.72)	(5.53)	-	(866.62)	(399.46)	(68.61)	(5.07)	-	(463.00)	(403.62)	(457.97)
Furniture and fixtures	6.77	0.15	0.05	-	6.87	4.87	0.47	0.03	-	5.31	1.56	1.90
	(6.77)	-	-	-	(6.77)	(4.33)	(0.54)	-	-	(4.87)	(1.90)	(2.44)
Vehicles	1.70	-	-	-	1.70	1.17	0.12	-	-	1.29	0.41	0.53
	(1.38)	(0.32)	-	-	(1.70)	(1.06)	(0.11)	-	-	(1.17)	(0.53)	(0.32)
Office equipments	37.87	6.54	0.87	-	43.54	33.18	1.70	0.81	-	34.07	9.47	4.69
	(37.67)	(0.20)	-	-	(37.87)	(31.17)	(2.01)	-	-	(33.18)	(4.69)	(6.50)
Total	**1,318.09**	**136.19**	**3.85**	**3.02**	**1,453.45**	**586.01**	**83.09**	**3.08**	**0.85**	**666.87**	**786.58**	**732.08**
Previous year	**(1,306.65)**	**(16.97)**	**(5.53)**	**-**	**(1,318.09)**	**(507.60)**	**(83.48)**	**(5.07)**	**-**	**(586.01)**	**(732.08)**	**(799.05)**

* Reclassified from investment property.

Notes:

(i) Figures in brackets relates to previous year.

(ii) All the assets are owned by the Company unless otherwise stated.

(iii) Refer note 21 for properties, plant and equipment pledged as security towards borrowings by the Company.

(iv) The title deeds of freehold land and building as at March 31, 2026 gross block ₹ 191.26 Crores and net block of ₹ 151.06 Crores (as at March 31, 2025 gross block ₹ 177.69 Crores and net block of ₹ 142.82 Crores) capitalised in the books of the Company are in the name of erstwhile Companies as given below. The Company is in the process transferring the title deeds of such properties in its name.

Relevant line item in the Balance sheet	Description of item of property	Gross Value of property	Title deed held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property Plant and Equipment	Freehold Land	0.21 (0.21)	Shasun Drugs wholly owned by Messrs . Shasun Chemicals (Madras) Pvt. Ltd.	No	October 1, 2017	The title deeds are in the name of transferor Companies, which were transferred to the Company pursuant to the Composite Scheme of Arrangement as approved by the National Company Law Tribunal. The Company is in the process of transferring in its name.
Property Plant and Equipment	Buildings	91.78 (85.87)	Shasun Drugs wholly owned by Messrs . Shasun Chemicals (Madras) Pvt. Ltd.	No	October 1, 2017	The title deeds are in the name of transferor Companies, which were transferred to the Company pursuant to the Composite Scheme of Arrangement as approved by the National Company Law Tribunal. The Company is in the process of transferring in its name.
Property Plant and Equipment	Freehold Land	0.33 (0.33)	Shasun Chemicals and Drugs Limited	No	October 1, 2017	The title deeds are in the name of transferor Companies, which were transferred to the Company pursuant to the Composite Scheme of Arrangement as approved by the National Company Law Tribunal. The Company is in the process of transferring in its name.
Property Plant and Equipment	Freehold Land	2.09 (2.09)	Strides Shasun Limited	No	October 1, 2017	The title deeds are in the name of transferor Companies, which were transferred to the Company pursuant to the Composite Scheme of Arrangement as approved by the National Company Law Tribunal. The Company is in the process of transferring in its name.
Property Plant and Equipment	Freehold Land	52.18 (52.18)	Sequent Scientific Limited	No	October 1, 2017	The title deeds are in the name of transferor Companies, which were transferred to the Company pursuant to the Composite Scheme of Arrangement as approved by the National Company Law Tribunal. The Company is in the process of transferring in its name.
Property Plant and Equipment*	Buildings	44.53 (36.87)	Sequent Scientific Limited	No	October 1, 2017	The title deeds are in the name of transferor Companies, which were transferred to the Company pursuant to the Composite Scheme of Arrangement as approved by the National Company Law Tribunal. The Company is in the process of transferring in its name.
Property Plant and Equipment	Freehold Land	0.14 (0.14)	Shasun Pharmaceuticals Limited	No	October 1, 2017	The title deeds are in the name of transferor Companies, which were transferred to the Company pursuant to the Composite Scheme of Arrangement as approved by the National Company Law Tribunal. The Company is in the process of transferring in its name.
Total		**191.26**				
Previous year		**(177.69)**				

* Reclassified from investment properties amounting to ₹ 3.02 crores

Notes

to the standalone financial statements for the year ended March 31, 2026

NOTE NO. 4 LEASES

(i) Right-of-use assets

₹ in Crores

Particulars	Gross block					Accumulated depreciation				Net block	
	As at April 01, 2025	Additions	Transfers	Disposals	As at March 31, 2026	As at April 01, 2025	Depreciation for the year	Eliminated on disposal	As at March 31, 2026	As at March 31, 2026	As at March 31, 2025
Leasehold Land	59.85	-	-	-	59.85	9.24	1.58	-	10.82	49.03	50.61
	(59.85)	-	-	-	(59.85)	(7.66)	(1.58)	-	(9.24)	(50.61)	(52.19)
Buildings	8.39	3.36	-	-	11.75	1.26	2.29	-	3.55	8.20	7.13
	-	(8.39)	-	-	(8.39)	-	(1.26)	-	(1.26)	(7.13)	-
Total	**68.24**	**3.36**	**-**	**-**	**71.60**	**10.50**	**3.87**	**-**	**14.37**	**57.23**	**57.74**
Previous year	**(59.85)**	**(8.39)**	**-**	**-**	**(68.24)**	**(7.66)**	**(2.84)**	**-**	**(10.50)**	**(57.74)**	**(52.19)**

Notes:

(i) Figures in brackets relates to previous year.

(ii) Lease liabilities

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	20.02	12.12
Addition	3.21	8.07
Accretion of interest	2.42	1.96
Payments	(3.63)	(2.13)
Closing balance	**22.02**	**20.02**
Maturity analysis:		
- Year 1	3.96	2.99
- Year 2	4.16	3.32
- Year 3	4.37	3.31
- Year 4	2.71	3.48
- Year 5	1.29	1.57
- Year 6 onwards	46.73	47.95
- Less: Unmatured finance charges	(41.20)	(42.60)
Total	**22.02**	**20.02**
Non-current	19.21	17.77
Current	2.81	2.25

(iii) Amounts recognised in the standalone statement of Profit or Loss

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Depreciation charge on Right-of-use asset	3.87	2.84
Finance cost: Interest expense	2.42	1.96
Short term lease payments (Refer Note (i) below)	1.44	2.67

Note:

(i) The Company applies the short-term lease recognition exemption to its short-term leases of certain premises taken on lease (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

(iv) Amounts recognised in the standalone statement of cash flows

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Cash outflows for lease payments	3.63	2.13

NOTE NO. 5 CAPITAL WORK IN PROGRESS

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	280.05	256.37
Add: Additions	65.94	40.71
Less: Capitalised	(141.20)	(17.03)
Closing balance	**204.79**	**280.05**

Notes:

(i) Ageing of Capital work in progress:

Particulars	Amount in Capital work in progress for a period of				As at March 31, 2026
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	11.10	5.69	25.42	162.58	204.79
	(27.75)	(34.05)	(65.80)	(152.45)	(280.05)
Total	**11.10**	**5.69**	**25.42**	**162.58**	**204.79**
Previous year	**(27.75)**	**(34.05)**	**(65.80)**	**(152.45)**	**(280.05)**

Note: Figures in brackets relates to previous year.

As on the date of the balance sheet, except for the below mentioned Capital work in progress project there are no other capital work-in-progress projects whose completion is overdue.

Capital Work In Progress	To be Completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Vizag Projects	-	182.49	-	-
	-	(241.41)	-	-
Pondy Projects	6.86	-	-	-
	-	-	-	-
Total	**6.86**	**182.49**	**-**	**-**
Previous year	**-**	**(241.41)**	**-**	**-**

NOTE NO. 6 INVESTMENT PROPERTY

₹ in Crores

Particulars	Gross block				Accumulated depreciation				Net block	
	As at April 01, 2025	Additions	Reclassification*	As at March 31, 2026	As at April 01, 2025	Depreciation for the year	Reclassification*	As at March 31, 2026	As at March 31, 2026	As at March 31, 2025
Buildings (Refer Note (ii) below)	3.02	-	(3.02)	-	0.74	0.11	(0.85)	-	-	2.28
	(3.02)	-	-	(3.02)	(0.63)	(0.11)	-	(0.74)	(2.28)	(2.39)
Total	**3.02**	**-**	**(3.02)**	**-**	**0.74**	**0.11**	**(0.85)**	**-**	**-**	**2.28**
Previous year	**(3.02)**	**-**	**-**	**(3.02)**	**(0.63)**	**(0.11)**	**-**	**(0.74)**	**(2.28)**	**(2.39)**

* Reclassified to Property, plant and equipment.

Notes:

(i) Figures in brackets relates to previous year.

(ii) Refer note 21 for investment properties pledged as security towards borrowings by the Company.

(iii) The title deeds of investment property (as at March 31, 2026 gross block ₹ Nil and net block of ₹ Nil) (as at March 31, 2025 gross block ₹ 3.02 Crores and net block of ₹ 2.28 Crores) capitalised in the books of the Company are in the name of erstwhile Companies as given below. The Company is in the process transferring the title deeds of such properties in its name.

Notes

to the standalone financial statements for the year ended March 31, 2026

Relevant line item in the Balance sheet	Description of item of property	Gross Value of property	Title deed held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Investment Property	Buildings	- (3.02)	Sequent Scientific Limited	No	October 1, 2017	The title deeds of land and building are in the name of transferor Companies, which were transferred to the Company pursuant to the Composite Scheme of Arrangement as approved by the National Company Law Tribunal.
						The Company is in the process of transferring the title deeds of such properties in its name.
Total		**-**				
Previous year		**(3.02)**				

(iv) Details of assets given under an operating lease:

₹ in Crores

Particulars	Gross block		Net block	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Buildings	-	3.02	-	2.28

(v) Fair value of investment properties:

The Company obtains independent valuations for its investment properties once in three years. The latest fair value of the Company's investment properties were carried out as at March 31, 2024 which indicated fair value of ₹ 7.53 Crores on the basis of a valuation carried out by independent valuers. The said valuers are registered with the authority which governs valuers in India and have appropriate qualifications and relevant experience in the valuation of properties in the relevant locations

The inputs used are as follows:

a) Valuation is done using discounted cash flow approach, where the value of an asset is measured in terms of future cash flow streams, discounted to the present time at 12.50%.

b) Lease rent agreements are cancellable which are expected to be renewed either with the existing lessee or with others, on similar terms and conditions.

(vi) Amounts recognised in the standalone statement of Profit or Loss for investment properties

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Depreciation charge on investment properties	0.11	0.11
Other income: Rental income	1.07	1.02

NOTE NO. 7 GOODWILL

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Goodwill	364.90	364.90
Total	**364.90**	**364.90**

The above goodwill is allocated to the following cash generating units:

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Human API business	357.95	357.95
R&D business	0.43	0.43
Strides Chemicals Private Limited	6.52	6.52
Total	**364.90**	**364.90**

Impairment assessment of goodwill allocated to the "Human API business" as at March 31, 2026:

The Management of the Company have performed annual impairment assessment of the goodwill and related asset of Cash Generating Unit (CGU) by determining the ""value in use"" of this CGU as an aggregate of present value of management cash flow projections covering a five year period and the terminal value. Determination of value in use involves significant estimates and assumptions that affect the reporting CGU's expected future cash flows. These estimates and assumptions, primarily include, but are not limited to, the revenue growth and profitability during the forecast period, the discount rate and the terminal growth rate.

Considering the historical performance of this business since acquisition and based on the forward looking estimates, including the changes in estimated future economic conditions, revisions were made to the cash flow projections and other key assumptions such as discount rate and the terminal growth rate. The cash flows are discounted using a pre tax discount rate of 21.35% (March 31, 2025: 20.89%) which is based on the Company's weighted average cost of capital. The terminal value of cash generating unit is arrived at by extrapolating cash flows of latest forecasted year to perpetuity using a constant long-term growth rate of 3.00% (March 31, 2025: 3.00%) p.a. which is consistent with the industry forecasts for the generic API market.

The above assessment did not result in impairment in the carrying amount of goodwill.

The table below shows the percentage movement in key assumptions that (individually) would be required to reach the point at which the value in use approximates its carrying value.

	Movement
Terminal growth rate	3.00% decrease (3.00% decrease)
Pre tax discount rate	9.15% increase (5.76% increase)
Expected net revenue growth rates	6.89% decrease for short term and 3.00% decrease for long term (9.29% decrease for short term and 3.00% decrease for long term)

The details given in brackets relate to previous year

NOTE NO. 8 OTHER INTANGIBLE ASSETS

₹ in Crores

Particulars	Gross block				Accumulated amortisation				Net block	
	As at April 01, 2025	Additions	Disposals	As at March 31, 2026	As at April 01, 2025	Amortisation for the year	Eliminated on disposal	As at March 31, 2026	As at March 31, 2026	As at March 31, 2025
Registrations and brands	4.33	-	-	4.33	2.87	0.41	-	3.28	1.05	1.46
	(4.33)	-	-	(4.33)	(2.46)	(0.41)	-	(2.87)	(1.46)	(1.87)
Product portfolio (Refer note (ii) below)	105.50	-	-	105.50	79.76	10.64	-	90.40	15.10	25.74
	(105.50)	-	-	(105.50)	(69.12)	(10.64)	-	(79.76)	(25.74)	(36.38)
Software and licenses	28.18	5.01	1.74	31.45	25.58	1.56	1.74	25.40	6.05	2.60
	(28.12)	(0.06)	-	(28.18)	(23.81)	(1.77)	-	(25.58)	(2.60)	(4.31)
Total	**138.01**	**5.01**	**1.74**	**141.28**	**108.21**	**12.61**	**1.74**	**119.08**	**22.20**	**29.80**
Previous year	**(137.95)**	**(0.06)**	**-**	**(138.01)**	**(95.39)**	**(12.82)**	**-**	**(108.21)**	**(29.80)**	**(42.56)**

Notes:

(i) Figures in brackets relates to previous year.

(ii) The remaining amortisation period of product portfolio as at March 31, 2026 is 1.5 years (March 31, 2025: 2.5 years).

Notes

to the standalone financial statements for the year ended March 31, 2026

NOTE NO. 9 INVESTMENTS

i). Non-current Investments

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
(A) Investments in subsidiaries (carried at cost less provision for impairment):		
Equity shares, unquoted		
Shasun USA Inc., USA		
- 15,000 (As at March 31, 2025 - 15,000) shares of USD 1 each fully paid up	0.05	0.05
Less: Provision for other than temporary diminution in value	(0.05)	(0.05)
	-	-
Chemsynth Laboratories Private Limited, India		
- 3,362,745 (As at March 31, 2025 - 3,362,745) shares of ₹ 10 each fully paid up	3.36	3.36
Less: Provision for other than temporary diminution in value	(3.36)	(3.36)
	-	-
Synthix Global Pharma Solutions Limited, India (Refer Note (i) below)		
- 100,000 (As at March 31, 2025 - Nil) shares of ₹ 10 each fully paid up	0.01	-
Less: Provision for other than temporary diminution in value	-	-
	0.01	-
Total [A]	0.01	-
(B) Investments carried at fair value through profit and loss:		
Equity shares, unquoted		
Tulysan Nec Limited, India		
- 3,750 (As at March 31, 2025 - 3,750) shares of ₹ 10 each fully paid up	0.01	0.01
Watsun Infrabuild Private Limited, India		
- 2,87,978 (As at March 31, 2025 - 3,68,694) shares of ₹ 10 each fully paid up	0.29	0.37
Vaayu Renewable Energy (Muthamalpuram) Private Limited.	0.00	0.00
- 2,600 (As at March 31, 2025 - 2,600) shares of ₹ 10 each fully paid up		
Investment in Huoban Energy 3 Private Limited	1.28	1.28
- 7,07,182 (As at March 31, 2025 - 7,07,182) shares of ₹ 10 each fully paid up		
SIPCOT Industrial Common Utilities Limited, India		
- 4,242 (As at March 31, 2025 - 4,242) shares of ₹ 100 each fully paid up	0.04	0.04
Total [B]	**1.62**	**1.70**
Total [A+B]	**1.63**	**1.70**
Aggregate amount of unquoted investments	1.63	1.70
Aggregate amount of investments carried at cost	0.01	-
Aggregate amount of financial assets carried at fair value through profit and loss	1.62	1.70

Note:

(i) The Board of Directors of the Company at its meeting held on January 24, 2025 had discussed a proposal to explore 'demerger of the CRAMS and Polymers business into an independent listed entity' and granted in-principle approval for the same. Pursuant to this, the Parent incorporated a wholly owned subsidiary, Synthix Global Pharma Solutions Limited on April 29, 2025.

NOTE NO. 10 LOANS

(i) Non-current loans

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Loans credit impaired:		
Loan to related party	1.34	1.34
Less: Loss allowance	(1.34)	(1.34)
Total	**-**	**-**

(ii) Current loans

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Considered good - unsecured:		
Loans to employees	0.03	0.02
Total	**0.03**	**0.02**

NOTE NO. 11 OTHER FINANCIAL ASSETS

(i) Non-current financial assets

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Considered good - unsecured:		
Security deposits	16.74	16.32
Total	**16.74**	**16.32**

(ii) Current financial assets

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Considered good - unsecured:		
Interest accrued on deposit	0.07	0.02
Incentives receivables	6.18	12.23
Insurance claim receivables	-	0.11
Total	**6.25**	**12.36**

NOTE NO. 12 DEFERRED TAX BALANCES

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax assets	-	-
Deferred tax liabilities	-	-
Deferred tax asset / (liability) (net)	**-**	**-**

₹ in Crores

2025-26	Opening balance	Recognised in statement of profit or loss	Recognised in other comprehensive income	Closing balance
Property, plant and equipment	(69.14)	(3.47)	-	(72.61)
Intangible assets - other than goodwill	(5.56)	1.44	-	(4.12)
Carry forward business loss and unabsorbed depreciation	74.70	2.03	-	76.73
Total	**-**	**-**	**-**	**-**

₹ in Crores

2024-25	Opening balance	Recognised in statement of profit or loss	Recognised in other comprehensive income	Closing balance
Property, plant and equipment	(75.34)	6.20	-	(69.14)
Intangible assets - other than goodwill	(11.52)	5.96	-	(5.56)
Carry forward business loss and unabsorbed depreciation	86.86	(12.16)	-	74.70
Total	**-**	**-**	**-**	**-**

Notes:

(i) The Company has presently, decided not to opt for the New Tax Regime inserted as Section 115BAA of the Income-tax Act, 1961 and enacted by the Taxation Laws (Amendment) Ordinance, 2019 ('the Ordinance') which is applicable from Financial Year beginning April 1, 2019. The Company has accordingly applied the existing tax rates in the financial statements for the year ended March 31, 2026

(ii) During Financial year 2017-18, the Company acquired the Human API and Commodity API businesses vide a NCLT approved Scheme of demerger. For purposes of recognising tax expenses and deferred tax balances in the books of account, the Company has considered Goodwill as non-tax deductible and the Company continued to apply the initial recognition exemption under Ind AS 12 “Income taxes”.

(iii) The Company has significant carried forward losses under income tax act. While the Company expects to increase operations in the future, in view of the significant carried forward losses, the Company has restricted the recognized Deferred Tax Asset up to the amount of the Deferred Tax Liability.

(iv) Based on legal advice received by the Company, the Company has claimed in its income tax returns, depreciation on Goodwill and Product Portfolios relating to both businesses acquired through the aforesaid demerger. These claims were disallowed by the assessing officer. The Company has preferred appeal with Commissioner of income tax (appeals). Order against appeal had been passed vide order dated April 18, 2024, confirming disallowance of depreciation on goodwill & product portfolio and the Company has filed an appeal before the ITAT against it on May 06, 2024.The Company has not recognised deferred tax assets in the books of account in respect of claims relating to depreciation on the Goodwill relating to both the businesses and Product portfolio (relating to the Commodity API business)

While the Company has consistently taken a view as aforesaid in the books of account, the Company has been legally advised that the claims made in the tax returns are tenable. As at March 31, 2026, the potential unrecognised claims in respect of the above is amounting to ₹ 607.24 Crores (₹ 600.38 crores as on March 31, 2025). The benefit of these tax credits will be evaluated and recognized in the year in which, based on management’s best judgement, such credits are confirmed to be available for future set offs against taxable profits. Also refer note 37, regarding income tax litigations.

(v) In addition to above, the Company has not recognised deferred tax assets of ₹ 156.36 crores as on March 31, 2026 (₹.160.04 crores as on March 31, 2025) relating to carried forward loss (including unabsorbed depreciation) as there is no reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised.

(vi) The details of expiration of unused tax losses and MAT credit as at March 31, 2026 are as follows:

Tax year	MAT credit	Tax Losses
2031-32	-	174.60
2032-33	-	13.34
2033-34	0.58	-
2034-35	12.71	-
2035-36	20.46	-
2036-37	36.20	-

The details of expiration of unused tax losses and MAT credit as at March 31, 2025 are as follows:

Tax year	MAT credit	Tax Losses
2031-32	-	174.60
2032-33	-	13.34
2033-34	0.58	-
2034-35	12.71	-
2035-36	20.46	-
2036-37	36.20	-

NOTE NO. 13 INCOME TAX ASSETS (NET)

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Advance income tax (net of provisions)	6.63	4.51
Total	**6.63**	**4.51**

NOTE NO. 14 OTHER ASSETS

(i) Other non-current assets

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Considered good - unsecured:		
Capital advances	6.90	6.69
Prepaid expenses	0.30	0.43
Considered doubtful - unsecured:		
Capital advances	0.66	0.66
Advances to others	7.55	7.55
Less: Allowance for doubtful advances	(8.21)	(8.21)
	-	-
Total	**7.20**	**7.12**

(ii) Other current assets

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Considered good - unsecured:		
Advances to suppliers	11.89	9.47
Advances to employees	0.31	0.38
Prepaid expenses	13.12	16.23
Balances with Government authorities:		
- GST credit & other receivables	16.19	41.70
Considered doubtful - unsecured:		
Advances to suppliers	0.01	0.01
Less: Allowance for doubtful advances	(0.01)	(0.01)
	-	-
Total	**41.51**	**67.78**

NOTE NO. 15 INVENTORIES

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials	81.72	77.81
- Goods-in-transit	4.29	1.53
Work-in-progress	150.66	159.81
Finished goods	71.41	70.51
Stores and spares	9.79	8.24
Total	**317.87**	**317.90**

Note:

(i) Value by which inventories have been written down to net realisable value amounted to ₹ 127.59 Crores (including provision of ₹ 122.81 crores relating to Covid/ anti-viral drugs manufactured during the pandemic) (As at March 31, 2025: ₹ 130.22 Crores) (including provision of ₹ 122.81 crores relating to Covid/ anti-viral drugs manufactured during the pandemic).

NOTE NO. 16 TRADE RECEIVABLES

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables considered good - unsecured	445.97	329.97
Trade receivables - credit impaired	6.14	25.95
	452.11	355.92
Less: Loss allowance	(13.24)	(29.35)
Total	**438.87**	**326.57**

Notes

to the standalone financial statements for the year ended March 31, 2026

Notes:

(i) Outstanding for the following period from due date of payments as at March 31, 2026:

₹ in Crores

Particulars	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2026
(i) Undisputed Trade Receivables - Considered Good	357.84	74.12	7.46	2.16	4.39	-	445.97
(ii) Disputed Trade Receivables - credit impaired	-	-	-	-	-	6.14	6.14
Total	**357.84**	**74.12**	**7.46**	**2.16**	**4.39**	**6.14**	**452.11**

(ii) Outstanding for the following period from due date of payments as at March 31, 2025:

₹ in Crores

Particulars	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2025
(i) Undisputed Trade Receivables - Considered Good	263.56	43.37	4.56	18.39	0.09	-	329.97
(ii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	19.81	19.81
(iii) Disputed Trade Receivables - credit impaired	-	-	-	-	6.14	-	6.14
Total	**263.56**	**43.37**	**4.56**	**18.39**	**6.23**	**19.81**	**355.92**

(iii) In determining the allowance for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

(iv) Movement in Loss allowance:

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	29.35	27.19
Add: Movement in loss allowance on trade receivables calculated at lifetime expected credit losses	(16.11)	2.16
Closing balance	**13.24**	**29.35**

NOTE NO. 17 CASH AND CASH EQUIVALENTS

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on hand	0.01	0.02
Balance with banks:		
- In current accounts	2.86	3.00
- In deposit accounts	1.13	0.79
Total	**4.00**	**3.81**

NOTE NO. 18 BANK BALANCES OTHER THAN ABOVE

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
In deposit accounts		
In earmarked accounts:		
Unpaid dividend accounts	0.16	0.16
Total	**0.16**	**0.16**

NOTE NO. 19 EQUITY SHARE CAPITAL

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised		
120,000,000 equity shares of ₹ 10/- each with voting rights	120.00	120.00
(March 31, 2025: 120,000,000 equity shares of ₹ 10/- each)		
	120.00	**120.00**
Issued, subscribed and fully paid-up		
36,172,807 equity shares of ₹ 10/- each fully paid with voting rights (March 31, 2025: 36,054,267 equity shares of ₹ 10/- each)	36.18	36.06
1,18,32,948 equity shares of ₹ 10/- each paid up ₹ 7/- per share with voting rights (March 31, 2025: 1,19,98,755 equity shares of ₹ 10/- each paid up ₹ 3.5/- per share)	8.27	4.19
165,807 equity shares of ₹ 10/- each paid up ₹ 3.5/- per share with voting rights	0.06	-
Total	**44.51**	**40.25**

(i) Reconciliation of number of shares and amount outstanding (partly paid up)

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	₹in Crores	No. of shares	₹in Crores
Equity share capital				
Equity share of ₹ 10/- each				
Opening balance	**3,60,54,267**	**36.06**	**3,59,96,267**	**36.00**
Issue of shares pursuant to pursuant to exercise of stock options (Refer note 42)	1,18,540	0.12	58,000	0.06
Closing balance	**3,61,72,807**	**36.18**	**3,60,54,267**	**36.06**

(ii) Reconciliation of number of shares and amount outstanding (partly paid up)

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	₹in Crores	No. of shares	₹in Crores
Equity share capital				
Equity share of ₹ 10/- each				
Opening balance	**1,19,98,755**	**4.19**	**-**	**-**
- ₹ 3.5/- each paid up	1,19,98,755	4.19	-	-
Shares issued pursuant to Rights issue at the time of share application (Refer note 50) ₹ 3.5/- each paid up during the year			1,19,98,755	4.19
Shares issued pursuant to Rights issue at the time of first call (Refer note 50) ₹ 3.5/- each paid up during the year	1,18,32,948	4.14	-	-
Closing balance	**1,19,98,755**	**8.33**	**1,19,98,755**	**4.19**
- ₹ 7/- each paid up	1,18,32,948	8.27	-	-
- ₹ 3.5/- each paid up	1,65,807	0.06	1,19,98,755	4.19

(iii) Detail of the rights, preferences and restrictions attaching to each class of shares outstanding equity shares of ₹ 10/- each:

The Company has only one class of equity shares, having a par value of ₹ 10/-. The holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the board of directors is subject to approval by the shareholders at the ensuing annual general meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution to all preferential amounts. The distribution will be in proportion to number of equity shares held by the shareholders.

Notes
to the standalone financial statements for the year ended March 31, 2026

(iv) Details of equity shares held by each shareholder holding more than 5% of equity shares:

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	%	No. of shares	%
Fully paid equity shares				
Spiracca Ventures LLP	17,08,503	4.72%	37,08,503	10.29%
Authum Investment & Infrastructure Limited	18,16,367	5.02%	-	-
Pronomz Ventures LLP	46,85,529	12.95%	26,74,424	7.42%
Partly paid equity shares				
Devicam Capital LLP	64,24,262	53.54%	64,24,262	53.54%

(v) Shares held by promoters at the end of the year (fully paid up):

Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
Arun Kumar Pillai	16,68,463	-	16,68,463	4.61%	0.00%
Karuna Business Solutions LLP	69,526	-	69,526	0.19%	0.00%
Pronomz Ventures LLP	26,74,424	20,11,105	46,85,529	12.95%	75.20%
SRJR Enterprise LLP	17,00,100	-	17,00,100	4.70%	0.00%
K R Ravishankar	13,25,260	-	13,25,260	3.66%	0.00%
Chayadeep Ventures LLP	10,12,400	-	10,12,400	2.80%	0.00%
Agnus Capital LLP	8,49,635	-	8,49,635	2.35%	0.00%
Chayadeep Properties Private Limited	5,25,730	-	5,25,730	1.45%	0.00%
Devicam Capital LLP	10,39,298	-	10,39,298	2.87%	0.00%
Karuna Ventures Private Limited	11,105	(11,105)	-	0.00%	-100.00%
Deepa Arun Kumar	58,002	-	58,002	0.16%	0.00%
Tarini Arun Kumar	53,333	-	53,333	0.15%	0.00%
Aditya Arun Kumar	53,333	-	53,333	0.15%	0.00%
Vineetha Mohanakumar Pillai	24,166	-	24,166	0.07%	0.00%
Padmakumar Karunakaran Pillai	41,393	-	41,393	0.11%	0.00%
Hemalatha Pillai	45,813	-	45,813	0.13%	0.00%
Sajitha Pillai	53,333	-	53,333	0.15%	0.00%
Rajitha Gopalakrishnan	27,500	-	27,500	0.08%	0.00%
K R Lakshmi	21,727	-	21,727	0.06%	0.00%
Agraganya Private Trust	61,224	-	61,224	0.17%	0.00%
Total	**1,13,15,765**	**20,00,000**	**1,33,15,765**		

(vi) Shares held by promoters at the end of the year (partly paid up):

Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
Devicam Capital LLP	64,24,262	-	64,24,262	53.54%	100.00%
Agraganya Private Trust	4,62,160	-	4,62,160	3.85%	100.00%
Padmakumar Karunakaran Pillai	13,797	-	13,797	0.11%	100.00%
Vineetha Mohanakumar Pillai	8,055	-	8,055	0.07%	100.00%
K R Lakshmi	7,242	-	7,242	0.06%	100.00%
	69,15,516	**-**	**69,15,516**		

(vii) Details of equity shares of ₹ 10/- each reserved for issuance:

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
Towards employee stock options	11,90,238	1.19	13,08,778	1.31

NOTE NO. 20 OTHER EQUITY

₹ in Crores

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
(A) Reserves and surplus			
Capital reserve	20 (i)	0.01	0.01
Securities premium account	20 (ii)	1,525.05	1,368.66
Retained earnings	20 (iii)	(302.96)	(296.16)
Share options outstanding account	20 (iv)	5.40	3.29
(B) Items of other comprehensive income			
Remeasurement of the defined benefit liabilities / (asset)	20 (v)	(16.57)	(19.84)
Total		**1,210.93**	**1,055.96**

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
(A) RESERVES AND SURPLUS		
(i) Capital reserve		
Any profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments is transferred to capital reserve.		
Opening balance	0.01	0.01
Closing balance	**0.01**	**0.01**
(ii) Securities premium account		
Amounts received on issue of shares in excess of the par value has been classified as securities premium.		
Opening balance	1,368.66	1,216.03
Add: Premium on Issue of Share during the year pursuant to Right issue	151.17	153.28
Add: Premium on Issue of Share during the year pursuant to ESOP	5.22	2.24
Less: Share issue expenses related to Rights issue	-	(2.89)
Closing balance	**1,525.05**	**1,368.66**
(iii) Retained earnings		
Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity share holders.		
Opening balance	(296.16)	(295.37)
Add: Net profit for the year	(7.24)	(1.08)
Add: Transfer from Share options outstanding account on stock options lapsed during the year	0.44	0.29
Closing balance	**(302.96)**	**(296.16)**
(iv) Share options outstanding account		
The share option outstanding account is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account will be transferred to securities premium reserve upon exercise of stock options by employees.		
Opening balance	3.29	1.65
Add: Employee stock compensation expenses (net)	4.67	2.68
Less: Transferred to securities premium account on exercise (net)	(2.12)	(0.75)
Less: Transfer to retained earnings on stock options lapsed during the year	(0.44)	(0.29)
Closing balance	**5.40**	**3.29**
Total Reserves and surplus	**1,227.50**	**1,075.80**

Notes

to the standalone financial statements for the year ended March 31, 2026

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
(B) ITEMS OF OTHER COMPREHENSIVE INCOME		
(v) Remeasurement of the defined benefit liabilities / (asset)		
The cumulative balances of actuarial gain or loss arising on remeasurements of defined benefit plan is accumulated and recognised within this component of other comprehensive income		
Opening balance	(19.84)	(20.90)
Add / (Less): Other comprehensive income arising from measurement of defined benefit obligation (net of tax)	3.27	1.06
Closing balance	**(16.57)**	**(19.84)**
Total items of other comprehensive income (B)	**(16.57)**	**(19.84)**
Other equity [(A) + (B)]	**1,210.93**	**1,055.96**

Notes:

Distributions made:

(i) The Company has not declared any dividend during the year ended March 31, 2026 and March 31, 2025.

NOTE NO. 21 BORROWINGS

(i) Non-current borrowings

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Secured		
Term loans from banks (Refer note (i) to (iv) below)	12.38	40.91
Term loans from others (Refer note (v) & (vi) below)	48.56	72.95
Total	**60.94**	**113.86**

Details of security and terms of repayment for the non-current borrowings

₹ in Crores

Terms of repayment and security	As at March 31, 2026	As at March 31, 2025
(i) Term loans from banks: Loan 1		
Non-current borrowings	-	-
Current maturities of non-current borrowings - Repayable on demand	-	23.72
Security: First Paripassu Charge on the Immovable Property, plant and equipment located at Pondicherry, Mangalore and Mysore of the Company and on all the movable Property, Plant and equipment of the Company and Second Charge on Current Assets of the Company. Rate of interest: - 1 Year MCLR plus 1.65% p.a, (MCLR - 9.60%) Repayment terms: ₹ 3.95 Cr per month starting from March 2022 and will continue until September 2025		
(ii) Term loans from banks: Loan 2		
Non-current borrowings	-	-
Current maturities of non-current borrowings	-	10.53
Security: First Paripassu Charge on the Movable and Immovable Property, plant and equipment (except lease hold land at Cuddalore, Vizag and Ambernath) of the Company and Second Charge on Current Assets of the Company. Rate of interest: - 6 months MCLR plus 1.00% p.a, (MCLR - 9.75%) Repayment terms: ₹ 0.98 Cr per month starting from February 2022 and will continue until March 2026		
(iii) Term loans from banks: Loan 3		
Non-current borrowings	-	14.50
Current maturities of non-current borrowings	14.42	18.11
Security: First paripassu charge on the movable and immovable Property, plant and equipment (except lease hold land at Cuddalore, Vizag and Ambernath) and second paripassu charge on current assets of the Company. Rate of interest: - 6 months MCLR plus 1.20% p.a, (MCLR - 9.30%) Repayment terms: ₹ 1.72 Cr EMI per month ,starting from November 2022 and will continue until December 2026		

₹ in Crores

Terms of repayment and security	As at March 31, 2026	As at March 31, 2025
(iv) Term loans from banks: Loan 4		
Non-current borrowings	12.38	26.41
Current maturities of non-current borrowings	15.00	15.05
Security: First paripassu charge on all Property, plant and equipment (except lease hold land at Cuddalore, Vizag and Ambernath) of the Company present & future including intangible Assets, second paripassu on all current assets of the Company both present & future. Rate of interest: - 6 Months MCLR plus 1.50% p.a, (MCLR - 10.45%) Repayment terms: ₹ 1.17 Cr per month starting from February 2023 and will continue until January 2028		
(v) Term loans from others: Loan 5		
Non-current borrowings	-	10.62
Current maturities of non-current borrowings	10.62	10.08
Security: First paripassu charge on all Property, plant and equipment (except lease hold land at Cuddalore, Vizag and Ambernath) of the Company present & future including intangible Assets, second paripassu on all current assets of the Company both present & future. Rate of interest: Long term reference rate of Lender +/- Spread p.a Repayment terms: ₹ 0.99 Cr EMI per month starting from January 2022 and will continue until April 2027		
(vi) Term loans from others: Loan 6		
Non-current borrowings	48.56	62.33
Current maturities of non-current borrowings	13.28	11.81
Security: First pari passu charge on all Property, plant and equipment (except lease hold land at Cuddalore, Vizag and Ambernath) of the Company present & future including intangible Assets, second paripassu on all current assets of the Company both present & future. Rate of interest: Long term reference rate of Lender +/- Spread p.a Repayment terms: ₹ 1.66 Cr EMI per month starting from March 2025 and will continue until January 2030"		

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Disclosed under non-current borrowings	60.94	113.86
Disclosed under current borrowings		
- Current maturities of non-current borrowings	53.32	89.30

During the year ended March 31, 2025, for non-current borrowings aggregating to ₹ 203.16 crores (including current maturities of non-current borrowings), some of the financial covenants were breached mainly due to temporary softness in demand for some of the key products. The Company had made representation to the lenders to waive from the testing of financial covenants for the year ended March 31, 2025.

(ii) Current borrowings

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Secured loans repayable on demand from banks:		
Working capital loans	500.77	535.40
Current maturities of non-current borrowings (Refer note 21(i))	53.32	89.30
Unsecured loans		
Loans from others	-	37.50
Total	**554.09**	**662.20**

Details of security for the current borrowings repayable on demand:

a) Working capital loans from Property, plant and equipment banks are secured by first pari passu charge over current assets of the Company and second pari passu charge on movable and immovable fixed assets of the Company.

b) Rate of interest for INR borrowings ranges from 9.00% to 12.00% (Previous year - 9.15% to 11.75%)

c) Rate of interest for USD borrowings ranges from 6.32% to 8.42% (Previous year - 6.15% to 10.22%)

d) Rate of interest for Unsecured borrowings ranges from 14.05% to 18.00% (Previous year - 15.00% to 18.00%)

(iii) Reconciliation between the opening and closing balance in balance for financial liabilities arising from financial activities are given below

₹ in Crores

Particulars	As at April 1, 2025	Net proceeds/ (Repayment)	Non cash changes *	As at March 31, 2026
Non current borrowings (including current maturities)	203.16	(88.90)	-	114.26
Current borrowings	572.90	(76.81)	4.68	500.77

* Non cash changes includes unrealised foreign exchange loss/gain

₹ in Crores

Particulars	As at April 1, 2024	Net proceeds/ (Repayment)	Non cash changes *	As at March 31, 2025
Non current borrowings (including current maturities)	239.11	(35.95)	-	203.16
Current borrowings	760.27	(185.43)	(1.94)	572.90

* Non cash changes includes unrealised foreign exchange loss/gain

NOTE NO. 22 OTHER FINANCIAL LIABILITIES

(i) Other non-current financial liabilities

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Security deposits	-	0.42
Total	**-**	**0.42**

(ii) Other current financial liabilities

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Interest accrued but not due on borrowings	3.08	5.09
Interest accrued on delayed payments to MSME vendors	3.23	1.02
Unclaimed dividends*	0.16	0.16
Security deposits	0.42	-
Other payables:		
Payables on purchase of property, plant and equipment	25.97	12.64
Total	**32.86**	**18.91**

*Investor Education and Protection Fund shall be credited when due.

NOTE NO.23 PROVISIONS

(i) Non-current provisions

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits:		
Gratuity (Refer note 38)	53.47	48.92
Compensated absences	-	9.85
Total	**53.47**	**58.77**

(ii) Current provisions

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits:		
Gratuity (Refer note 38)	1.88	-
Compensated absences	12.00	2.23
Total	**13.88**	**2.23**

24 OTHER LIABILITIES

(i) Other current liabilities

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Contract liability:		
Advance from customers	2.63	0.78
Other payables:		
- Statutory liabilities	4.23	4.24
- Payable to employees	9.45	5.89
Total	**16.31**	**10.91**

Note:

(i) During the year ended March 31, 2026, the Company recognised revenue of ₹ 0.58 Crores (March 31, 2025: ₹ 4.12 Crores) arising from opening contract liability as of April 1, 2025.

NOTE NO. 25 TRADE PAYABLES

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Trade payables:		
Dues of micro and small enterprises (Refer note (iii) below)	19.19	37.99
Dues of other than micro and small enterprises	248.39	203.58
Total	**267.58**	**241.57**

Note:

(i) Outstanding for the following year from due date of payments as at March 31, 2026

₹ in Crores

Particulars	Not due*	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2026
(i) MSME	4.90	14.29	-	-	-	19.19
(ii) Others	188.24	52.53	5.29	1.28	1.05	248.39
Total	**193.14**	**66.82**	**5.29**	**1.28**	**1.05**	**267.58**

* Includes unbilled dues of ₹ 24.92 Crores

(ii) Outstanding for the following year from due date of payments as at March 31, 2025

₹ in Crores

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2025
(i) MSME	32.32	5.67	-	-	-	37.99
(ii) Others	137.99	60.18	4.10	0.76	0.55	203.58
Total	**170.31**	**65.85**	**4.10**	**0.76**	**0.55**	**241.57**

* Includes unbilled dues of ₹ 13.33 Crores

(iii) Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
(i) The principal amount due to micro and small enterprises remaining unpaid to any supplier as at the end of each year	19.19	37.99
(ii) The interest due to micro and small enterprises remaining unpaid to any supplier as at the end of each year	0.95	0.11
(iii) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	1.26	0.91
(v) The amount of interest accrued and remaining un-paid at the end of each accounting year	3.23	1.02
(vi) 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 purposes of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

(iv) Supplier finance arrangements:

In order to ensure easy access to credit for its suppliers and facilitate early settlement, the Company has entered into supplier finance arrangements that permit the suppliers to obtain payment from the banks for the amounts billed up to days before the invoice due date, subject to a discount of up to 11 per cent. The arrangements permit the banks to early settle invoices of up to pre-fixed limits for each suppliers. The discount represents less than the trade discount for early repayment commonly used in the market. The Company repays the banks the full invoice amount on the scheduled payment date as required by the invoice. As the arrangements do not permit the Group to extend finance from the banks by paying them later than the Company would have paid its suppliers, the Company considers amounts payable to the banks should be presented as part of trade and other payables. As at March 31, 2026, 9.13 % of trade payables were amounts owed under these arrangements.

₹ in Crores

Carrying amount of supplier finance arrangements presented as part of "Trade payables"	As at March 31, 2026
Trade payables for which suppliers have already received payment from the finance provider	24.44

Range of payment due dates	Days
Liabilities that are part of supplier finance arrangements	60-90 days
Comparable trade payables that are not part of supplier finance arrangements	90-120 days

Changes in liabilities that are subject to supplier finance arrangements are primarily attributable to additions resulting from purchases of goods and services and subsequent cash settlements. There were no material non-cash changes in these liabilities.

The Company does not face a significant liquidity risk as a result of its supplier finance arrangements, given the limited amount of liabilities subject to supplier finance arrangements and Company's access to other sources of finance on similar terms

NOTE NO. 26 REVENUE FROM OPERATIONS

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of products	1,326.15	1,227.98
Sale of services	4.00	13.48
Other operating revenues (Refer note (i) below)	38.83	42.30
Total	**1,368.98**	**1,283.76**

Disaggregated revenue information

(a) In the following table, revenue from contracts with customers is disaggregated by primary geographical market

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from contracts with customers		
Asia Pacific	894.63	838.42
Europe	235.07	259.80
North America	88.69	75.05
South America	91.01	59.83
Rest of the World	20.75	8.36
Subtotal	**1,330.15**	**1,241.46**
Revenue from other sources		
Other operating revenues	38.83	42.30
Subtotal	**38.83**	**42.30**
Total	**1,368.98**	**1,283.76**

Geographical revenue is allocated based on the location of the customers.

(b) Revenue from major customers

Revenue from one customer of the Company during the year ended March 31, 2026 was ₹ 329.47 Cr which is individually more than 10 percent of the Company's total revenue for the year. Revenue from such customer during previous year was ₹ 216.14 Cr.

(c) Reconciliation of revenue from contracts with customers

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from contracts with customers as per the contract price	1,376.97	1,333.46
Adjustment made to contract price on account of:-		
a) Sales returns/reversals	(46.82)	(92.00)
Revenue from Contracts with customers as per the Standalone Statement of profit and loss	**1,330.15**	**1,241.46**

(i) Other operating revenue comprises:

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Export incentives	8.65	14.61
Share of profit	0.50	1.17
Sale of by-products and scrap	29.68	26.52
Total	**38.83**	**42.30**

Performance obligations and remaining performance obligations:

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts that have original expected duration of one year or less.

Notes

to the standalone financial statements for the year ended March 31, 2026

NOTE NO. 27 OTHER INCOME

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income (Refer note (i) below)	1.08	0.76
Other non-operating income		
- Liabilities / provisions no longer required written back	0.49	5.25
- Rental income from investment properties	1.07	1.02
- Insurance claims	-	0.46
- Exchange fluctuation gain (net)	3.06	1.64
- Others	0.19	0.01
Total	**5.89**	**9.14**

Note:

(i) Interest income comprises:

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest from banks on deposits	0.10	0.10
Interest from others	0.98	0.66
Total	**1.08**	**0.76**

NOTE NO. 28 COST OF MATERIALS CONSUMED

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening stock	79.34	82.11
Add: Purchases	679.44	578.89
Less: Closing stock	(86.01)	(79.34)
Cost of materials consumed	**672.77**	**581.66**

NOTE NO. 29 PURCHASES OF STOCK-IN-TRADE

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Traded goods	3.49	5.75
Total	**3.49**	**5.75**

NOTE NO. 30 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK IN PROGRESS

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at the end of the year:		
- Finished goods	71.41	70.51
- Work-in-progress	150.66	159.81
	222.07	**230.32**
Inventories at the beginning of the year:		
- Finished goods	70.51	126.47
- Work-in-progress	159.81	142.85
	230.32	**269.32**
Net (increase) / decrease	**8.25**	**39.00**

NOTE NO. 31 EMPLOYEE BENEFITS EXPENSES

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries and wages	183.35	177.59
Contribution to provident and other funds	18.69	18.55
Share based compensation expense (Refer note 42)	4.67	2.68
Other employee benefits	17.09	15.93
Less: Transfer to capital work in progress	(4.60)	(3.07)
Total	**219.20**	**211.68**

NOTE NO. 32 FINANCE COSTS

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest costs:		
- Interest on bank overdrafts and loans	71.72	100.18
- Interest on lease liability	2.42	1.96
- Interest accrued on delayed payments to MSME vendors	2.21	1.02
Exchange difference regarded as an adjustment to borrowing costs	11.74	4.19
Other finance costs	6.15	7.46
Total	**94.24**	**114.81**

NOTE NO. 33 DEPRECIATION AND AMORTISATION EXPENSES

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of property, plant and equipment (Refer note 3)	83.09	83.48
Depreciation of investment properties (Refer note 6)	0.11	0.11
Depreciation of right-of-use assets (Refer note 4(i))	3.87	2.84
Amortisation of intangible assets (Refer note 8)	12.61	12.82
Total	**99.68**	**99.25**

NOTE NO. 34 OTHER EXPENSES

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Subcontracting	20.73	14.28
Power and fuel	95.30	90.87
Water	3.17	3.50
Rent including lease rentals	1.44	2.67
Repairs and maintenance:		
- Buildings	1.78	2.10
- Machinery	17.80	14.83
- Others	28.93	17.33
Insurance	6.68	9.10
Rates and taxes	1.54	1.85
Communication	1.46	1.58
Travelling and conveyance	5.18	2.98
Printing and stationery	1.96	1.95
Freight and forwarding	19.98	20.17
Sales commission	3.42	3.46
Business promotion	2.72	0.68
Donations and contributions	0.51	0.33
Expenditure on Corporate Social Responsibility (Refer note (i) below)	0.76	0.65
Analytical charges	0.46	0.71
Regulatory expenses	3.05	3.62
Legal and professional fees	18.81	13.41
Payments to statutory auditors (Refer note (ii) below)	0.84	0.83
Directors sitting fees	0.45	0.42
Bad debts written off / Allowance for doubtful trade and other receivables	4.23	3.79

Notes

to the standalone financial statements for the year ended March 31, 2026

NOTE NO. 34 OTHER EXPENSES (CONTD.)

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Loss on sale and / or write-off of property, plant and equipment	0.33	0.08
Consumption of stores and spares	23.57	19.26
Miscellaneous expenses	13.49	11.38
Total	**278.59**	**241.83**

Notes:

(i) Expenditure on Corporate Social Responsibility:

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) amount required to be spent by the company during the year,	-	-
(ii) amount of expenditure incurred,	0.76	0.65
(iii) set off from previous year excess spent	-	-
(iv) shortfall / (excess) at the end of the year,	(0.76)	(0.65)
(v) total of previous years shortfall,	-	-
(vi) reason for shortfall,	Not applicable	Not applicable
(vii) nature of CSR activities	Drive socially inclusive and need-based interventions in the realms of health, hygiene, sanitation and education.	
(viii) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	-	-
(ix) where a provision is made with respect to a liability incurred by entering into a contractual obligation,	-	-

(ii) Payments to the Statutory Auditors comprises (net of taxes) for:

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
- Audit of standalone and consolidated financial statements including limited review	0.80	0.75
- Other services	0.01	0.03
- Reimbursement of expenses	0.03	0.05
Total	**0.84**	**0.83**

NOTE NO. 35 EXCEPTIONAL ITEM - LOSS

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Gratuity and Compensated absences impact under new labour code	5.89	-
Total	**5.89**	**-**

Note:

Changes to Employee Benefits upon notification of Labour Codes:

The Government of India notified the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively, the Labour Codes"). These Labour Codes, which have become effective from 21 November 2025, consolidate and rationalise 29 labour laws and introduce, among other matters, a uniform definition of "Wages". Also, the Labour Codes have modified certain employee benefits and eligibility conditions in respect of those benefits. Accordingly, during the year, the Company has amended its policies relating to employee benefits and modified its employment contracts to align such benefits with the requirements of the Labour Codes. The changes include (i) alignment of the definition of Wages for social security contributions / provisions (ii) revisions to compensated absences entitlement and encashment rules, and (iii) modifications to gratuity-related terms and take effect on and from February 1, 2026.

Past service cost resulting from plan amendments amounting to ₹ 5.89 crores has been recognised immediately in the Standalone Statement of Profit and Loss and has been classified as a part of Exceptional Item.

NOTE NO. 36 TAX EXPENSES

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Continuing operations		
Current tax		
Current tax expenses	-	-
Deferred tax benefit		
Deferred tax (credit) / expenses	-	-
MAT credit reversal	-	-
Net tax expenses	**-**	**-**

The reconciliation of estimated income tax expenses at statutory income tax rate to income tax expense reported in standalone statement of profit and loss is as follows

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before income taxes:	(7.24)	(1.08)
Indian statutory income tax rate	34.94%	34.94%
Expected income tax expenses	**(2.53)**	**(0.38)**
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expenses:		
Effect of expenses that are not deductible in determining taxable profit	1.22	0.70
Effect of unrecognised deferred tax assets on product portfolio (refer note 12(iv))	2.40	3.20
Effect of unrecognised deferred tax assets	(1.26)	(3.61)
Others (net)	0.17	0.09
Total income tax expenses	**-**	**-**

Refer Note 12 for significant components of deferred tax assets and liabilities.

NOTE NO. 37 COMMITMENTS AND CONTINGENT LIABILITIES (TO THE EXTENT NOT PROVIDED FOR)

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
a) Contingent liabilities - Pending Litigations		
i) Indirect taxes	5.63	5.78
ii) Direct taxes	161.92	-
a) The Company has received assessment orders from the assessing officer. For the assessment year 2018-19, the officer disallowed the Company's claim for depreciation on goodwill and product portfolio. Order against appeal had been passed vide order dated April 18, 2024, confirming disallowance of depreciation on goodwill & product portfolio and the Company has filed an appeal before the ITAT against it on May 06, 2024.		
b) For the assessment year 2019-20 the officer disallowed the Company's claim for depreciation on goodwill and product portfolio and Disallowance of R&D expense claimed under Section 35(2AB) in its income tax return vide Assessment order dated February 12, 2026 which is result in a tax Demand of ₹ 161.92 crores. The Company has filed an appeal before the CIT (A) on March 28, 2026.		
c) For the assessment year 2020-21, the officer disallowed the Company's claim for weighted deduction under Section 35(2AB), depreciation on goodwill and product portfolio, and deemed income under Section 41.The Company had preferred appeal with Commissioner of income tax (appeals). Order against appeal had been passed vide order dated March 31, 2024, confirming disallowance of depreciation on goodwill & product portfolio, deduction u/s 35(2AB) & addition under Section 41 of the Act. However, issue with regard to alternate claim of deduction u/s 35(1) of the Act as against Section 35(2AB), set-off of carried forward losses and credit for taxes paid have been remanded back to AO. Company has filed an appeal before the ITAT against it on May 06, 2024.		

Notes

to the standalone financial statements for the year ended March 31, 2026

NOTE NO. 37 COMMITMENTS AND CONTINGENT LIABILITIES (TO THE EXTENT NOT PROVIDED FOR) (CONTD.)

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
d) Our Company has filed a tax appeal before the CIT (A) against an assessment order dated March 21, 2024 and an assessment order dated March 17, 2025 ("Assessment Orders") passed by National Faceless Assessment Centre ("NFAC") for Assessment Year 2022-23 and 2023-24. Pursuant to the Assessment Orders, the NFAC disallowed depreciation claimed on product portfolio claimed under Section 32(1)(ii) of the Income Tax Act, 1961 ("IT Act") amounting to ₹ 30.05 crores and ₹ 24.05 crores respectively and accordingly demand notices were issued for a sum of ₹Nil. The Company has in its return of income for subsequent years also has claimed the aforesaid allowances. Refer note 12 (iv) for details."		
e) For the assessment year 2024-25, there are no disallowances. However, the loss to be carried forward amounting to ₹ 342.08 crores has been restricted in the order . The Company has filed an appeal before CIT(A) and also filed rectification application on March 26, 2026.		
b) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		
- Property, plant and equipment	43.30	50.92
- Intangible assets	0.84	0.91

NOTE NO. 38 EMPLOYEE BENEFITS PLANS

Defined contribution plan

The Company makes contributions to provident fund and employee state insurance schemes which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll cost to fund the benefits.The Company recognised ₹ 10.96 Crores (March 31, 2025: ₹ 11.14 Crores) for provident fund contributions, ₹ 0.02 Crores (March 31, 2025: ₹ 0.02 Crores) for employee state insurance scheme contributions in the Standalone Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Defined benefit plan

The Company offers gratuity benefits, a defined employee benefit scheme to its employees. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

Composition of the plan assets

The fund is managed by LIC and SBI, the fund manager. The details of composition of plan assets managed by the fund manager is not available with the company. However, the said funds are subject to Market risk (such as interest risk, investment risk, etc.).

The said benefit plan is exposed to actuarial risks such as longevity risk and salary risk.

Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation as at	
	March 31, 2026	March 31, 2025
Discount rate	7.22%	6.65%
Expected rate of salary increase	Year 1- 7.50% thereafter- 6.50%	Year 1- 7.50% thereafter- 6.50%
Attrition rate	11.00%	11.00%
Mortality Rate	As per IALM (2012-14) ultimate	As per IALM (2012-14) ultimate
Retirement age (years)	Karnataka - 60 years, Other - 58 years	Karnataka - 60 years, Other - 58 years

Amounts recognised in statement of profit and loss and in other comprehensive income in respect of these defined benefit plan are as follows:

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Service cost:		
Current service cost	4.11	4.30
Past service cost	4.72	-
Net interest expense	2.94	2.72
Components of defined benefit costs recognised in statement of standalone profit and loss	**11.77**	**7.02**
Remeasurement on the net defined benefit liability:		
Return on plan assets [excluding amounts included in net interest expense] (excess) / short return	0.23	0.34
Actuarial (gains) / losses arising from changes in financial assumptions	(1.08)	1.97
Actuarial (gains) / losses arising from experience adjustments	(2.42)	(3.37)
Components of defined benefit costs recognised in other comprehensive income	**(3.27)**	**(1.06)**
Total	**8.50**	**5.96**

The current service cost and the net interest expense for the year are included in the 'Employee benefits expenses' line item in the standalone statement of profit and loss. The past service cost is shown under 'Exceptional item'. The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amounts included in the balance sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Present value of funded defined benefit obligation	65.19	62.20
Fair value of plan assets	(9.84)	(13.28)
Funded status	**55.35**	**48.92**
Net liability arising from defined benefit obligation	**55.35**	**48.92**
Non-current	53.47	48.92
Current	1.88	-

Movements in the present value of the defined benefit obligation are as follows:

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Opening defined benefit obligation	62.20	61.17
Expenses recognised in statement of profit and loss		
Current service cost	4.11	4.30
Past service cost	4.72	-
Interest cost	3.82	4.00
Remeasurement (gains)/losses:		
Actuarial gains and losses arising from changes in financial assumptions	(1.08)	1.97
Actuarial gains and losses arising from experience adjustments	(2.42)	(3.37)
Benefits paid	(6.16)	(5.87)
Closing defined benefit obligation	**65.19**	**62.20**

Movements in the fair value of the plan assets are as follows:

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Opening fair value of plan assets	13.28	17.58
Expected return on plan assets	0.88	1.28
Remeasurement gain (loss):		
Contributions from the employer	2.07	0.63
Actuarial (gains) / loss on plan assets	(0.23)	(0.34)
Benefits paid	(6.16)	(5.87)
Closing fair value of plan assets	**9.84**	**13.28**

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Discount rate		
100bps increase	62.49	59.55
100bps decrease	68.15	65.01
Expected rate of salary increase		
100bps increase	68.18	65.13
100bps decrease	62.38	59.43

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

There has been no change in the process used by the Company to manage its risks from prior periods.

Expected future cash outflows towards the plan are as follows-

₹ in Crores

Financial Year	Amount
2025-26	11.71
2026-27	11.14
2027-28	10.32
2028-29	8.96
2029-30	7.64
2030-31 to 2034-35	25.17

NOTE NO. 39 RELATED PARTY INFORMATION:

39A List of related parties:

Wholly owned subsidiary:

Shasun USA Inc., USA#
Sequent Penems Private Limited (upto April 25, 2024)
Solara Active Pharma Sciences LTDA#
Synthix Global Pharma Solutions Limited (wef April 29, 2025)
#wholly-owned subsidiary (WoSs) was dissolved w.e.f. September 16, 2025, and is no longer part of the Group.

Other Subsidiaries:

Chemsynth Laboratories Private Limited

Director and Key Management Personnel:

Poorvank Purohit	Managing Director and Chief Executive Officer (Resigned wef. February 21, 2025)
Sandeep Rao	Managing Director and Chief Executive Officer (Appointed wef. February 21, 2025)
Arun Kumar Pillai	Non-Executive Director
Kartheek Chintalapati Raju	Non-Executive Director (Resigned wef. November 5, 2025)
R Ramakrishnan	Independent Director
Kausalya Santhanam	Independent Director
Manish Gupta	Non-Executive Director (Appointed wef. July 22, 2024)
Ankur Nand Thadani	Non-Executive Director (Resigned wef. July 22, 2024)
Rajendra Kumar Srivastava	Independent Director
Rajiv Vijay Nabar	Independent Director
Mohan Muthunarayanan	Executive Director (Appointed wef. February 14, 2024 and Resigned wef December 31, 2025)
Mohanraj S	Executive Director (Appointed wef. January 1, 2026)
Sarat Kumar	Chief Financial Officer (Appointed wef. February 21, 2025)
Arun Kumar Baskaran	Chief Financial Officer (Appointed wef. March 08, 2024 and Resigned wef. February 21, 2025)
S Murali Krishna	Company Secretary (Resigned wef May 15, 2025)
Pooja Jayakumar	Company Secretary (Appointed wef May 15, 2025)

Enterprises controlled, owned or significantly influenced by directors, key management personnel, promoter or person holding significant interest in the company:

Strides Pharma Science Limited, India
Tenshi Pharmaceuticals Private Limited
Aurore Life Sciences Private Limited, India
Aurore Pharmaceuticals Private Limited
Instapill Private Limited (formerly known as Tenshi Kaizen Private Limited, India)
Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Steriscience Specialties Pvt Ltd, India
Chayadeep Properties Private Limited, India

Notes

to the standalone financial statements for the year ended March 31, 2026

39B Transactions during the year

₹ in Crores

Description	Related party	March 31, 2026	March 31, 2025
Sale of goods/(sales return)	Strides Pharma Science Limited	328.97	214.97
	Aurore Life Sciences Private Limited	0.33	0.27
	Onesource Specialty Pharma Limited	5.16	3.47
	Instapill Private Limited (formerly known as Tenshi Kaizen Private Limited, India)	0.35	0.10
Sale of services	Onesource Specialty Pharma Limited	0.09	-
	Instapill Private Limited (formerly known as Tenshi Kaizen Private Limited, India)	-	0.01
	Steriscience Specialties Pvt Ltd	-	0.01
Other operating revenue	Strides Pharma Science Limited	0.50	1.17
Purchase of goods	Aurore Life Sciences Private Limited	3.22	-
Recovery of expenses from	Synthix Global Pharma Solutions Limited	0.15	-
	Strides Pharma Science Limited	8.51	7.65
Reimbursement of expenses to	Strides Pharma Science Limited	0.27	1.04
	Tenshi Pharmaceuticals Private Limited	1.86	1.31
Interest expenses on loans received	Chayadeep Properties Private Limited	0.28	0.19
	Tenshi Pharmaceuticals Private Limited	-	0.28
Corporate Guarantee income	Synthix Global Pharma Solutions Limited	0.02	-
Rent & Maintenance for leased property	Strides Pharma Science Limited	0.88	1.75
Guarantee commission paid	Tenshi Pharmaceuticals Private Limited	-	0.09
Loans received	Chayadeep Properties Private Limited	9.50	10.50
Loans repaid	Tenshi Pharmaceuticals Private Limited	-	18.00
	Chayadeep Properties Private Limited	9.50	10.50
Sitting fees paid to directors	Kausalya Santhanam	0.10	0.10
	R. Ramakrishnan	0.10	0.10
	Rajiv Vijay Nabar	0.10	0.10
	Rajendra Kumar Srivastava	0.10	0.10
	Manish Gupta	0.05	0.03
Short term employee benefits paid to (refer note (i) below)	Sandeep Rao	6.05	0.52
	Mohanraj S	0.45	-
	Mohan M	1.27	1.68
	Sarat Kumar	2.58	0.19
	Pooja Jayakumar	0.22	-
	Poorvank Purohit	-	3.32
	Arun Kumar Baskaran	-	0.47
	S Murali Krishna	0.20	0.61

Note (i): The compensation excludes gratuity & compensated absences which cannot be separately identified from the composite amount advised by the actuary.

39C Balances as at March 31, 2026

₹ in Crores

Description	Related party	As at March 31, 2026	As at March 31, 2025
Trade payables	Aurore Life Sciences Private Limited	3.14	-
	Tenshi Pharmaceuticals Private Limited	2.44	0.89
	Strides Pharma Science Limited	2.92	1.68
Trade receivables	Aurore Life Sciences Private Limited	0.39	0.27
	Strides Pharma Science Limited	160.45	62.83
	Synthix Global Pharma Solutions Limited	0.17	-

₹ in Crores

Description	Related party	As at March 31, 2026	As at March 31, 2025
	Steriscience Specialties Pvt Ltd	-	0.01
	Onesource Specialty Pharma Limited	3.48	0.07
	Instapill Private Limited (formerly known as Tenshi Kaizen Private Limited, India)	0.41	0.12
Loans to related party	Chemsynth Laboratories Private Limited*	1.34	1.34
Security deposit given	Strides Pharma Science Limited	0.72	0.72
Corporate Guarantee given	Synthix Global Pharma Solutions Limited	50.00	-

* The amounts disclosed are at gross amounts, without considering provision made

Note - All related party transactions were entered at an arm's length basis and in the ordinary course of business.

NOTE NO. 40 EARNINGS PER SHARE:

Amount in ₹

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Basic earnings per share:	(1.64)	(0.27)
Diluted earnings per share:	(1.64)	(0.27)

Earnings used in computing basic and diluted earnings per share

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Loss attributable to the equity holders of the Company	(7.24)	(1.08)

Weighted average number of shares used as the denominator

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Weighted average number of equity shares used as denominator in calculating basic earnings per share	4,40,36,995	3,98,98,909
Adjustments for calculation of diluted earnings per share:		
- employee stock options	29,474	3,162
Weighted average number of equity shares used as denominator in calculating diluted earnings per share*	4,40,66,469	3,99,02,071

* Diluted earnings per share for the year ended March 31, 2026 is antidilution since there is loss attributable to the equity holders of the company. Therefore, Diluted earnings per share is the same as Basic earnings per share for the year ended March 31, 2026.

NOTE NO. 41 SEGMENT REPORTING:

The Company is engaged in the manufacture and sale of Active Pharma Ingredients. The operating segment of the Company is identified to be “”Manufacture and sale of Active Pharma Ingredients””. The Managing Director and Chief executive officer of the Company who has been identified as the chief operating decision maker (CODM) reviews business performance at an overall Company level as one segment

As the Company operates in single operating segment i.e., “”Manufacture and sale of Active Pharma Ingredients””, the reporting disclosures envisaged in Ind AS 108 on operating segments, are not applicable to the Company. However, the geographical information are disclosed below::

Information regarding geographical non-current assets is as follows*:

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
India	1,449.53	1,478.48
Total	**1,449.53**	**1,478.48**

*Non current assets are excluding financial instruments and deferred tax assets

NOTE NO. 42 SHARE-BASED PAYMENTS:

Employee Stock Option Scheme (ESOP 2018)

The ESOP titled "Solara Employee Stock Option Plan 2018" (ESOP 2018) was approved by the shareholders and stock exchanges. 1,228,778 options are covered under the plan which are convertible into equal number of equity shares of the Company. The vesting period of these options range over a period of three years. The options must be exercised within a period of 120 days from the date of vesting. The Company has not granted any options (March 31, 2025: 110,200 options) under this plan during the current year.

Employee Stock Option Scheme (ESOP 2024)

The ESOP titled "Solara Employee Stock Option Plan 2024" (ESOP 2024) was approved by the shareholders and stock exchanges.960,000 options are covered under the plan which are convertible into equal number of equity shares of the Company. The vesting period of these options range over a period of three years. The options must be exercised within a period of 120 days from the date of vesting. The Company has granted 25,000 options (March 31, 2025: 350,000) under this plan during the current year.

During the current year, employee compensation costs of ₹ 4.67 Crores (Previous year: ₹ 2.68 Crores) relating to the above referred Employee Stock Option Plans have been charged to the Statement of Profit and Loss..

Fair value of share options granted during the year

The fair value of the share options were priced using a Black-Scholes model of valuation at grant date.The assumptions used in this model for calculating fair value of the ESOP granted during the year are as below:

Assumptions	Grant Date: November 5, 2025 (ESOP 2024)		
	Vest 1 November 5, 2026	Vest 2 November 5, 2027	Vest 3 November 5, 2028
	20%	30%	50%
No. of options	5,000	7,500	12,500
Fair market value of option at grant date (₹)	278.22	314.85	336.05
Fair market value of share at grant date (₹)	617.15	617.15	617.15
Exercise price (₹)	375.00	375.00	375.00
Expected volatility	47.57%	50.06%	46.63%
Option life (Years)	1	2	3
Expected Dividend Yield	0.57%	0.57%	0.57%
Risk-free interest rate	5.59%	5.76%	5.92%

Fair value of share options granted during the previous year (2024-25)

The fair value of the share options were priced using a Black-Scholes model of valuation at grant date.The assumptions used in this model for calculating fair value of the ESOP granted during the year are as below:

Assumptions	Grant Date: June 28, 2024 (ESOP 2018)		
	Vest 1 June 28, 2025	Vest 2 June 28, 2026	Vest 3 June 28, 2027
	20%	30%	50%
No. of options	19,040	28,560	47,600
Fair market value of option at grant date (₹)	220.59	255.00	286.22
Fair market value of share at grant date (₹)	544.90	544.90	544.90
Exercise price (₹)	375.00	375.00	375.00
Expected volatility	49.94%	48.94%	50.35%
Option life (Years)	1	2	3
Expected Dividend Yield	0.64%	0.64%	0.64%
Risk-free interest rate	6.81%	6.85%	6.87%

Assumptions	Grant Date: June 28, 2024 (ESOP 2018)		
	Vest 1 July 22, 2025	Vest 2 July 22, 2026	Vest 3 July 22, 2027
	20%	30%	50%
No. of options	3,000	4,500	7,500
Fair market value of option at grant date (₹)	244.61	279.64	310.38
Fair market value of share at grant date (₹)	573.00	573.00	573.00
Exercise price (₹)	375.00	375.00	375.00
Expected volatility	49.72%	49.38%	50.47%
Option life (Years)	1	2	3
Expected Dividend Yield	0.61%	0.61%	0.61%
Risk-free interest rate	6.72%	6.76%	6.79%

Assumptions	Grant Date: Feb 21, 2025 (ESOP 2024)		
	Vest 1 Feb 21, 2026	Vest 2 Feb 21, 2027	Vest 3 Feb 21, 2028
	20%	30%	50%
No. of options	60,000	90,000	1,50,000
Fair market value of option at grant date (₹)	179.73	203.17	242.79
Fair market value of share at grant date (₹)	490.15	490.15	490.15
Exercise price (₹)	375.00	375.00	375.00
Expected volatility	54.14%	46.46%	52.44%
Option life (Years)	1	2	3
Expected Dividend Yield	0.71%	0.71%	0.71%
Risk-free interest rate	6.49%	6.54%	6.56%

Assumptions	Grant Date: Feb 27, 2025 (ESOP 2024)		
	Vest 1 Feb 27, 2026	Vest 2 Feb 27, 2027	Vest 3 Feb 27, 2028
	20%	30%	50%
No. of options	10,000	15,000	25,000
Fair market value of option at grant date (₹)	164.13	187.13	226.53
Fair market value of share at grant date (₹)	470.70	470.70	470.70
Exercise price (₹)	375.00	375.00	375.00
Expected volatility	54.14%	46.46%	52.44%
Option life (Years)	1	2	3
Expected Dividend Yield	0.74%	0.74%	0.74%
Risk-free interest rate	6.45%	6.48%	6.51%

Employee stock options details (ESOP 2018) as on the balance sheet date are as follows:

Particulars	During the year 2025-26		During the year 2024-25	
	Options (No's)	Weighted average exercise price per option (₹)	Options (No's)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year	2,12,600	307.44	2,93,800	621.22
Granted during the year	-	-	1,10,200	375.00
Exercised during the year	1,18,540	271.24	58,000	267.05
Lapsed/ cancelled during the year	25,500	326.18	1,33,400	295.73
Options outstanding at the end of the year	68,560	363.06	2,12,600	307.44
Options available for grant	1,61,678	-	1,36,178	-

Employee stock options details (ESOP 2024) as on the balance sheet date are as follows:

Particulars	During the year 2025-26		During the year 2024-25	
	Options (No's)	Weighted average exercise price per option (₹)	Options (No's)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year	3,50,000	375.00	-	-
Granted during the year	25,000	375.00	3,50,000	375.00
Exercised during the year	-	-	-	-
Lapsed / cancelled during the year	-	-	-	-
Options outstanding at the end of the year	3,75,000	375.00	3,50,000	375.00
Options available for grant	5,85,000	-	6,10,000	-

NOTE NO. 43 FINANCIAL INSTRUMENTS

43.1 Categories of financial instruments

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
FINANCIAL ASSETS:		
Measured at amortised cost		
(a) Cash and bank balances	4.16	3.97
(b) Investments	1.62	1.70
(c) Trade receivables	438.87	326.57
(d) Loans	0.03	0.02
(e) Other financial assets at amortised cost	22.99	28.68
FINANCIAL LIABILITIES:		
Measured at amortised cost		
(a) Borrowings including current maturities of non current borrowings	615.03	776.06
(b) Lease liabilities	22.02	20.02
(c) Trade payables	267.58	241.57
(d) Other financial liabilities	32.86	19.33

43.2 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

"The management assessed that the carrying amounts of financial assets and financial liabilities (except borrowings) recognised in the financial statements at amortised cost will reasonably approximate their fair values.

The below table summarises the borrowings which are measured at amortised cost and for which fair values are disclosed, with corresponding carrying values:

₹ in Crores

Particulars	As at March 31, 2026		As at March 31, 2025	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial liabilities:				
Borrowings	615.03	616.02	776.06	777.61

Financial risk management objectives

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below::

43.3 Foreign currency risk management

The Company is exposed to foreign exchange risk due to:

- debt availed in foreign currency

- exposure arising from transactions relating to purchases, revenues, expenses, etc., to be settled (within and outside the group) in currencies other than the functional currency (i.e. Indian rupees).

The carrying amount of the Company's foreign currency denominated monetary liabilities (payables) and assets (receivables) as at the end of reporting period are as under:

₹ in Crores

Amount receivable/(payable)	As at March 31, 2026		As at March 31, 2025	
Exposure to the Currency	**in foreign Currency**	**in ₹**	**in foreign Currency**	**in ₹**
USD	0.39	29.37	(0.33)	(28.83)
EUR	0.04	4.23	0.03	3.05
JPY	-	-	6.79	3.85

Foreign currency sensitivity analysis

Financial instruments affected by changes in foreign exchange rates include loans in foreign currencies. The Company considers US Dollar and the Euro to be principal currencies which require monitoring and risk mitigation. The impact on account of 5% appreciation / depreciation in the exchange rate of the above foreign currencies against ₹ is given below:

₹ in Crores

Exposure to the Currency	Increase / (Decrease) in Equity / Profit	
	March 31, 2026	**March 31, 2025**
Appreciation in the USD	1.47	(1.44)
Depreciation in the USD	(1.47)	1.44
Appreciation in the EUR	0.21	0.15
Depreciation in the EUR	(0.21)	(0.15)

The impact on profit has been arrived at by applying the effects of appreciation / deprecation effects of currency on the net position (Assets in foreign currency - Liabilities in foreign currency) in the respective currencies.

For the purpose of the above table, it is assumed that the carrying value of the financial assets and liabilities as at the end of respective financial years remains constant thereafter. The exchange rate considered for the sensitivity analysis is the exchange rate prevalent as at each year end.

The sensitivity analysis might not be representative of inherent foreign exchange risk due to the fact that the foreign exposure at the end of the reporting period might not reflect the exposure during the year.

43.4 Interest rate risk management

Interest rate risk arises from borrowings. Debt issued at variable rates exposes the company to cash flow risk. Debt issued at fixed rate exposes the company to fair value risk.

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments is as follows:

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Fixed-rate instruments		
Financial assets		
Balance with banks held in deposit account	1.13	0.79
Financial liabilities		
Lease liabilities	22.02	20.02
	23.15	**20.81**

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Variable-rate instruments		
Financial liabilities		
Borrowings from bank	615.03	776.06
	615.03	**776.06**

Interest rate sensitivity analysis

Financial instruments affected by interest rate changes include secured long term loans from banks and secured short term loans from banks. The impact of a 1% change in interest rates on the profit of an annual period will be ₹ 6.15 Crores (March 31, 2025: ₹ 7.76 Crores) assuming the loans at each year end remain constant during the respective years. This computation does not involve a revaluation of the fair value of loans as a consequence of changes in interest rates. The computation also assumes that an increase in interest rates on floating rate liabilities will not necessarily involve an increase in interest rates on floating rate financial assets.

43.5 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit Risk to the company primarily arises from trade receivables. Credit risk also arises from cash and cash equivalents, financial instruments and deposits with banks and financial institutions and other financial assets.

The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company has an internal mechanism of determining the credit rating of the customers and setting credit limits. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Company is not significantly exposed to geographical credit risk as the counterparties operate across various countries across the globe.

Credit risk on cash and cash equivalent is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

43.6 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual short term and long term cash flows, and by matching the maturity profiles of financial assets and liabilities.

43.6.1 Liquidity analysis for Non-Derivative Financial Liabilities

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table include repayment of principal amounts. The contractual maturity is based on the earliest date on which the Company may be required to pay.

₹ in Crores

Financial Liabilities	Due within (years)						Total	Carrying Amount
	1	1 to 2	2 to 3	3 to 4	4 to 5	beyond 5		
Bank & other borrowings								
- As on March 31, 2026	554.46	27.40	16.80	17.36	-	-	616.02	615.03
- As on March 31, 2025	662.74	53.32	27.58	16.77	17.20	-	777.61	776.06

₹ in Crores

Financial Liabilities	Due within (years)						Total	Carrying Amount
	1	1 to 2	2 to 3	3 to 4	4 to 5	beyond 5		
Interest payable on borrowings								
- As on March 31, 2026	3.08	-	-	-	-	-	3.08	3.08
- As on March 31, 2025	5.09	-	-	-	-	-	5.09	5.09
Lease liabilities								
- As on March 31, 2026	3.96	4.16	4.37	2.71	1.29	46.73	63.22	22.02
- As on March 31, 2025	2.99	3.32	3.31	3.48	1.57	47.95	62.62	20.02
Trade and other Financial liabilities								
- As on March 31, 2026	297.36	-	-	-	-	-	297.36	297.36
- As on March 31, 2025	255.81	-	-	-	-	-	255.81	255.81

NOTE NO. 44 CAPITAL MANAGEMENT

The Company manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings as detailed in note 21 offset by cash and bank balances) and total equity.

The Company is not subject to any externally imposed capital requirements.

44.1 Gearing ratio

The gearing ratio at end of the reporting period was as follows.

₹ in Crores

Particulars	March 31, 2026	March 31, 2025
Debt (i)	637.05	796.08
Less:		
Cash and bank balances	4.16	3.97
Net Debt (A)	**632.89**	**792.11**
Total Equity (B)	**1,255.44**	**1,096.21**
Net debt to equity ratio (A/B)	**0.50**	**0.72**

(i) Debt is defined as non-current borrowings, current maturities of non-current borrowings and current borrowings and lease liabilities.

NOTE NO. 45 RATIO ANALYSIS

₹ in Crores

Particulars	Methodology	As at March 31, 2026	As at March 31, 2025	Change
Current ratio	Current Assets over Current Liabilities	0.91	0.78	17%
Debt-Equity ratio (refer note (a) below)	Debt over Equity	0.51	0.73	-30%
Debt Service Coverage ratio	Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA) over debt repayments and interest payments	1.06	0.95	12%
Return on Equity ratio (refer note (b) below)	Net loss (LAT) over Tangible Equity	-0.83%	-0.15%	442%
Inventory turnover ratio	Cost of goods sold over Average Inventory	2.15	1.85	16%

₹ in Crores

Particulars	Methodology	As at March 31, 2026	As at March 31, 2025	Change
Trade receivables turnover ratio	Sales Turnover over Average Trade receivables	3.48	3.66	-5%
Trade payables turnover ratio	Cost of goods sold over Average Trade payables	2.69	2.28	18%
Net capital turnover ratio (refer note (c) below)	Sales Turnover over Working capital	(16.87)	(5.93)	185%
Net profit ratio (refer note (d) below)	Net loss (LAT) over Total Income	-0.53%	-0.08%	530%
Return on capital employed	Earnings Before Interest and Taxes (EBIT) over Tangible Capital Employed	6.10%	7.54%	-19%
Return on investment	Interest income, net gain on sale of investments and net fair value gain over weighted Average Investments	Nil	Nil	Nil

Notes:

(i) Explanation for variances exceeding 25%:

(a) Decrease in Debt-Equity ratio is due to decrease in current borrowings

(b) Decrease in Return on Equity ratio is on account of increase in Net loss

(c) Decrease in Net capital turnover ratio is on account of increase in Working capital

(d) Decrease in Net profit ratio is on account of increase in Net loss

Definitions:

Debt is defined as non-current borrowings, current maturities of non-current borrowings and current borrowings and includes lease liabilities

Equity is defined as Equity share capital and Other equity.

Tangible Equity is defined as Equity share capital and Other equity less Goodwill less Intangible Assets

Earnings before interest,taxes, depreciation and amortisation (EBITDA) is defined as:

Profit for the year before exceptional items and taxes (add) Depreciation and Amortisation (add) Finance costs (less) interest income"

Debt repayment is defined as non-current borrowings repaid during the year

Interest payments is defined as interest paid on borrowings during the year

Net Loss (LAT) is defined as Loss for the year after tax

Cost of goods sold is defined as Cost of materials consumed, Purchases of stock-in-trade and Changes in inventories of finished goods and work-in-progress

Sales Turnover is defined as Sale of products and Sale of services

Earnings before interest and taxes (EBIT) is defined as:

Profit for the year before exceptional items and taxes (add) Finance costs (less) interest income"

Working capital is defined as Currents Assets less Current Liabilities

Tangible Capital employed is defined as Equity and Debt less Goodwill less Intangible Assets

NOTE NO.46 DISCLOSURE AS PER REGULATION 34 (3) AND 53 (F) READ WITH PART A OF SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 IN RESPECT OF LOANS AND ADVANCES, THE AMOUNT IN THE NATURE OF LOANS OUTSTANDING AT YEAR END:

₹ in Crores

Name of borrower	Nature of relationship	Security	Rate of interest	As at April 01, 2025	Given during the year	Repayment during the year	As at March 31, 2026	Maximum amount outstanding during the year ended March 31, 2026
Chemsynth Laboratories Private Limited	Subsidiary	Unsecured	10.90%	1.34	-	-	1.34	1.34

NOTE NO. 47 OTHER STATUTORY INFORMATION

(a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(b) The Company does not have any transactions with companies struck off.

(c) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

(d) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(e) The Company has no transaction 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).

(f) The Company has borrowings from banks on the basis of security of current assets, the quarterly returns or statements of current assets has been filed by the Company with banks are in agreement with the books of accounts.

(g) The Company has not been declared willful defaulter by any bank or financial Institution or other lender.

(h) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(A) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(B) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(i) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(A) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(B) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

NOTE NO. 48

With effect from 1 April 2023, the Ministry of Corporate Affairs (MCA) has made it mandatory for companies to maintain an audit trail throughout the year for transactions impacting books of accounts.

The Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 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 except that in respect of one accounting software, audit trail was not enabled for certain critical tables. The Management is of the view that this does not have any impact on its Standalone Financial Statements for the period ended March 31, 2026.

Additionally, the audit trail that was enabled and operated has been preserved by the Company as per the statutory requirements for record retention.

Notes

to the standalone financial statements for the year ended March 31, 2026

NOTE NO. 49

There was a fire accident at the Company Puducherry facility on November 04, 2023 whereby 3 blocks out of the total 76 blocks were impacted by the fire. The fire caused damages to the plant and equipment amounting to ₹ 2.25 crores, inventories amounting to ₹ 51.35 crores, Goods and service tax reversal on inventory loss amounting to ₹ 7.52 crores and other expense such as medical expenses etc. amounting ₹ 1.38 crores. The Company has submitted the initial insurance claims which are subject to assessment by the Insurers, pending which, the claim has not been recognised in these standalone financial statements. The insurance claim will be accrued once there is certainty of the amount expected to be reimbursed by the Insurers.

NOTE NO. 50

The Company, vide its letter of offer dated May 09, 2024 offered up to 1,19,98,755 Equity shares of face value of ₹ 10/- each at a price of ₹ 375 per Equity share (including Share premium of ₹ 365 per Equity share) for an amount aggregating ₹ 449.95 crores to the existing shareholders of the Company on right basis in the ratio of One Equity share for every three equity shares held by the Equity shareholders on the record date i.e. May 15, 2024. Rights issue has been done in accordance with Section 62(1)(a) of the Act and other applicable laws. The Company has allotted 1,19,98,755 Nos. of partly paid up equity shares on June 19, 2024.

As of March 31, 2026, the Company has raised ₹ 312.79 crores under the rights issue of ₹ 449.95 crores, comprising ₹ 157.48 crores from application money (₹ 4.14 crores share capital and ₹ 157.48 crores securities premium) and ₹ 155.31 crores (₹ 4.14 crore share capital and ₹ 151.17 crores securities premium) from the first call made on May 6, 2025 with ₹ 2.17 crores still unpaid. The Company has sent the second and final call notice to the eligible members as on the record date calling for the balance amount of ₹ 134.99 crores. Net proceeds have been utilised in accordance with the Letter of Offer, with the balance held in bank accounts pending deployment..

NOTE NO. 51

According to Management's evaluation of events subsequent to the balance sheet date there were no significant adjusting events that occurred other than those disclosed/given effect to, in these financial statements as of March 31, 2026.

NOTE NO. 52

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2026, MCA has notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, whereby MCA has amended certain Indian Accounting standards which are applicable to the company w.e.f. April 01, 2025.

The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its standalone financial statements..

NOTE NO. 53

The figures for the corresponding previous period have been regrouped/reclassified wherever necessary.

NOTE NO. 54

All the amounts included in the standalone financial statements are rounded off to the nearest crores, except per share data and unless stated otherwise. Further, due to rounding off, certain amounts are appearing as '0'.

For and on behalf of Board of Directors

Sandeep Rao Managing Director & Chief Executive Officer DIN: 10838251	**Mohanraj S** Whole Time Director DIN: 08420411	**Sarat Kumar** Chief Financial Officer	**Pooja Jaya Kumar** Company Secretary Membership Number: A57415
Place : Ooty Date : May 15, 2026	Place : Ooty Date : May 15, 2026	Place : Ooty Date : May 15, 2026	Place : Bengaluru Date : May 15, 2026

Independent Auditor's Report

To The Members of

Solara Active Pharma Sciences Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of Solara Active Pharma Sciences Limited (the "Parent" or the "Company") and its subsidiaries, (the Parent and its subsidiaries together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 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 consolidated financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matter section below the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026, their consolidated loss and their consolidated other comprehensive loss, 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 in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in the sub-paragraph (a) of the Other Matter section below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue Recognition** (Refer note 2.1 (iv) and note 28 of the Consolidated financial statements) The Group's revenue mainly arose from sale of pharmaceutical products, which are in the nature of API (i.e. Active Pharmaceutical Ingredient). The Group recognises revenue based on the terms and conditions of transactions, which vary with different customers. For sales transactions in a certain period around balance sheet date, it is essential to ensure whether the transfer of control of the goods by the Group to the customer occurs before the balance sheet date or otherwise. Considering that there are significant volume of sales transactions close to the year end, involving material amounts and such revenue recognition is subject to whether transfer of control to the customer has occurred before the balance sheet date or otherwise, we consider the risk of revenue from sale of goods being recognised in the incorrect period, a key audit matter.	**Principal audit procedures performed:** We evaluated the design of internal controls over recognition of revenue in the appropriate period in accordance with the Group's accounting policy. On a sample basis, we tested the operating effectiveness of the internal control relating to the determination of point of time at which the transfer of control of the goods occurs. We tested the relevant information technology systems used in recording the revenue including Group's system generated reports, based on which selection of samples was undertaken. On sample basis, we performed test of details of sales recorded close to year end through following procedures: • Analysed the terms and conditions of the underlying contract with the customers, and • Verified the evidence for the transfer of control of the goods prior to the balance sheet date or otherwise, from relevant supporting documents.

Sr. No.	Key Audit Matter	Auditor's Response
2	**Impairment assessment of Goodwill Relating to Human API Business and related Cash Generating Unit ("CGU"):** Refer note 7 of the consolidated financial statements. The Company carried Goodwill of ₹ 364.90 Crores as at Balance Sheet date arising from past Acquisitions. As Indicated in note 2.1 (xvi) to the consolidated financial statements, the Management of the Company assesses the Impairment of the Goodwill and related assets of CGU annually or more frequently when impairment indicators exist The Carrying value of the Goodwill and related assets of CGU will be recovered through future cash flows and there is a risk of impairment loss where the actual cash flows are less than expected. The Impairment assessment performed by the Management contained a number of significant judgements and estimates including short and long-term growth rates and discount rate. We focused on this area because of the significance of the balance and the significant judgements and assumptions involved in Impairment assessment by the Management about the future results of the Human API Business	**Principal Audit Procedures performed included the following:** • We assessed the Management's process for impairment assessment of goodwill and related assets of CGU. • Evaluated the design and implementation of the Management's internal control around the impairment assessment process and the related disclosure. • Tested the operating effectiveness of the above controls. • Understood the key assumptions considered in the Management's estimates of future cash flows. • Involving our valuation specialists, we evaluated the terminal growth rate considered in the estimates of future cash flows and the discount rate used in the calculations. • Compared the historical cash flows (including for current year) against past projections of the Management for the same periods and gained understanding of the rationale for the changes. • Performed sensitivity analysis on the Key assumptions within the forecast cash flows and focused our attention on those assumptions we considered most sensitive to the changes such as revenue growth and profitability during the forecast period, the terminal growth rate and discount rate applied to the future cash flows. • We tested management workings of the extent to which a change in these assumptions both individually or in aggregate would result in impairment and considered the likelihood of such events occurring. • We further assessed the adequacy and accuracy of the disclosures made in the consolidated financial Statements for the year ended March 31, 2026.

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 Board's report, Management Discussion and Analysis, Corporate Governance Report and Business Responsibilities and Sustainability report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Board's report, Management Discussion and Analysis, Corporate Governance Report and Business Responsibilities and Sustainability report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available, compare with the financial statements of the subsidiaries 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 is traced from their financial statements audited by the other auditors.
- When we read the Board's report, Management Discussion and Analysis, Corporate Governance Report and Business Responsibility and Sustainability Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The 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 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 are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group 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 are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the 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 to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group 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 entities 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 year 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 2 subsidiaries, and whose financial statements reflect total assets of ₹ 6.75 Crores as at March 31, 2026, total revenues of ₹ Nil and net cash inflows amounting to ₹ 0.02 Crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

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.

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 referred to in the Other Matters section above we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit 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, including relevant records so far as it appears from our examination of those books, returns and the reports of the other auditors, except for in relation to compliance with the requirements of audit trail as stated in (i)(vi) below.

   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 March 31, 2026 taken on record by the Board of Directors of the Parent and the report of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above

   g) 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 and subsidiary companies 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.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies incorporated in India, the remuneration paid by the Parent and such subsidiary company to their respective directors during the year is in accordance with the provisions of Section 197 of the Act.

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 39 to the consolidated financial statements.

   ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

   iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies, incorporated in India.

   iv) (a) The respective Managements of the Parent and its subsidiary companies which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditor of such subsidiary that, to the best of their knowledge and belief, as disclosed in the note 49(g) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries 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 or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (b) The respective Managements of the Parent and its subsidiary companies which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditor of such subsidiary that, to the best of their knowledge and belief, as disclosed in the note 49(h) to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries 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 auditor of the subsidiary company which is company 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 auditor 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 Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have not declared or paid any dividend during the year and have not proposed final dividend for the year.

   vi) Based on our examination which included test checks and based on the other auditor report of its subsidiary company incorporated in India whose financial statements have been audited under the Act, the Parent and its subsidiary companies incorporated in India have used accounting software for maintaining their respective books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that in respect of one accounting software used by Parent and one subsidiary Company, audit trail was not enabled for certain critical tables (refer note 50 to the consolidated financial statements). Accordingly, we are unable to comment on whether there was any instance of the audit trail feature being tampered with in respect of parent and one subsidiary Company. Further, in respect of one subsidiary Company audited by other auditors, based on the report furnished to us by the management of the Parent Company, such other auditor has not come across any instance of tampering with the audit trail feature.

Additionally, audit trail that was enabled and operated has been preserved by the Company and above referred subsidiary Company which is audited by other auditor as per the statutory requirements for record retention, except in respect of one subsidiary where the preservation of the audit trail as per the statutory requirements for record retention is not applicable, as the subsidiary was incorporated during the year (refer note 50 to the consolidated financial statements).

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 companies included in the consolidated financial statements except for the following.

Name of the Company	CIN	Nature of relation-ship	Clause Number of CARO report with qualification or adverse remark
Solara Active Pharma Sciences Limited	L24230MH-2017PLC291636	Parent	i(c), iii(c), iii(f), vii(b)

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sandeep Kukreja
Partner
(Membership No. 220411)
(UDIN: 26220411YYZUWJ6729)

Place: Bengaluru
Date: May 15, 2026

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (THE "ACT")

In conjunction with our audit of the consolidated financial statements of the Company as at and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of **Solara Active Pharma Sciences Limited** (hereinafter referred to as "Parent") and its subsidiary companies which are companies incorporated in India, as of that date.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The respective Company's Management and Board of Directors of the Parent and its subsidiary companies 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 and its subsidiary companies, 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 auditor of the subsidiary company, which is company incorporated in India, in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies 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 consolidated 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 report of the other auditor referred to in the Other Matters paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 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 insofar as it relates to 1 subsidiary company, which is company incorporated in India, is based solely on the corresponding report of the auditor of such company 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)

Sandeep Kukreja
Partner
(Membership No. 220411)
(UDIN: 26220411YYZUWJ6729)

Place: Bengaluru
May 15, 2026

Consolidated Balance Sheet

as at March 31, 2026

₹ in Crores

	Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
A	**ASSETS**			
I	**Non-current assets**			
	(a) Property, plant and equipment	3	793.18	738.68
	(b) Right-of-use assets	4(i)	57.23	57.74
	(c) Capital work in progress	5	204.79	280.05
	(d) Investment property	6	-	2.28
	(e) Goodwill	7	364.90	364.90
	(f) Other intangible assets	8	22.20	29.80
	(g) Financial assets			
	(i) Investments	9(i)	1.62	1.70
	(ii) Other financial assets	11(i)	16.74	16.32
	(h) Deferred tax assets (net)	12	-	-
	(i) Income tax assets (net)	13	6.63	4.52
	(j) Other non-current assets	14(i)	7.20	7.12
	Total non-current assets		**1,474.49**	**1,503.11**
II	**Current assets**			
	(a) Inventories	15	317.87	317.90
	(b) Financial assets			
	(i) Investments	9(ii)	3.00	-
	(ii) Trade receivables	16	438.72	326.57
	(iii) Cash and cash equivalents	17	4.48	3.95
	(iv) Bank balances other than (iii) above	18	45.86	0.16
	(v) Loans	10(i)	0.03	0.02
	(vi) Other financial assets	11(ii)	6.54	12.36
	(c) Other current assets	14(ii)	41.60	67.77
	Total current assets		**858.10**	**728.73**
	Total assets (I + II)		**2,332.59**	**2,231.84**
B	**EQUITY AND LIABILITIES**			
I	**Equity**			
	(a) Equity share capital	19	44.51	40.25
	(b) Other equity	20	1,208.37	1,053.99
	Equity attributable to the owners of the company		**1,252.88**	**1,094.24**
	Non-controlling interests	21	2.67	2.67
	Total equity		**1,255.55**	**1,096.91**
II	**Liabilities**			
1	**Non-current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	22(i)	110.45	113.86
	(ii) Lease liabilities	4(ii)	19.21	17.77
	(iii) Other financial liabilities	23(i)	-	0.42
	(b) Provisions	24(i)	53.47	58.77
	Total non-current liabilities		**183.13**	**190.82**
2	**Current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	22(ii)	554.09	662.20
	(ii) Lease liabilities	4(ii)	2.81	2.25
	(iii) Trade payables			
	- Dues of micro and small enterprises	26	19.19	37.99
	- Dues of other than micro and small enterprises	26	254.71	209.61
	(iv) Other financial liabilities	23(ii)	32.86	18.91
	(b) Provisions	24(ii)	13.88	2.23
	(c) Current tax liabilities (net)	27	0.01	0.01
	(d) Other current liabilities	25(i)	16.36	10.91
	Total current liabilities		**893.91**	**944.11**
	Total liabilities		**1,077.04**	**1,134.93**
	Total equity and liabilities (I + II)		**2,332.59**	**2,231.84**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration Number: 117366W/W-100018

Sandeep Kukreja
Partner
Membership Number: 220411

Place : Bengaluru
Date : May 15, 2026

For and on behalf of Board of Directors

Sandeep Rao
Managing Director & Chief Executive Officer
DIN: 10838251

Place : Ooty
Date : May 15, 2026

Mohanraj S
Whole Time Director
DIN: 08420411

Place : Ooty
Date : May 15, 2026

Sarat Kumar
Chief Financial Officer

Place : Ooty
Date : May 15, 2026

Pooja Jaya Kumar
Company Secretary
Membership Number: A57415

Place : Bengaluru
Date : May 15, 2026

Consolidated Statement of Profit and Loss
for the year ended March 31, 2026

₹ in Crores

	Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
1	Revenue from operations	28	1,368.98	1,283.76
2	Other income	29	6.16	8.32
3	**Total income (1+2)**		**1,375.14**	**1,292.08**
4	**EXPENSES**			
	(a) Cost of materials consumed	30	672.77	581.66
	(b) Purchases of stock-in-trade	31	3.49	5.75
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	32	8.25	39.00
	(d) Employee benefits expenses	33	219.20	211.69
	(e) Finance costs	34	94.75	114.81
	(f) Depreciation and amortisation expenses	35	99.68	99.25
	(g) Other expenses	36	278.52	239.38
	Total expenses (4)		**1,376.66**	**1,291.54**
5	**PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEM AND TAX (3-4)**		**(1.52)**	**0.54**
6	**EXCEPTIONAL ITEM - LOSS**	37	(5.89)	-
7	**PROFIT/(LOSS) BEFORE TAX (5+6)**		**(7.41)**	**0.54**
8	**TAX EXPENSES**	38		
	(a) Current tax		-	-
	(b) Deferred tax		-	-
	Total tax expenses (8)		**-**	**-**
9	**PROFIT/(LOSS) FOR THE YEAR (7-8)**		**(7.41)**	**0.54**
10	**OTHER COMPREHENSIVE INCOME**			
A	**ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS:**			
(i)	Remeasurement gains of defined benefit plans		3.27	1.06
(ii)	Income tax relating to items that will not be reclassified subsequently to profit or loss		-	-
B	**ITEMS THAT MAY BE RECLASSIFIED TO SUBSEQUENTLY TO PROFIT OR LOSS:**			
(i)	Exchange differences on translating the financial statements of foreign operations		(0.42)	(0.08)
(ii)	Income tax relating to items that may be reclassified to statement of profit and loss		-	-
	Total other comprehensive income for the year (10)		**2.85**	**0.98**
11	**TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR (9+10)**		**(4.56)**	**1.52**
	Profit/(loss) for the year attributable to:			
	- Equity shareholders of the Company		(7.41)	0.54
	- Non-controlling interests		(0.00)	(0.00)
			(7.41)	**0.54**
	Other Comprehensive income attributable to:			
	- Equity shareholders of the Company		2.85	0.98
	- Non-controlling interests		-	-
			2.85	**0.98**
	Total Comprehensive income/(loss) attributable to:			
	- Equity shareholders of the Company		(4.56)	1.52
	- Non-controlling interests		(0.00)	-
			(4.56)	**1.52**
12	**EARNINGS PER EQUITY SHARE (FACE VALUE OF ₹ 10/- EACH)**	42		
	- Basic (in ₹)		**(1.68)**	**0.14**
	- Diluted (in ₹)		**(1.68)**	**0.14**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration Number: 117366W/W-100018

For and on behalf of Board of Directors

Sandeep Kukreja
Partner
Membership Number: 220411

Sandeep Rao
Managing Director & Chief Executive Officer
DIN: 10838251

Place : Ooty
Date : May 15, 2026

Mohanraj S
Whole Time Director
DIN: 08420411

Place : Ooty
Date : May 15, 2026

Sarat Kumar
Chief Financial Officer

Pooja Jaya Kumar
Company Secretary
Membership Number: A57415

Place : Bengaluru
Date : May 15, 2026

Place : Ooty
Date : May 15, 2026

Place : Bengaluru
Date : May 15, 2026

Consolidated Statement of Changes in Equity

for the year ended March 31, 2026

A. EQUITY SHARE CAPITAL

₹ in Crores

Particulars	Amount
Balance as at April 01, 2024	36.00
Changes in equity share capital during the year	
- Shares issued pursuant to Rights issue (refer note 48)	4.19
- Shares issued pursuant to exercise of stock options (refer note 44)	0.06
Balance as at March 31, 2025	**40.25**
Changes in equity share capital during the year	
- Shares issued pursuant to Rights issue (refer note 48)	4.14
- Shares issued pursuant to exercise of stock options (refer note 44)	0.12
Balance as at March 31, 2026	**44.51**

B. OTHER EQUITY

₹ in Crores

Particulars	Reserves and Surplus				Items of OCI		Total equity attributable to the owners of the company	Non-controlling interests	Total Equity
	Capital reserve	Securities premium	Retained earnings	Share options outstanding account	Foreign currency translation reserve	Other items of other comprehensive income			
Balance as at April 01, 2024	**0.01**	**1,216.03**	**(296.62)**	**1.65**	**(2.26)**	**(20.90)**	**897.91**	**2.67**	**900.58**
Profit for the year	-	-	0.54	-	-	-	0.54	0.00	0.54
Other comprehensive income for the year	-	-	-	-	(0.08)	1.06	0.98	-	0.98
Issue of shares pursuant to exercise of share options (refer note 44)	-	-	-	(0.75)	-	-	(0.75)	-	(0.75)
Premium on Issue of Share during the year pursuant to ESOP (refer note 44)	-	2.24	-	-	-	-	2.24	-	2.24
Premium on Issue of Share during the year pursuant to Right issue (refer note 48)	-	153.28	-	-	-	-	153.28	-	153.28
Employee stock compensation expenses	-	-	-	2.68	-	-	2.68	-	2.68
Transfer to retained earnings on stock options lapsed during the year	-	-	0.29	(0.29)	-	-	-	-	-
Share issue expenses related to Rights issue (net of tax)	-	(2.89)	-	-	-	-	(2.89)	-	(2.89)
Balance as at March 31, 2025	**0.01**	**1,368.66**	**(295.79)**	**3.29**	**(2.34)**	**(19.84)**	**1,053.99**	**2.67**	**1,056.66**
Loss for the year	-	-	(7.41)	-	-	-	(7.41)	0.00	(7.41)
Other comprehensive income for the year	-	-	-	-	(0.42)	3.27	2.85	-	2.85
Issue of shares pursuant to exercise of stock options (refer note 44)	-	-	-	(2.12)	-	-	(2.12)	-	(2.12)
Premium on Issue of Share during the year pursuant to ESOP (refer note 44)	-	5.22	-	-	-	-	5.22	-	5.22
Premium on Issue of Share during the year pursuant to Right issue (refer note 48)	-	151.17	-	-	-	-	151.17	-	151.17
Share based compensation expense	-	-	-	4.67	-	-	4.67	-	4.67
Transfer to retained earnings on stock options lapsed during the year	-	-	0.44	(0.44)	-	-	-	-	-
Balance as at March 31, 2026	**0.01**	**1,525.05**	**(302.76)**	**5.40**	**(2.76)**	**(16.57)**	**1,208.37**	**2.67**	**1,211.04**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration Number: 117366W/W-100018

Sandeep Kukreja
Partner
Membership Number: 220411

Place : Bengaluru
Date : May 15, 2026

For and on behalf of Board of Directors

Sandeep Rao
Managing Director & Chief Executive Officer
DIN: 10838251

Place : Ooty
Date : May 15, 2026

Mohanraj S
Whole Time Director
DIN: 08420411

Place : Ooty
Date : May 15, 2026

Sarat Kumar
Chief Financial Officer

Place : Ooty
Date : May 15, 2026

Pooja Jaya Kumar
Company Secretary
Membership Number: A57415

Place : Bengaluru
Date : May 15, 2026

Consolidated Statement of Cash Flows

for the year ended March 31, 2026

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (Loss) before tax for the year	**(7.41)**	**0.54**
Adjustments for:		
Depreciation and amortisation expenses	99.68	99.25
Finance costs	94.75	114.81
Share based compensation expenses (net of reversals)	4.67	2.68
Rental income from investment property	(1.07)	(1.02)
Interest income	(1.37)	(0.76)
Liabilities / provisions no longer required written back	(0.49)	(4.43)
Loss on sale and / or write-off of property, plant and equipment	0.26	0.08
Bad debts written off / Allowance for doubtful trade and other receivables	3.94	1.02
Unrealised exchange (gain) / loss (net)	0.24	(1.47)
Operating cash flows before working capital changes	**193.20**	**210.70**
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	0.03	41.80
Trade receivables	(111.32)	19.81
Other assets (financial & non-financial)	32.03	(10.02)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	25.90	(59.43)
Other liabilities (financial & non-financial)	15.19	10.86
Cash generated from operations	**155.03**	**213.72**
Net income tax paid	(2.12)	(0.90)
Net cash flow generated from operating activities (A)	**152.91**	**212.82**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure for property, plant and equipment and intangible assets, including capital advances	(52.82)	(39.94)
Investments in deposits with banks	(45.70)	-
Investments in mutual funds	(3.00)	-
Proceeds from sale of property, plant and equipment	0.51	0.38
Proceeds from sale of investments in other entities	0.08	0.96
Interest received	1.03	0.75
Rental income from investment property	1.07	1.02
Net cash flow utilised in investing activities (B)	**(98.83)**	**(36.83)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares	158.52	159.02
Share issue expenses	-	(2.89)
Proceeds from non-current borrowings	49.50	75.00
Repayment of non-current borrowings	(88.89)	(110.95)
Net increase / (decrease) in current borrowings	(76.81)	(185.43)
Lease payments	(3.63)	(2.13)
Finance costs	(92.24)	(113.10)
Net cash flow utilised in financing activities (C)	**(53.55)**	**(180.48)**

Consolidated Statement of Cash Flows
for the year ended March 31, 2026

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Net increase in cash and cash equivalents (A+B+C)	**0.53**	**(4.49)**
Cash and cash equivalents at the beginning of the year	3.95	8.44
Cash and cash equivalents at the end of the year	**4.48**	**3.95**

Reconciliation of cash and cash equivalents with the Consolidated Balance Sheet:

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents as per Consolidated Balance Sheet (Refer note 17)	4.48	3.95
Cash and cash equivalents at the end of the year *	**4.48**	**3.95**
*** Comprises**		
Cash on hand	0.01	0.02
Balance with banks:		
- In current accounts	3.34	3.14
- In deposit accounts	1.13	0.79
Total	**4.48**	**3.95**

Note

1. Refer Note 4(ii) and note 22(iii) for supplementary information on consolidated statement of cash flows

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration Number: 117366W/W-100018

Sandeep Kukreja
Partner
Membership Number: 220411

Place : Bengaluru
Date : May 15, 2026

For and on behalf of Board of Directors

Sandeep Rao
Managing Director & Chief Executive Officer
DIN: 10838251

Place : Ooty
Date : May 15, 2026

Mohanraj S
Whole Time Director
DIN: 08420411

Place : Ooty
Date : May 15, 2026

Sarat Kumar
Chief Financial Officer

Place : Ooty
Date : May 15, 2026

Pooja Jaya Kumar
Company Secretary
Membership Number: A57415

Place : Bengaluru
Date : May 15, 2026

Notes

to the consolidated financial statements for the year ended March 31, 2026

1 BACKGROUND

Solara Active Pharma Sciences Limited (hereinafter referred as “the Company” or ""the Parent"") is a public limited Company incorporated on February 23, 2017 under the provisions of Companies Act, 2013 with the object of, inter alia, undertaking the business of manufacturing, production, processing, formulating, sale, import, export, merchandising, distributing, trading of and dealing in active pharmaceutical ingredients. The Company has its registered address at 'Cyber One', Unit No. 902, Plot No. 4 & 6, Sector 30A, Vashi, Navi Mumbai - 400 703. The Company and its subsidiaries are together referred as ""Group"".

The consolidated financial statements were approved by the Board of Directors and authorised for issue on May 15, 2026.

These financial statements comprise the consolidated balance sheet of the Company, consolidated statement of profit and loss (including other comprehensive income) and consolidated statement of cash flows, consolidated statement of changes in equity and material accounting policies and other explanatory information (together the “consolidated financial statements").

2.1 Material accounting policies

(i) Statement of compliance

These consolidated financial statements have been prepared to comply in all material aspects with the 'Indian Accounting Standards' ("Ind AS") notified under Section 133 of the Companies Act, 2013(the "Act") read with Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter, as applicable to the Company, and other relevant provisions of the Act.

(ii) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value as described in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange of assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Going Concern

The Group has incurred a loss of ₹ 7.41 crores for the year ended March 31, 2026. As of March 31, 2026, the Group has accumulated losses of ₹ 319.33 crores and its net current liabilities exceed its net current assets by ₹ 35.81 crores.

To mitigate the situation and adequately fund its operations, the Parent has sent the second and final call notice to the eligible members as on the record date calling for the balance amount of ₹ 134.99 crores of its rights issue. The Parent continues to expect the renewal of its working capital facilities, as and when required, in the normal course of business and also increase revenues and margins on its products and accordingly expects to continue to have cash inflows from operations in amounts that are adequate enough to meet all future obligations as they fall due. Based on the above, the Board of directors have approved the preparation of the consolidated financial results on a going concern basis.

(iii) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has 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 affect its returns.

The Company 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 Company has less than a majority of the voting rights of an investee, 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 Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company 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 Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated statement of profit and loss from the date the Group gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Details of subsidiaries considered in these consolidated financial statements.

Sr. No	Name of the Subsidiary	% of Holding	Country of Incorporation
1	Chemsynth Laboratories Private Limited	49%	India
2	Synthix Global Pharma Solutions Limited*	100%	India
3	Shasun USA Inc	100%	USA
4	Solara Active Pharma Sciences LTDA**	100%	Brazil

*Subsidiary company incorporated on April 29, 2025.

**Dissolved w.e.f. September 16, 2025, and is no longer part of the Group.

All the above companies are engaged in the business of Pharmaceutical products

(iv) Revenue recognition

Revenue is measured at the amount of consideration which the Group expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government) and is recorded net of provisions for sales discounts and returns, which are established at the time of sale. Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional.

Sale of goods

The Group receives revenue for supply of pharmaceutical products to external customers against orders received. The majority of these contracts contain single performance obligation for supply of goods. The average duration of a customers' order is less than 12 months.

Revenue from sale of goods is recognised upon transfer of control to the customer. The point at which control passes depends on the terms set forth in the customer's contract. Generally, the control is transferred upon shipment of the product to the customer or when the product is made available to the customer, provided transfer of title to the customer occurs and the Group has not retained any significant risks of ownership or future obligations with respect to the product sold.

'Bill and hold' sales, in which delivery is delayed at the buyer's request but the buyer takes title and accepts billing, revenue is recognised when the buyer takes title, provided:

(a) the buyer specifically requests the deferred delivery;

(b) the product is identified separately as belonging to buyer;

(c) the product is on hand and ready for delivery to the buyer at the time the sale is recognised;

(d) the seller does not have ability to use product or direct to another buyer; and

(e) the usual payment terms apply.

Sale of services
Revenue from development services is recognised on achievement of a development milestone and when it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

Share of Profit
Share of profits under manufacturing and supply agreements with customers are accrued based on sales as confirmed by the customers.

(v) Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(vi) Export Incentives

Export incentives are accrued for based on fulfilment of eligibility criteria for availing the incentives and when there is no uncertainty in receiving the same. These incentives include estimated realisable values/benefits from special import licenses and benefits under specified schemes as applicable.

(vii) Leases

The Group as lessor
Leases for which the Group is a lessor is classified as a finance or operating lease. Contracts in which all the risks and rewards of the lease are substantially transferred to the lessee are classified as a finance lease. All other leases are classified as operating leases.

Leases, for which the Group is an intermediate lessor, it accounts for the head-lease and sub-lease as two separate contracts. The sub-lease is classified as a finance lease or an operating lease by reference to the RoU asset arising from the head-lease.

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

The Group as lessee
The Group assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves–

(a) the use of an identified asset,

(b) the right to obtain substantially all the economic benefits from use of the identified asset, and

(c) the right to direct the use of the identified asset.

The Group has entered into lease arrangements for its factory land and office premises. The Group at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. 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.

For short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

(viii) Foreign currencies transactions and translation

Functional currency of an entity is the currency of the primary economic environment in which the entity operates. The consolidated financial statements are presented in Indian Rupees (₹), which is the functional currency of the parent Group, Solara Active Pharma Sciences Limited. In respect of subsidiaries whose operations are self-contained and integrated within their respective countries/regions, the functional currency has been determined to be the local currency of those countries/regions.

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on settlement or translation of monetary items are recognised in Consolidated Statement of Profit and Loss in the period in which they arise except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated. Income and expense items in foreign currency are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used.

(ix) Borrowing costs

Borrowing costs include:

(i) interest expense calculated using the effective interest rate method,

(ii) finance charges in respect of finance leases, and

(iii) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in Consolidated statement of profit and loss in the period in which they are incurred.

(x) Employee benefits

Short term obligations

Liabilities for wages and salaries, including other benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Retirement benefit costs and termination benefits

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit and loss. Past service cost is recognised in Consolidated statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Group presents the first two components of defined benefit costs in Consolidated statement of profit and loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the Consolidated balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Defined contribution plan

Contribution to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as undiscounted liability at the balance sheet date.Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related services are recognized as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

The Company presents the entire obligation for compensated absences as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement beyond 12 months from the reporting date.

(xi) Taxation

The income tax expense or credit for the year is the tax payable on the current year's taxable income, based on the applicable income tax rate for each jurisdiction adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Consolidated statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences and losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set-off against future tax liability. Accordingly, MAT is recognised as deferred tax asset in the Consolidated Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

Current and deferred tax for the year

Current and deferred tax are recognised in Consolidated statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

(xii) Exceptional items

Exceptional items comprise income or expenses arising from events or transactions that are significant by virtue of their size, nature, or incidence and are not expected to recur frequently in the normal course of business. These items, though arising from ordinary activities, are considered exceptional when their separate disclosure is necessary to enable users to obtain a proper understanding of the Company's financial performance. Accordingly, such items are presented separately in the Consolidated Statement of Profit and Loss.

(xiii) Property, plant and equipment

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Freehold land is not depreciated.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Right-of-use assets are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Depreciation on Property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed to be different and are as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Building	:10-60 years
Plant & Machinery	:8-20 years
Vehicles	:5 years
Office Equipment	:3-5 years

Individual assets costing less than ₹ 5,000 are depreciated in full in the year of purchase.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in consolidated statement of profit and loss.

(xiv) Investment property

Properties that is held for long-term rentals or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of the investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment property are depreciated using the straight line method over their estimated useful lives. Investment properties generally have a useful life of 25-40 years. The useful life has been determined based on technical evaluation performed by the Management's expert.

(xv) Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in consolidated statement of profit and loss when the asset is derecognised.

Useful lives of intangible assets

Intangible assets are amortised over their estimated useful life on straight line method as follows:

Product portfolio	: 10 years
Software Licenses	: 3 - 5 years
Registration and brands	: 5 - 10 years

(xvi) Impairment of assets

Impairment of financial assets:

The Group assesses at each date of balance sheet, whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the twelve-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly, since initial recognition.

Impairment of goodwill

For the purposes of impairment testing, goodwill is allocated to cash-generating units. The allocation is made to those cash generating units or groups of cash generating units that are expected to benefit from the business combination in which such goodwill arose.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in consolidated statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Impairment of non-financial assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of 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 the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in consolidated statement of profit and loss.

(xvii) Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads. Cost is determined as follows:

Raw materials, packing materials and consumables: weighted average basis

Work-in progress: at material cost and an appropriate share of production overheads

Finished goods: material cost and an appropriate share of production overheads

Stock-in trade: weighted average basis

(xviii) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

(xix) Contingent liabilities

Contingent liabilities are disclosed in notes when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(xx) Financial instruments

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

Financial assets and financial liabilities

Financial assets and financial liabilities are recognised when Group becomes a party to the contractual provisions of the instruments.

Initial recognition and measurement:

Other financial assets and financial liabilities are 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. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in consolidated statement of profit and loss.

Subsequent measurement:

Financial assets at amortised cost: Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and contractual terms of 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 at fair value through profit or loss: Financial assets are measured at fair value through profit or loss unless it measured at amortised cost or fair value through other comprehensive income on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the consolidated statement of profit and loss.

Financial liabilities are measured at amortised cost using effective interest rate method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial assets and liabilities:

The Group derecognises the financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of the ownership of the asset to the other entity . If the Group neither transfers nor retains substantially all risks and rewards of ownership and continues to control the transferred asset , the Group recognizes its retained interest in the asset and associated liability for the amounts it may have to pay . If the Group retains substantially all risks and rewards of the ownership of a transferred financial asset , the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in consolidated statement of profit or loss. Financial liabilities are derecognised when these are extinguished , that is when the obligation is discharged, cancelled or has expired.The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments recognised by the Group are recognised at the proceeds received net off direct issue cost.

(xxi) Operating Cycle

Based on the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months. The above basis is used for classifying the assets and liabilities into current and non-current as the case may be.

(xxii) Statement of Cash flows

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(xxiii) Critical accounting judgement and key sources of estimation uncertainty

In the application of the Group's accounting policies, the directors of the Group are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these 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.

Critical accounting judgement

Chemsynth Laboratories Private Limited ("Chemsynth") is considered subsidiary of the Group even though the Group and non-controlling interests have about 50% of the ownership interest and the voting rights. The directors of the Group assessed whether or not the Group has control over Chemsynth based on whether the Group has the practical ability to direct the relevant activities unilaterally. Based on such assessment, the directors concluded that the Group has sufficient management rights to unilaterally direct the relevant activities of Chemsynth and therefore the Group has control.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impairment of goodwill and other non-financial assets

The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a impairment loss may arise.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group’s past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Useful lives of property, plant and equipment

The Group reviews the useful life of property, plant and equipment at the end of each reporting period. This assessment may result in change in the depreciation expense in future periods.

Defined benefit plans and compensated absences:

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Income taxes

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of deferred tax assets considered realisable, however, could reduce in the near term if estimates of future taxable income during the carry-forward period are reduced.

Controlling parties assessment

The Company performs assessment for identification of controlling parties. The assessment involves judgements which included consideration of controlling parties' absolute size of holding in the Company, determination of whether other parties are acting on the investor's behalf, determination of whether parties have the practical ability to exercise that right and the relative size of and dispersion of the shareholdings owned by the other shareholders.

Going Concern

The Management has prepared cash flow forecasts for the next 12 months. The forecasts include assumption such revenue projection, increase in gross margin and EBITDA due to cost control measures and strategic focus to maintain reduced inventory levels.

Inventory

The Company estimates the net realisable value (NRV) of its inventories by taking into account their estimated selling price, estimated cost of completion, estimated costs necessary to make the sale. Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realisable value. Inventories are written down to NRV where such NRV is lower than their cost.

Litigations

The Group is a party to certain direct and indirect tax disputes. Uncertain tax items for which a provision is made relate principally to the interpretation of tax legislation applicable to arrangements entered into by the Group. Due to the uncertainty associated with such tax items, it is possible that, on conclusion of open tax matters at a future date, the final outcome may differ significantly.

NOTE NO. 3 PROPERTY, PLANT AND EQUIPMENT

₹ in Crores

Particulars	Gross block					Accumulated depreciation					Net block	
	As at April 01, 2025	Additions	Disposals	Reclassi-fication*	As at March 31, 2026	As at April 01, 2025	Depreciation for the year	Reclassi-fication*	Eliminated on disposal	As at March 31, 2026	As at March 31, 2026	As at March 31, 2025
Freehold Land	78.26	-	-	-	78.26	-	-	-	-	-	78.26	78.26
	(78.26)	-	-	-	(78.26)	-	-	-	-	-	(78.26)	(78.26)
Leasehold Improvements	3.71	3.70	-	-	7.41	3.12	0.77	-	-	3.89	3.52	0.59
	(3.71)	-	-	-	(3.71)	(2.65)	(0.47)	-	-	(3.12)	(0.59)	(1.06)
Buildings	329.99	23.62	-	3.02	356.63	80.90	11.98	0.85	-	93.73	262.90	249.09
	(328.26)	(1.73)	-	-	(329.99)	(69.16)	(11.74)	-	-	(80.90)	(249.09)	(259.10)
Plant and machinery	866.59	102.18	2.93	-	965.84	462.98	68.05	-	2.24	528.79	437.05	403.61
	(857.40)	(14.72)	(5.53)	-	(866.59)	(399.44)	(68.61)	-	(5.07)	(462.98)	(403.61)	(457.96)
Furniture and fixtures	6.77	0.15	0.05	-	6.87	4.87	0.47	-	0.03	5.31	1.56	1.90
	(6.77)	-	-	-	(6.77)	(4.33)	(0.54)	-	-	(4.87)	(1.90)	(2.44)
Vehicles	1.69	-	-	-	1.69	1.17	0.12	-	-	1.29	0.40	0.52
	(1.38)	(0.31)	-	-	(1.69)	(1.06)	(0.11)	-	-	(1.17)	(0.52)	(0.32)
Office equipments	37.89	6.54	0.87	-	43.56	33.18	1.70	-	0.81	34.07	9.49	4.71
	(37.69)	(0.20)	-	-	(37.89)	(31.17)	(2.01)	-	-	(33.18)	(4.71)	(6.52)
Total	**1,324.90**	**136.19**	**3.85**	**3.02**	**1,460.26**	**586.22**	**83.09**	**0.85**	**3.08**	**667.08**	**793.18**	**738.68**
Previous year	**(1,313.47)**	**(16.96)**	**(5.53)**	**-**	**(1,324.90)**	**(507.81)**	**(83.48)**	**-**	**(5.07)**	**(586.22)**	**(738.68)**	**(805.66)**

* Reclassified from investment property.

Notes:

(i) Figures in brackets relates to previous year.

(ii) All the assets are owned by the Company unless otherwise stated.

(iii) Refer note 22 for properties, plant and equipment pledged as security towards borrowings by the Group.

(iv) The title deeds of freehold land and building as at March 31, 2026 gross block ₹ 191.26 Crores and net block of ₹ 151.06 Crores (as at March 31, 2025 gross block ₹ 177.69 Crores and net block of ₹ 142.82 Crores) capitalised in the books of the Company are in the name of erstwhile Companies as given below. The Company is in the process transferring the title deeds of such properties in its name.

Notes

to the consolidated financial statements for the year ended March 31, 2026

Relevant line item in the Balance sheet	Description of item of property	Gross Value of property	Title deed held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property Plant and Equipment	Freehold Land	0.21 (0.21)	Shasun Drugs wholly owned by Messrs . Shasun Chemicals (Madras) Pvt. Ltd.	No	October 1, 2017	The title deeds are in the name of transferor Companies, which were transferred to the Company pursuant to the Composite Scheme of Arrangement as approved by the National Company Law Tribunal. The company is in the process of transferring in its name.
Property Plant and Equipment	Buildings	91.78 (85.87)	Shasun Drugs wholly owned by Messrs . Shasun Chemicals (Madras) Pvt. Ltd.	No	October 1, 2017	The title deeds are in the name of transferor Companies, which were transferred to the Company pursuant to the Composite Scheme of Arrangement as approved by the National Company Law Tribunal. The company is in the process of transferring in its name.
Property Plant and Equipment	Freehold Land	0.33 (0.33)	Shasun Chemicals and Drugs Limited	No	October 1, 2017	The title deeds are in the name of transferor Companies, which were transferred to the Company pursuant to the Composite Scheme of Arrangement as approved by the National Company Law Tribunal. The company is in the process of transferring in its name.
Property Plant and Equipment	Freehold Land	2.09 (2.09)	Strides Shasun Limited	No	October 1, 2017	The title deeds are in the name of transferor Companies, which were transferred to the Company pursuant to the Composite Scheme of Arrangement as approved by the National Company Law Tribunal. The company is in the process of transferring in its name.
Property Plant and Equipment	Freehold Land	52.18 (52.18)	Sequent Scientific Limited	No	October 1, 2017	The title deeds are in the name of transferor Companies, which were transferred to the Company pursuant to the Composite Scheme of Arrangement as approved by the National Company Law Tribunal. The company is in the process of transferring in its name.
Property Plant and Equipment*	Buildings	44.53 (36.87)	Sequent Scientific Limited	No	October 1, 2017	The title deeds are in the name of transferor Companies, which were transferred to the Company pursuant to the Composite Scheme of Arrangement as approved by the National Company Law Tribunal. The company is in the process of transferring in its name.
Property Plant and Equipment	Freehold Land	0.14 (0.14)	Shasun Pharmaceuticals Limited	No	October 1, 2017	The title deeds are in the name of transferor Companies, which were transferred to the Company pursuant to the Composite Scheme of Arrangement as approved by the National Company Law Tribunal. The company is in the process of transferring in its name.
Total		**191.26**				
Previous year		**(177.69)**				

* Reclassified from investment properties amounting to ₹ 3.02 crores

NOTE NO. 4 LEASES

(i) Right-of-use assets

₹ in Crores

Particulars	Gross block					Accumulated depreciation				Net block	
	As at April 01, 2025	Additions	Transfers	Disposals	As at March 31, 2026	As at April 01, 2025	Depreciation for the year	Eliminated on disposal	As at March 31, 2026	As at March 31, 2026	As at March 31, 2025
Leasehold Land	59.85	-	-	-	59.85	9.24	1.58	-	10.82	49.03	50.61
	(59.85)	-	-	-	(59.85)	(7.66)	(1.58)	-	(9.24)	(50.61)	(52.19)
Buildings	8.39	3.36	-	-	11.75	1.26	2.29	-	3.55	8.20	7.13
	-	(8.39)	-	-	(8.39)	-	(1.26)	-	(1.26)	(7.13)	-
Total	**68.24**	**3.36**	**-**	**-**	**71.60**	**10.50**	**3.87**	**-**	**14.37**	**57.23**	**57.74**
Previous year	**(59.85)**	**(8.39)**	**-**	**-**	**(68.24)**	**(7.66)**	**(2.84)**	**-**	**(10.50)**	**(57.74)**	**(52.19)**

Notes:

(i) Figures in brackets relates to previous year.

(ii) Lease liabilities

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	20.02	12.12
Addition	3.21	8.07
Accretion of interest	2.42	1.96
Payments	(3.63)	(2.13)
Closing balance	**22.02**	**20.02**
Maturity analysis:		
- Year 1	3.96	2.99
- Year 2	4.16	3.32
- Year 3	4.37	3.31
- Year 4	2.71	3.48
- Year 5	1.29	1.57
- Year 6 onwards	46.73	47.95
- Less: Unmatured finance charges	(41.20)	(42.60)
Total	**22.02**	**20.02**
Non-current	19.21	17.77
Current	2.81	2.25

(iii) Amounts recognised in the consolidated statement of Profit or Loss

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Depreciation charge on Right-of-use asset	3.87	2.84
Finance cost: Interest expense	2.42	1.96
Short term lease payments (Refer Note (i) below)	1.45	2.67

Note:

(i) The Group applies the short-term lease recognition exemption to its short-term leases of certain premises taken on lease (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

Notes
to the consolidated financial statements for the year ended March 31, 2026

(iv) Amounts recognised in the consolidated statement of cash flows

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Cash outflows for lease payments	3.63	2.13

NOTE NO. 5 CAPITAL WORK IN PROGRESS

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	280.05	256.37
Add: Additions	65.94	40.71
Less: Capitalised	(141.20)	(17.03)
Closing balance	**204.79**	**280.05**

Notes:

(i) Ageing of Capital work in progress:

Particulars	Amount in Capital work in progress for a period of				As at March 31, 2026
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	11.10	5.69	25.42	162.58	204.79
	(27.75)	(34.05)	(65.80)	(152.45)	(280.05)
Total	**11.10**	**5.69**	**25.42**	**162.58**	**204.79**
Previous year	**(27.75)**	**(34.05)**	**(65.80)**	**(152.45)**	**(280.05)**

Note: Figures in brackets relates to previous year.

As on the date of the balance sheet, except for the below mentioned Capital work in progress project there are no other capital work-in-progress projects whose completion is overdue.

Capital Work In Progress	To be Completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Vizag Projects	-	182.49	-	-
	-	(241.41)	-	-
Pondy Projects	6.86	-	-	-
	-	-	-	-
Total	**6.86**	**182.49**	**-**	**-**
Previous year	**-**	**(241.41)**	**-**	**-**

NOTE NO. 6 INVESTMENT PROPERTY

₹ in Crores

Particulars	Gross block				Accumulated depreciation					Net block	
	As at April 01, 2025	Additions	Reclassification*	As at March 31, 2026	As at April 01, 2025	Depreciation for the year	Impairment (Refer note 54)	Reclassification*	As at March 31, 2026	As at March 31, 2026	As at March 31, 2025
Buildings (Refer Note (ii) below)	3.02	-	3.02	-	0.74	0.11	-	0.85	-	-	2.28
	(3.02)	-	-	(3.02)	(0.63)	(0.11)	-	-	(0.74)	(2.28)	(2.39)
Total	**3.02**	**-**	**3.02**	**-**	**0.74**	**0.11**	**-**	**0.85**	**-**	**-**	**2.28**
Previous year	**(3.02)**	**-**	**-**	**(3.02)**	**(0.63)**	**(0.11)**	**-**	**-**	**(0.74)**	**(2.28)**	**(2.39)**

* Reclassified to Property, plant and equipment.

Notes:

(i) Figures in brackets relates to previous year.

(ii) Refer note 22 for investment properties pledged as security towards borrowings by the Group

(iii) The title deeds of investment property (as at March 31, 2026 gross block ₹ Nil and net block of ₹ Nil) (as at March 31, 2025 gross block ₹ 3.02 Crores and net block of ₹ 2.28 Crores) capitalised in the books of the Company are in the name of erstwhile Companies as given below. The Company is in the process transferring the title deeds of such properties in its name.

Relevant line item in the Balance sheet	Description of item of property	Gross Value of property	Title deed held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Investment Property	Buildings	- (3.02)	Sequent Scientific Limited	No	October 1, 2017	The title deeds of land and building are in the name of transferor Companies, which were transferred to the Company pursuant to the Composite Scheme of Arrangement as approved by the National Company Law Tribunal. The Company is in the process of transferring the title deeds of such properties in its name.
Total		**-**				
Previous year		**(3.02)**				

(iv) Details of assets given under an operating lease:

₹ in Crores

Particulars	Gross block		Net block	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Buildings	-	3.02	-	2.28

(v) Fair value of investment properties:

The Group obtains independent valuations for its investment properties once in three years. The latest fair value of the Group's investment properties were carried out as at March 31, 2024 which indicated fair value of ₹ 7.53 Crores on the basis of a valuation carried out by independent valuers. The said valuers are registered with the authority which governs valuers in India and have appropriate qualifications and relevant experience in the valuation of properties in the relevant locations.

The inputs used are as follows:

a) Valuation is done using discounted cash flow approach, where the value of an asset is measured in terms of future cash flow streams, discounted to the present time at 12.50%.

b) Lease rent agreements are cancellable which are expected to be renewed either with the existing lessee or with others, on similar terms and conditions.

(vi) Amounts recognised in the consolidated statement of Profit or Loss for investment properties

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Depreciation charge on investment properties	0.11	0.11
Other income: Rental income	1.07	1.02

NOTE NO. 7 GOODWILL

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Goodwill	364.90	364.90
Total	**364.90**	**364.90**

Notes
to the consolidated financial statements for the year ended March 31, 2026

The above goodwill is allocated to the following cash generating units:

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Human API business	357.95	357.95
R&D business	0.43	0.43
Strides Chemicals Private Limited	6.52	6.52
Total	**364.90**	**364.90**

Impairment assessment of goodwill allocated to the "Human API business" as at March 31, 2026:

The Management of the Group have performed annual impairment assessment of the goodwill and related asset of Cash Generating Unit (CGU) by determining the "value in use" of this CGU as an aggregate of present value of management cash flow projections covering a five year period and the terminal value. Determination of value in use involves significant estimates and assumptions that affect the reporting CGU's expected future cash flows. These estimates and assumptions, primarily include, but are not limited to, the revenue growth and profitability during the forecast period, the discount rate and the terminal growth rate.

Considering the historical performance of this business since acquisition and based on the forward looking estimates, including the changes in estimated future economic conditions, revisions were made to the cash flow projections and other key assumptions such as discount rate and the terminal growth rate. The cash flows are discounted using a pre tax discount rate of 21.35% (March 31, 2025: 20.89%) which is based on the Company's weighted average cost of capital. The terminal value of cash generating unit is arrived at by extrapolating cash flows of latest forecasted year to perpetuity using a constant long-term growth rate of 3.00% (March 31, 2025: 3.00%) p.a. which is consistent with the industry forecasts for the generic API market.

The above assessment did not result in impairment in the carrying amount of goodwill.

The table below shows the percentage movement in key assumptions that (individually) would be required to reach the point at which the value in use approximates its carrying value.

	Movement
Terminal growth rate	3.00% decrease
	(3.00% decrease)
Pre tax discount rate	9.15% increase
	(5.76% increase)
Expected net revenue growth rates	6.89% decrease for short term and 3.00% decrease for long term
	(9.29% decrease for short term and 3.00% decrease for long term)

The details given in brackets relate to previous year

NOTE NO. 8 OTHER INTANGIBLE ASSETS

₹ in Crores

Particulars	Gross block				Accumulated amortisation				Net block	
	As at April 01, 2025	Additions	Disposals	As at March 31, 2026	As at April 01, 2025	Amortisation for the year	Eliminated on disposal	As at March 31, 2026	As at March 31, 2026	As at March 31, 2025
Registrations and brands	4.33	-	-	4.33	2.87	0.41	-	3.28	1.05	1.46
	(4.33)	-	-	(4.33)	(2.46)	(0.41)	-	(2.87)	(1.46)	(1.87)
Product portfolio (Refer note (ii) below)	105.50	-	-	105.50	79.76	10.64	-	90.40	15.10	25.74
	(105.50)	-	-	(105.50)	(69.12)	(10.64)	-	(79.76)	(25.74)	(36.38)
Software and licenses	28.18	5.01	1.74	31.45	25.58	1.56	1.74	25.40	6.05	2.60
	(28.12)	(0.06)	-	(28.18)	(23.81)	(1.77)	-	(25.58)	(2.60)	(4.31)
Total	**138.01**	**5.01**	**1.74**	**141.28**	**108.21**	**12.61**	**1.74**	**119.08**	**22.20**	**29.80**
Previous year	**(137.95)**	**(0.06)**	**-**	**(138.01)**	**(95.39)**	**(12.82)**	**-**	**(108.21)**	**(29.80)**	**(42.56)**

Notes:

(i) Figures in brackets relates to previous year.

(ii) The remaining amortisation period of product portfolio as at March 31, 2026 is 1.5 years (March 31, 2025: 2.5 years).

NOTE NO. 9 INVESTMENTS

(i) Non-current Investments

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Investments carried at fair value through profit and loss:		
Equity shares, unquoted		
Tulysan Nec Limited, India	0.01	0.01
- 3,750 (As at March 31, 2025 - 3,750) shares of ₹ 10 each fully paid up		
Watsun Infrabuild Private Limited, India	0.29	0.37
- 2,87,978 (As at March 31, 2025 - 3,68,694) shares of ₹ 10 each fully paid up		
Vaayu Renewable Energy (Muthamalpuram) Pvt. Ltd.	0.00	0.00
- 2,600 (As at March 31, 2025 - 2,600) shares of ₹ 10 each fully paid up		
Investment in Huoban Energy 3 Private Limited	1.28	1.28
- 7,07,182 (As at March 31, 2025 - 7,07,182) shares of ₹ 10 each fully paid up		
SIPCOT Industrial Common Utilities Limited, India	0.04	0.04
- 4,242 (As at March 31, 2025 - 4,242) shares of ₹ 100 each fully paid up		
Total	**1.62**	**1.70**
Aggregate amount of unquoted investments	1.62	1.70
Aggregate amount financial assets carried at cost	-	-
Aggregate amount financial assets carried at fair value through profit and loss	1.62	1.70

(ii) Current Investments

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Investment in Aditya Birla Sun life savings fund	2.50	-
- 43,588.67 units		
Investment in Aditya Birla Sun life low duration fund	0.50	-
- 7,323.55 units		
Total	**3.00**	**-**
Aggregate amount of quoted investments	3.00	-
Aggregate amount financial assets carried at fair value through profit and loss	3.00	-

NOTE NO. 10 LOANS

(i) Current loans

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Considered good - unsecured:		
Loans to employees	0.03	0.02
Total	**0.03**	**0.02**

NOTE NO. 11 OTHER FINANCIAL ASSETS

(i) Non-current financial assets

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Considered good - unsecured:		
Security deposits	16.74	16.32
Total	**16.74**	**16.32**

(ii) Current financial assets

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Considered good - unsecured:		
Interest accrued on deposit	0.36	0.02
Incentives receivables	6.18	12.23
Insurance claim receivables	-	0.11
Total	**6.54**	**12.36**

NOTE NO. 12 DEFERRED TAX BALANCES

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax assets	-	-
Deferred tax liabilities	-	-
Deferred tax assets/ (liabilities) (net)	**-**	**-**

₹ in Crores

2025-26	Opening balance	Recognised in statement of profit or loss	Recognised in other comprehensive income	Closing balance
Property, plant and equipment	(69.14)	(3.47)	-	(72.61)
Intangible assets - other than goodwill	(5.56)	1.44	-	(4.12)
Carry forward business loss and unabsorbed depreciation	74.70	2.03	-	76.73
Total	**-**	**-**	**-**	**-**

₹ in Crores

2024-25	Opening balance	Recognised in statement of profit or loss	Recognised in other comprehensive income	Closing balance
Property, plant and equipment	(75.34)	6.20	-	(69.14)
Intangible assets - other than goodwill	(11.52)	5.96	-	(5.56)
Carry forward business loss and unabsorbed depreciation	86.86	(12.16)	-	74.70
Total	**-**	**-**	**-**	**-**

Notes:

(i) The Group has presently, decided not to opt for the New Tax Regime inserted as Section 115BAA of the Income-tax Act, 1961 and enacted by the Taxation Laws (Amendment) Ordinance, 2019 ('the Ordinance') which is applicable from Financial Year beginning April 1, 2019. Company has accordingly applied the existing tax rates in the financial statements for the year ended March 31, 2026.

(ii) During Financial year 2017-18, the Group acquired the Human API and Commodity API businesses vide a NCLT approved Scheme of demerger. For purposes of recognising tax expenses and deferred tax balances in the books of account, the Group has considered Goodwill as non-tax deductible and the Group continued to apply the initial recognition exemption under Ind AS 12 “Income taxes”.

(iii) The Group has significant carried forward losses under income tax act. While the Group expects to increase operations in the future, in view of the significant carried forward losses, the Group has restricted the recognized Deferred Tax Asset up to the amount of the Deferred Tax Liability.

(iv) Based on legal advice received by the Company, the Company has claimed in its income tax returns, depreciation on Goodwill and Product Portfolios relating to both businesses acquired through the aforesaid demerger. These claims were disallowed by the assessing officer. The Company has preferred appeal with Commissioner of income tax (appeals). Order against appeal had been passed vide order dated April 18, 2024, confirming disallowance of depreciation on goodwill & product portfolio and the Company has filed an appeal before the ITAT against it on May 06, 2024.The Company has not recognised deferred tax assets in the books of account in respect of claims relating to depreciation on the Goodwill relating to both the businesses and Product portfolio (relating to the Commodity API business). While the Company has consistently taken a view as aforesaid in the books of account, the Company has been legally advised that the claims made in the tax returns are tenable. As at March 31, 2026, the potential unrecognised claims in respect of the above is amounting to ₹ 607.24 Crores (₹600.38 crores as on March 31, 2025). The benefit of these tax credits will be evaluated and recognized in the year in which, based on management's best judgement, such credits are confirmed to be available for future set offs against taxable profits. Also refer note 39, regarding income tax litigations.

(v) In addition to above, the Group has not recognised deferred tax assets of ₹ 156.36 crores as on March 31, 2026 (₹160.04 crores as on March 31, 2025) relating to carried forward loss (including unabsorbed depreciation) as there is no reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised.

(vi) The details of expiration of unused tax losses and MAT credit as at March 31, 2026 are as follows:

Tax year	MAT credit	Tax Losses
2031-32	-	174.60
2032-33	-	13.34
2033-34	0.58	-
2034-35	12.71	-
2035-36	20.46	-
2036-37	36.20	-

The details of expiration of unused tax losses and MAT credit as at March 31, 2025 are as follows:

Tax year	MAT credit	Tax Losses
2031-32	-	174.60
2032-33	-	13.34
2033-34	0.58	-
2034-35	12.71	-
2035-36	20.46	-
2036-37	36.20	-

NOTE NO.13 INCOME TAX ASSETS (NET)

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Advance income tax (net of provisions)	6.63	4.52
Total	**6.63**	**4.52**

NOTE NO. 14 OTHER ASSETS

(i) Other non-current assets

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Considered good - unsecured:		
Capital advances	6.90	6.69
Prepaid expenses	0.30	0.43
Considered doubtful - unsecured:		
Capital advances	0.66	0.66
Advances to others	7.55	7.55
Less: Allowance for doubtful advances	(8.21)	(8.21)
	-	-
Total	**7.20**	**7.12**

Notes

to the consolidated financial statements for the year ended March 31, 2026

(ii) Other current assets

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Considered good - unsecured:		
Advances to suppliers	11.89	9.46
Advances to employees	0.31	0.38
Prepaid expenses	13.12	16.23
Balances with Government authorities:		
- GST credit & other receivables	16.28	41.70
Considered doubtful - unsecured:		
Advances to suppliers	0.01	0.01
Less: Allowance for doubtful advances	(0.01)	(0.01)
	-	-
Total	**41.60**	**67.77**

NOTE NO. 15 INVENTORIES

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials	81.72	77.81
- Goods-in-transit	4.29	1.53
Work-in-progress	150.66	159.81
Finished goods	71.41	70.51
Stores and spares	9.79	8.24
Total	**317.87**	**317.90**

Note:

(i) Value by which inventories have been written down to net realisable value amounted to ₹ 127.59 Crores (including provision of ₹ 122.81 crores relating to Covid/ anti-viral drugs manufactured during the pandemic) (As at March 31, 2025: ₹ 130.22 Crores) (including provision of ₹ 122.81 crores relating to Covid/ anti-viral drugs manufactured during the pandemic).

NOTE NO. 16 TRADE RECEIVABLES

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables considered good - unsecured	442.76	327.21
Trade receivables - credit impaired	6.14	25.95
	448.90	353.16
Less: Loss allowance	(10.18)	(26.59)
Total	**438.72**	**326.57**

Notes:

(i) Outstanding for the following period from due date of payments as at March 31, 2026:

₹ in Crores

Particulars	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2026
(i) Undisputed Trade Receivables - Considered Good	357.84	73.97	7.46	2.16	1.33	-	442.76
(ii) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	6.14	6.14
Total	**357.84**	**73.97**	**7.46**	**2.16**	**1.33**	**6.14**	**448.90**

(ii) Outstanding for the following period from due date of payments as at March 31, 2025:

₹ in Crores

Particulars	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2025
(i) Undisputed Trade Receivables - Considered Good	263.56	43.37	4.56	15.63	0.09	-	327.21
(ii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	19.81	19.81
(iii) Disputed Trade Receivables - Credit impaired	-	-	-	-	6.14	-	6.14
Total	**263.56**	**43.37**	**4.56**	**15.63**	**6.23**	**19.81**	**353.16**

(iii) In determining the allowance for doubtful trade receivables, the Group has used a practical expedient by computing the expected credit allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

(iv) Movement in Loss allowance:

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	26.59	27.19
Add: Movement in loss allowance on trade receivables calculated at lifetime expected credit losses	(16.41)	(0.60)
Closing balance	**10.18**	**26.59**

NOTE NO.17 CASH AND CASH EQUIVALENTS

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on hand	0.01	0.02
Balance with banks:		
- In current accounts	3.34	3.14
- In deposit accounts	1.13	0.79
Total	**4.48**	**3.95**

NOTE NO. 18 BANK BALANCES OTHER THAN ABOVE

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
In deposit accounts	45.70	-
In earmarked accounts:		
Unpaid dividend accounts	0.16	0.16
Total	**45.86**	**0.16**

NOTE NO. 19 EQUITY SHARE CAPITAL

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised		
120,000,000 equity shares of ₹ 10/- each with voting rights	120.00	120.00
(March 31, 2024: 120,000,000 equity shares of ₹ 10/- each)		
	120.00	**120.00**
Issued, subscribed and fully paid-up		
36,172,807 equity shares of ₹10/- each fully paid with voting rights (March 31, 2025: 36,054,267 equity shares of ₹ 10/- each)	36.18	36.06
1,18,32,948 equity shares of ₹10/- each paid up ₹ 7/- per share with voting rights (March 31, 2025: 1,19,98,755 equity shares of ₹ 10/- each paid up ₹ 3.5/- per share)	8.27	4.19
165,807 equity shares of ₹10/- each paid up ₹ 3.5/- per share with voting rights	0.06	-
Total	**44.51**	**40.25**

(i) Reconciliation of number of shares and amount outstanding (fully paid up)

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
Equity share capital				
Equity share of ₹ 10/- each				
Opening balance	**3,60,54,267**	**36.06**	**3,59,96,267**	**36.00**
Issue of shares pursuant to pursuant to exercise of stock options (Refer note 44)	1,18,540	0.12	58,000	0.06
Closing balance	**3,61,72,807**	**36.18**	**3,60,54,267**	**36.06**

(ii) Reconciliation of number of shares and amount outstanding (partly paid up)

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
Equity share capital				
Equity share of ₹ 10/- each				
Opening balance	**1,19,98,755**	**4.19**	**-**	**-**
- ₹ 3.5/- each paid up	1,19,98,755	4.19	-	-
Shares issued pursuant to Rights issue at the time of share application (Refer note 48) ₹3.5/- each paid up during the year			1,19,98,755	4.19
Shares issued pursuant to Rights issue at the time of first call (Refer note 48) ₹3.5/- each paid up during the year	1,18,32,948	4.14	-	-
Closing balance	**1,19,98,755**	**8.33**	**1,19,98,755**	**4.19**
- ₹ 7/- each paid up	1,18,32,948	8.27	-	-
- ₹ 3.5/- each paid up	1,65,807	0.06	1,19,98,755	4.19

(iii) Detail of the rights, preferences and restrictions attaching to each class of shares outstanding equity shares of ₹10/- each:

The Company has only one class of equity shares, having a par value of ₹10/-. The holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the board of directors is subject to approval by the shareholders at the ensuing annual general meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution to all preferential amounts. The distribution will be in proportion to number of equity shares held by the shareholders.

(iv) Details of equity shares held by each shareholder holding more than 5% of equity shares:

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	%	No. of shares	%
Fully paid equity shares				
Spiracca Ventures LLP	17,08,503	4.72%	37,08,503	10.29%
Authum Investment & Infrastructure Limited	18,16,367	5.02%	-	-
Pronomz Ventures LLP	46,85,529	12.95%	26,74,424	7.42%
Partly paid equity shares				
Devicam Capital LLP	64,24,262	53.54%	64,24,262	53.54%

(v) Shares held by promoters at the end of the year (fully paid up):

Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
Arun Kumar Pillai	16,68,463	-	16,68,463	4.61%	0.00%
Karuna Business Solutions LLP	69,526	-	69,526	0.19%	0.00%
Pronomz Ventures LLP	26,74,424	20,11,105	46,85,529	12.95%	75.20%
SRJR Enterprise LLP	17,00,100	-	17,00,100	4.70%	0.00%
K R Ravishankar	13,25,260	-	13,25,260	3.66%	0.00%

Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
Chayadeep Ventures LLP	10,12,400	-	10,12,400	2.80%	0.00%
Agnus Capital LLP	8,49,635	-	8,49,635	2.35%	0.00%
Chayadeep Properties Private Limited	5,25,730	-	5,25,730	1.45%	0.00%
Devicam Capital LLP	10,39,298	-	10,39,298	2.87%	0.00%
"Karuna Ventures Private Limited"	11,105	(11,105)	-	0.00%	-100.00%
Deepa Arun Kumar	58,002	-	58,002	0.16%	0.00%
Tarini Arun Kumar	53,333	-	53,333	0.15%	0.00%
Aditya Arun Kumar	53,333	-	53,333	0.15%	0.00%
Vineetha Mohanakumar Pillai	24,166	-	24,166	0.07%	0.00%
Padmakumar Karunakaran Pillai	41,393	-	41,393	0.11%	0.00%
Hemalatha Pillai	45,813	-	45,813	0.13%	0.00%
Sajitha Pillai	53,333	-	53,333	0.15%	0.00%
Rajitha Gopalakrishnan	27,500	-	27,500	0.08%	0.00%
K R Lakshmi	21,727	-	21,727	0.06%	0.00%
Agraganya Private Trust	61,224	-	61,224	0.17%	0.00%
Total	**1,13,15,765**	**20,00,000**	**1,33,15,765**		

(vi) Shares held by promoters at the end of the year (partly paid up):

Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
Devicam Capital LLP	64,24,262	-	64,24,262	53.54%	100.00%
Agraganya Private Trust	4,62,160	-	4,62,160	3.85%	100.00%
Padmakumar Karunakaran Pillai	13,797	-	13,797	0.11%	100.00%
Vineetha Mohanakumar Pillai	8,055	-	8,055	0.07%	100.00%
K R Lakshmi	7,242	-	7,242	0.06%	100.00%
	69,15,516	**-**	**69,15,516**		

(vii) Details of shares reserved for issue under options and contracts/commitments for the sale of shares:

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
Towards employee stock options	11,90,238	1.19	13,08,778	1.31

NOTE NO.20 OTHER EQUITY

₹ in Crores

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
(A) Reserves and surplus			
Capital reserve	20 (i)	0.01	0.01
Securities premium account	20 (ii)	1,525.05	1,368.66
Retained earnings	20 (iii)	(302.76)	(295.79)
Share options outstanding account	20 (iv)	5.40	3.29
(B) Items of other comprehensive income			
Foreign currency translation reserve	20 (v)	(2.76)	(2.34)
Remeasurement of the defined benefit liabilities / (asset)	20 (vi)	(16.57)	(19.84)
Total		**1,208.37**	**1,053.99**

Notes

to the consolidated financial statements for the year ended March 31, 2026

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
(A) RESERVES AND SURPLUS		
(i) Capital reserve		
Any profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments is transferred to capital reserve.		
Opening balance	0.01	0.01
Closing balance	**0.01**	**0.01**
(ii) Securities premium account		
Amounts received on issue of shares in excess of the par value has been classified as securities premium.		
Opening balance	1,368.66	1,216.03
Add: Premium on Issue of Share during the year pursuant to Right issue	151.17	153.28
Add: Premium on Issue of Share during the year pursuant to ESOP	5.22	2.24
Less: Share issue expenses related to Rights issue	-	(2.89)
Closing balance	**1,525.05**	**1,368.66**
(iii) Retained earnings		
Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity share holders.		
Opening balance	(295.79)	(296.62)
Add: Net profit attributable to owners of the Company	(7.41)	0.54
Add: Transfer from Share options outstanding account on stock options lapsed during the year	0.44	0.29
Closing balance	**(302.76)**	**(295.79)**
(iv) Share options outstanding account		
The share option outstanding account is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account will be transferred to securities premium reserve upon exercise of stock options by employees.		
Opening balance	3.29	1.65
Add: Employee stock compensation expenses (net)	4.67	2.68
Less: Transferred to securities premium account on exercise (net)	(2.12)	(0.75)
Less: Transfer to retained earnings on stock options lapsed during the year	(0.44)	(0.29)
Closing balance	**5.40**	**3.29**
Total Reserves and surplus (A)	**1,227.70**	**1,076.17**
(B) ITEMS OF OTHER COMPREHENSIVE INCOME		
(v) Foreign currency translation reserve		
Foreign currency translation reserve comprises of exchange (gain)/loss arising on translation of foreign subsidiary		
Opening balance	(2.34)	(2.26)
Add / (Less): Movement during the year	(0.42)	(0.08)
Closing balance	**(2.76)**	**(2.34)**
(vi) Remeasurement of the defined benefit liabilities / (asset)		
The cumulative balances of actuarial gain or loss arising on remeasurements of defined benefit plan is accumulated and recognised within this component of other comprehensive income		
Opening balance	(19.84)	(20.90)
Other comprehensive income arising from measurement of defined benefit obligation (net of tax)	3.27	1.06
Closing balance	**(16.57)**	**(19.84)**
Total items of other comprehensive income (B)	**(19.33)**	**(22.18)**
Total equity attributable to the owners of the company [A + B]	**1,208.37**	**1,053.99**

Notes:

Distributions made:

(i) The Company has not declared any dividend during the year ended March 31, 2026 and March 31, 2025.

Notes
to the consolidated financial statements for the year ended March 31, 2026

NOTE NO. 21 NON-CONTROLLING INTERESTS

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	2.67	2.67
Add: Profit for the year	0.00	0.00
Closing balance	**2.67**	**2.67**

NOTE NO. 22 BORROWINGS

(i) Non-current borrowings

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Secured		
Term loans from banks (Refer note (i) to (iv) below)	12.38	40.91
Term loans from others (Refer note (v) to (vii) below)	98.07	72.95
Total	**110.45**	**113.86**

Details of security and terms of repayment for the non-current borrowings

₹ in Crores

Terms of repayment and security	As at March 31, 2026	As at March 31, 2025
(i) Term loans from banks: Loan 1		
Non-current borrowings	-	-
Current maturities of non-current borrowings	-	23.72
Security: First Paripassu Charge on the Immovable Property, plant and equipment located at Pondicherry, Mangalore and Mysore of the Company and on all the movable Property, Plant and equipment of the Company and Second Charge on Current Assets of the Company. Rate of interest: - 1 Year MCLR plus 1.65% p.a, (MCLR - 9.60%) Repayment terms: ₹ 3.95 Cr per month starting from March 2022 and will continue until September 2025		
(ii) Term loans from banks: Loan 2		
Non-current borrowings	-	-
Current maturities of non-current borrowings	-	10.53
Security: First Paripassu Charge on the Movable and Immovable Property, plant and equipment (except lease hold land at Cuddalore, Vizag and Ambernath) of the Company and Second Charge on Current Assets of the Company. Rate of interest: - 6 months MCLR plus 1.00% p.a, (MCLR - 9.30%) Repayment terms: ₹ 0.98 Cr per month starting from February 2022 and will continue until March 2026		
(iii) Term loans from banks: Loan 3		
Non-current borrowings	-	14.50
Current maturities of non-current borrowings	14.42	18.11
Security: First paripassu charge on the movable and immovable Property, plant and equipment (except lease hold land at Cuddalore, Vizag and Ambernath) and second paripassu charge on current assets of the Company. Rate of interest: - 6 months MCLR plus 1.20% p.a, (MCLR - 9.30%) Repayment terms: ₹1.72 Cr EMI per month ,starting from November 2022 and will continue until December 2026		
(iv) Term loans from banks: Loan 4		
Non-current borrowings	12.38	26.41
Current maturities of non-current borrowings	15.00	15.05
Security: First paripassu charge on all Property, plant and equipment (except lease hold land at Cuddalore , Vizag and Ambernath) of the Company present & future including intangible Assets, second paripassu on all current assets of the Company both present & future. Rate of interest: - 6 Months MCLR plus 1.50% p.a, (MCLR - 10.45%) Repayment terms: ₹ 1.17 Cr per month starting from February 2023 and will continue until January 2028		

Notes

to the consolidated financial statements for the year ended March 31, 2026

₹ in Crores

Terms of repayment and security	As at March 31, 2026	As at March 31, 2025
(v) Term loans from others: Loan 5		
Non-current borrowings	-	10.62
Current maturities of non-current borrowings	10.62	10.08
Security: First paripassu charge on all Property, plant and equipment (except lease hold land at Cuddalore, Vizag and Ambernath) of the Company present & future including intangible Assets, second paripassu on all current assets of the Company both present & future. Rate of interest: Long term reference rate of ABFL (LTRR) +/- Spread p.a Repayment terms: ₹ 0.99 Cr EMI per month starting from January 2022 and will continue until April 2027		
(vi) Term loans from others: Loan 6		
Non-current borrowings	48.56	62.33
Current maturities of non-current borrowings	13.28	11.81
Security: First pari passu charge on all Property, plant and equipment (except lease hold land at Cuddalore, Vizag and Ambernath) of the Company present & future including intangible Assets, second paripassu on all current assets of the Company both present & future. Rate of interest - Long term reference rate of ABFL (LTRR) +/- Spread p.a Repayment terms: ₹ 1.66 Cr EMI per month starting from March 2025 and will continue until January 2030		
(vii) Term loans from others: Loan 7		
Non-current borrowings	49.51	-
Current maturities of non-current borrowings	-	-
Security: First Paripassu Charge on the movable and Immovable Property, plant and equipment located at Vizag facility of Company and Second Charge on Current Assets of Vizag facility of Company. Rate of interest: - Long term reference rate of ABFL (LTRR) Spread p.a, current effective interest rate of 11% p.a Repayment terms: ₹ 3.13 Cr per month starting from April 2027 and will continue until January 2031		

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Disclosed under non-current borrowings	110.45	113.86
Disclosed under current borrowings		
- Current maturities of non-current borrowings	53.32	89.30

During the year ended March 31, 2025, for non-current borrowings aggregating to ₹ 203.16 crores (including current maturities of non-current borrowings), some of the financial covenants were breached mainly due to temporary softness in demand for some of the key products. The Group had made representation to the lenders to waive from the testing of financial covenants for the year ended March 31, 2025.

(ii) Current borrowings

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Secured loans repayable on demand from banks:		
Working capital loans	500.77	535.40
Current maturities of non-current borrowings (Refer note 22(i))	53.32	89.30
Unsecured loans		
Loans from others	-	37.50
Total	**554.09**	**662.20**

Details of security for the current borrowings repayable on demand:

a) Working capital loans from Property, plant and equipment banks are secured by first pari passu charge over current assets of the Company and second pari passu charge on movable and immovable fixed assets of the Company.

b) Rate of interest for INR borrowings ranges from 9.00% to 12.00% (Previous year - 9.15% to 11.75%)

c) Rate of interest for USD borrowings ranges from 6.32% to 8.42% (Previous year - 6.15% to 10.22%)

d) Rate of interest for Unsecured borrowings ranges from 14.05% to 18.00% (Previous year - 15.00% to 18.00%)

(iii) Reconciliation between the opening and closing balance in balance for financial liabilities arising from financial activities are given below

₹ in Crores

Particulars	As at March 31, 2025	Net proceeds/ (Repayment)	Non cash changes *	As at March 31, 2026
Non current borrowings (including current maturities)	203.16	(39.39)	-	163.77
Current borrowings	572.90	(76.81)	4.68	500.77

* Non cash changes includes unrealised foreign exchange loss/gain

₹ in Crores

Particulars	As at March 31, 2024	Net proceeds/ (Repayment)	Non cash changes *	As at March 31,2025
Non current borrowings (including current maturities)	239.11	(35.95)	-	203.16
Current borrowings	760.27	(185.43)	(1.94)	572.90

* Non cash changes includes unrealised foreign exchange loss/gain

NOTE NO. 23 OTHER FINANCIAL LIABILITIES

(i) Other non-current financial liabilities

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Security deposits	-	0.42
Total	**-**	**0.42**

(ii) Other current financial liabilities

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Interest accrued but not due on borrowings	3.08	5.09
Interest accrued on delayed payments to MSME vendors	3.23	1.02
Unclaimed dividends*	0.16	0.16
Security deposits	0.42	-
Other payables:		
Payables on purchase of property, plant and equipment	25.97	12.64
Total	**32.86**	**18.91**

*Investor Education and Protection Fund shall be credited when due.

Notes

to the consolidated financial statements for the year ended March 31, 2026

NOTE NO.24 PROVISIONS

(i) Non-current provisions

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits:		
Gratuity (Refer note 40)	53.47	48.92
Compensated absences	-	9.85
Total	**53.47**	**58.77**

(ii) Current provisions

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits:		
Gratuity (Refer note 40)	1.88	-
Compensated absences	12.00	2.23
Total	**13.88**	**2.23**

NOTE NO.25 OTHER LIABILITIES

(i) Other current liabilities

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Contract liability:		
Advance from customers	2.63	0.78
Other payables:		
- Statutory liabilities	4.28	4.24
- Payable to employees	9.45	5.89
Total	**16.36**	**10.91**

Note:

During the year ended March 31, 2026, the Group recognized revenue of ₹ 0.58 Crores (As at March 31, 2025: ₹ 4.12 Crores) arising from opening contract liability as of April 1, 2025.

NOTE NO. 26 TRADE PAYABLES

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Trade payables:		
Dues of micro and small enterprises (Refer note (iii) below)	19.19	37.99
Dues of other than micro and small enterprises	254.71	209.61
Total	**273.90**	**247.60**

Note:

(i) Outstanding for the following year from due date of payments as at March 31, 2026

₹ in Crores

Particulars	Not due*	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2026
(i) MSME	4.90	14.29	-	-	-	19.19
(ii) Others	188.62	57.25	5.29	1.28	2.27	254.71
Total	**193.52**	**71.54**	**5.29**	**1.28**	**2.27**	**273.90**

* Includes unbilled dues of ₹ 24.92 Crores

(ii) Outstanding for the following year from due date of payments as at March 31, 2025

₹ in Crores

Particulars	Not due*	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2025
(i) MSME	32.32	5.67	-	-	-	37.99
(ii) Others	138.63	64.91	3.86	1.67	0.54	209.61
Total	**170.95**	**70.58**	**3.86**	**1.67**	**0.54**	**247.60**

* Includes unbilled dues of ₹ 13.33 Crores

(iii) Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
(i) The principal amount due to micro and small enterprises remaining unpaid to any supplier as at the end of each year	19.19	37.99
(ii) The interest due to micro and small enterprises remaining unpaid to any supplier as at the end of each year	0.95	0.11
(iii) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	1.26	0.91
(v) The amount of interest accrued and remaining un-paid at the end of each accounting year	3.23	1.02
(vi) 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 purposes of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

(iv) Supplier finance arrangements:

In order to ensure easy access to credit for its suppliers and facilitate early settlement, the Company has entered into supplier finance arrangements that permit the suppliers to obtain payment from the banks for the amounts billed up to days before the invoice due date, subject to a discount of up to 11 per cent. The arrangements permit the banks to early settle invoices of up to pre-fixed limits for each suppliers. The discount represents less than the trade discount for early repayment commonly used in the market. The Company repays the banks the full invoice amount on the scheduled payment date as required by the invoice. As the arrangements do not permit the Group to extend finance from the banks by paying them later than the Company would have paid its suppliers, the Company considers amounts payable to the banks should be presented as part of trade and other payables. As at 31 March 2026, 8.92 % of trade payables were amounts owed under these arrangements.

₹ in Crores

Carrying amount of supplier finance arrangements presented as part of 'Trade payables'	As at March 31, 2026
Trade payables for which suppliers have already received payment from the finance provider	24.44

Range of payment due dates	Days
Liabilities that are part of supplier finance arrangements	60-90 days
Comparable trade payables that are not part of supplier finance arrangements	90-120 days

Changes in liabilities that are subject to supplier finance arrangements are primarily attributable to additions resulting from purchases of goods and services and subsequent cash settlements. There were no material non-cash changes in these liabilities.

The Company does not face a significant liquidity risk as a result of its supplier finance arrangements, given the limited amount of liabilities subject to supplier finance arrangements and the Company's access to other sources of finance on similar terms.

Notes

to the consolidated financial statements for the year ended March 31, 2026

NOTE NO. 27 CURRENT INCOME TAX LIABILITIES (NET)

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for tax (net of advance tax)	0.01	0.01
Total	**0.01**	**0.01**

NOTE NO. 28 REVENUE FROM OPERATIONS

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of products	1,326.15	1,227.98
Sale of services	4.00	13.48
Other operating revenues (Refer note (i) below)	38.83	42.30
Total	**1,368.98**	**1,283.76**

Disaggregated revenue information

(a) In the following table, revenue from contracts with customers is disaggregated by primary geographical market

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from contracts with customers		
Asia Pacific	894.63	838.42
Europe	235.07	259.80
North America	88.69	75.05
South America	91.01	59.83
Rest of the World	20.75	8.36
Subtotal	**1,330.15**	**1,241.46**
Revenue from other sources		
Other operating revenues	38.83	42.30
Subtotal	**38.83**	**42.30**
Total	**1,368.98**	**1,283.76**

Geographical revenue is allocated based on the location of the customers.

(b) Revenue from major customers

Revenue from one customer of the Company during the year ended March 31, 2026 was ₹ 329.47 Cr which is individually more than 10 percent of the Company's total revenue for the year. Revenue from such customer during previous year was ₹ 216.14 Cr.

(c) Reconciliation of revenue from contracts with customers

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from contracts with customers as per the contract price	1,376.97	1,333.46
Adjustment made to contract price on account of:-		
b) Sales returns/reversals	(46.82)	(92.00)
Revenue from Contracts with customers as per the Consolidated Statement of profit and loss	**1,330.15**	**1,241.46**

(i) Other operating revenue comprises:

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Export incentives	8.65	14.61
Share of profit	0.50	1.17
Sale of by-products and scrap	29.68	26.52
Total	**38.83**	**42.30**

Performance obligations and remaining performance obligations:

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts that have original expected duration of one year or less.

NOTE NO. 29 OTHER INCOME

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income (Refer note (i) below)	1.37	0.76
Other non-operating income		
- Liabilities / provisions no longer required written back	0.49	4.43
- Rental income from investment properties	1.07	1.02
- Exchange fluctuation gain (net)	3.06	1.64
- Insurance claims	-	0.46
- Others	0.17	0.01
Total	**6.16**	**8.32**

Note:

(i) Interest income comprises:

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest from banks on deposits	0.40	0.10
Interest from others	0.97	0.66
Total	**1.37**	**0.76**

NOTE NO. 30 COST OF MATERIALS CONSUMED

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening stock	79.34	82.11
Add: Purchases	679.44	578.89
Less: Closing stock	(86.01)	(79.34)
Cost of materials consumed	**672.77**	**581.66**

NOTE NO. 31 PURCHASE OF STOCK-IN-TRADE

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Traded goods	3.49	5.75
Total	**3.49**	**5.75**

Notes

to the consolidated financial statements for the year ended March 31, 2026

32 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at the end of the year:		
- Finished goods	71.41	70.51
- Work-in-progress	150.66	159.81
	222.07	**230.32**
Inventories at the beginning of the year:		
- Finished goods	70.51	126.47
- Work-in-progress	159.81	142.85
	230.32	**269.32**
Net (increase) / decrease	**8.25**	**39.00**

NOTE NO. 33 EMPLOYEE BENEFITS EXPENSES

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries and wages	183.35	177.59
Contribution to provident and other funds	18.69	18.55
Share based compensation expense (Refer note 44)	4.67	2.68
Other employee benefits	17.09	15.94
Less: Transfer to capital work in progress	(4.60)	(3.07)
Total	**219.20**	**211.69**

NOTE NO. 34 FINANCE COSTS

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest costs:		
- Interest on bank overdrafts and loans	72.23	100.18
- Interest on lease liability	2.42	1.96
- Interest accrued on delayed payments to MSME vendors	2.21	1.02
Exchange difference regarded as an adjustment to borrowing costs	11.74	4.19
Other finance costs	6.15	7.46
Total	**94.75**	**114.81**

NOTE NO. 35 DEPRECIATION AND AMORTISATION EXPENSES

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of property, plant and equipment (Refer note 3)	83.09	83.48
Depreciation of investment properties (Refer note 6)	0.11	0.11
Depreciation of right-of-use assets (Refer note 4(i))	3.87	2.84
Amortisation of intangible assets (Refer note 8)	12.61	12.82
Total	**99.68**	**99.25**

NOTE NO. 36 OTHER EXPENSES

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Subcontracting	20.73	14.28
Power and fuel	95.30	90.87
Water	3.17	3.50
Rent including lease rentals	1.45	2.67

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Repairs and maintenance:		
- Buildings	1.78	2.10
- Machinery	17.80	14.83
- Others	28.93	17.33
Insurance	6.68	9.10
Rates and taxes	1.64	1.85
Communication	1.46	1.58
Travelling and conveyance	5.18	2.98
Printing and stationery	1.96	1.95
Freight and forwarding	19.98	20.17
Sales commission	3.42	3.46
Business promotion	2.72	0.68
Donations and contributions	0.51	0.33
Expenditure on Corporate Social Responsibility	0.76	0.65
Analytical charges	0.46	0.71
Regulatory expenses	3.05	3.62
Legal and professional fees	18.81	13.41
Payments to Statutory auditors*	0.95	0.89
Directors sitting fees	0.45	0.42
Bad debts written off / Allowance for doubtful trade and other receivables	3.94	1.03
Loss on sale and / or write-off of property, plant and equipment	0.33	0.08
Consumption of stores and spares	23.57	19.25
Miscellaneous expenses	13.49	11.64
Total	**278.52**	**239.38**

*including fees for audit of financial statements of the subsidiaries of the Group paid to other auditors

NOTE NO.37 EXCEPTIONAL ITEM - LOSS

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Gratuity and Compensated absences impact under new labour code	5.89	-
Total	**5.89**	**-**

Note:

Changes to Employee Benefits upon notification of Labour Codes:

The Government of India notified the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively, the “Labour Codes”). These Labour Codes, which have become effective from 21 November 2025, consolidate and rationalise 29 labour laws and introduce, among other matters, a uniform definition of “Wages”. Also, the Labour Codes have modified certain employee benefits and eligibility conditions in respect of those benefits. Accordingly, during the year, the Company has amended its policies relating to employee benefits and modified its employment contracts to align such benefits with the requirements of the Labour Codes. The changes include (i) alignment of the definition of Wages for social security contributions / provisions (ii) revisions to compensated absences entitlement and encashment rules, and (iii) modifications to gratuity-related terms and take effect on and from February 1, 2026.

Past service cost resulting from plan amendments amounting to ₹ 5.89 crores has been recognised immediately in the Consolidated Statement of Profit and Loss and has been classified as a part of “Exceptional Item”.

Notes

to the consolidated financial statements for the year ended March 31, 2026

NOTE NO. 38 TAX EXPENSES

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax		
Current tax expenses	-	-
Deferred tax benefit		
Deferred tax (credit) / expenses	-	-
MAT credit availed	-	-
Net tax expenses	**-**	**-**

The reconciliation of estimated income tax expenses at statutory income tax rate to income tax expense reported in consolidated statement of profit and loss is as follows:

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before income taxes:	**(7.41)**	**0.54**
Indian statutory income tax rate	34.94%	34.94%
Expected income tax expenses	**(2.59)**	**0.19**
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expenses:		
Effect of expenses that are not deductible in determining taxable profit	1.22	0.70
Effect of Deferred Tax assets not recognised & reversal of Mat credit	-	-
Effect of unrecognised deferred tax assets on product portfolio (refer note 12(iv))	2.40	3.20
Effect of unrecognised deferred tax assets	(1.26)	(3.61)
Others (net)	0.23	(0.48)
Total income tax expenses	**-**	**-**

Refer Note 12 for significant components of deferred tax assets and liabilities.

NOTE NO. 39 COMMITMENTS AND CONTINGENT LIABILITIES (TO THE EXTENT NOT PROVIDED FOR)

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
a) Contingent liabilities - Pending Litigations		
(i) Indirect taxes	5.63	5.96
(ii) Direct taxes	161.92	-
a) The Company has received assessment orders from the assessing officer. For the assessment year 2018-19, the officer disallowed the Company's claim for depreciation on goodwill and product portfolio. Order against appeal had been passed vide order dated April 18, 2024, confirming disallowance of depreciation on goodwill & product portfolio and the Company has filed an appeal before the ITAT against it on May 06, 2024.		
b) For the assessment year 2019-20 the officer disallowed the Company's claim for depreciation on goodwill and product portfolio and Disallowance of R&D expense claimed under Section 35(2AB) in its income tax return vide Assessment order dated February 12, 2026 which is result in a tax Demand of ₹161.92 crores. The Company has filed an appeal before the CIT (A) on March 28, 2026.		
c) For the assessment year 2020-21, the officer disallowed the Company's claim for weighted deduction under Section 35(2AB), depreciation on goodwill and product portfolio, and deemed income under Section 41.The Company had preferred appeal with Commissioner of income tax (appeals). Order against appeal had been passed vide order dated March 31, 2024, confirming disallowance of depreciation on goodwill & product portfolio, deduction u/s 35(2AB) & addition under Section 41 of the Act. However, issue with regard to alternate claim of deduction u/s 35(1) of the Act as against Section 35(2AB), set-off of carried forward losses and credit for taxes paid have been remanded back to AO. Company has filed an appeal before the ITAT against it on May 06, 2024.		

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
d) Our Company has filed a tax appeal before the CIT (A) against an assessment order dated March 21, 2024 and an assessment order dated March 17, 2025 ("Assessment Orders") passed by National Faceless Assessment Centre ("NFAC") for Assessment Year 2022-23 and 2023-24. Pursuant to the Assessment Orders, the NFAC disallowed depreciation claimed on product portfolio claimed under Section 32(1)(ii) of the Income Tax Act, 1961 ("IT Act") amounting to ₹ 30.05 crores and ₹ 24.05 crores respectively and accordingly demand notices were issued for a sum of ₹Nil. The Company has in its return of income for subsequent years also has claimed the aforesaid allowances. Refer note 12 (iv) for details.		
e) For the assessment year 2024-25, there are no disallowances. However, the loss to be carried forward amounting to ₹ 342.08 crores has been restricted in the order . The Company has filed an appeal before CIT(A) and also filed rectification application on March 26, 2026.		
b) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		
- Property, plant and equipment	43.30	50.92
- Intangible assets	0.84	0.91

NOTE NO. 40 EMPLOYEE BENEFITS PLANS

Defined contribution plan

The Group makes contributions to provident fund and employee state insurance schemes which are defined contribution plans, for qualifying employees. Under the schemes, the Group is required to contribute a specified percentage of the payroll cost to fund the benefits. The Group recognised ₹ 10.96 Crores (March 31, 2025: ₹ 11.14 Crores) for provident fund contributions, ₹ 0.02 Crores (March 31, 2025: ₹ 0.02 Crores) for employee state insurance scheme contributions in the Consolidated Statement of Profit and Loss. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

Defined benefit plan

The Group offers gratuity benefits, a defined employee benefit scheme to its employees. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

Composition of the plan assets

The fund is managed by LIC and SBI, the fund manager. The details of composition of plan assets managed by the fund manager is not available with the group. However, the said funds are subject to Market risk (such as interest risk, investment risk, etc.).

The said benefit plan is exposed to actuarial risks such as longevity risk and salary risk.

Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation as at	
	March 31, 2026	March 31, 2025
Discount rate	7.22%	6.65%
Expected rate of salary increase	Year 1- 7.50% thereafter- 6.50%	Year 1- 7.50% thereafter- 6.50%
Attrition rate	11.00%	11.00%
Mortality Rate	As per IALM (2012-14) ultimate	As per IALM (2012-14) ultimate
Retirement age (years)	Karnataka - 60 years, Other - 58 years	Karnataka - 60 years, Other - 58 years

Amounts recognised in statement of profit and loss and in other comprehensive income in respect of these defined benefit plan are as follows:

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Service cost:		
Current service cost	4.11	4.30
Past service cost	4.72	-
Net interest expense	2.94	2.72
Components of defined benefit costs recognised in consolidated statement of profit and loss	**11.77**	**7.02**
Remeasurement on the net defined benefit liability:		
Return on plan assets [excluding amounts included in net interest expense] (excess) / short return	0.23	0.34
Actuarial (gains) / losses arising from changes in financial assumptions	(1.08)	1.97
Actuarial (gains) / losses arising from experience adjustments	(2.42)	(3.37)
Components of defined benefit costs recognised in other comprehensive income	**(3.27)**	**(1.06)**
Total	**8.50**	**5.96**

The current service cost and the net interest expense for the year are included in the 'Employee benefits expenses' line item in the consolidated statement of profit and loss. The past service cost is shown under 'Exceptional item'. The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amounts included in the balance sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Present value of funded defined benefit obligation	65.19	62.20
Fair value of plan assets	(9.84)	(13.28)
Funded status	**55.35**	**48.92**
Net liability arising from defined benefit obligation	**55.35**	**48.92**
Non-current	53.47	48.92
Current	1.88	-

Movements in the present value of the defined benefit obligation are as follows:

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Opening defined benefit obligation	62.20	61.17
Expenses recognised in statement of profit and loss		
Current service cost	4.11	4.30
Past service cost	4.72	-
Interest cost	3.82	4.00
Remeasurement (gains)/losses:		
Actuarial gains and losses arising from changes in financial assumptions	(1.08)	1.97
Actuarial gains and losses arising from experience adjustments	(2.42)	(3.37)
Benefits paid	(6.16)	(5.87)
Closing defined benefit obligation	**65.19**	**62.20**

Movements in the fair value of the plan assets are as follows:

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Opening fair value of plan assets	13.28	17.58
Expected return on plan assets	0.88	1.28
Remeasurement gain (loss):		
Contributions from the employer	2.07	0.63
Actuarial (gains) / loss on plan assets	(0.23)	(0.34)
Benefits paid	(6.16)	(5.87)
Closing fair value of plan assets	**9.84**	**13.28**

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Discount rate		
100bps increase	62.49	59.55
100bps decrease	68.15	65.01
Expected rate of salary increase		
100bps increase	68.18	65.13
100bps decrease	62.38	59.43

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

There has been no change in the process used by the Company to manage its risks from prior periods.

Expected future cash outflows towards the plan are as follows-

₹ in Crores

Financial Year	Amount
2024-25	11.71
2025-26	11.14
2026-27	10.32
2027-28	8.96
2028-29	7.64
2029-30 to 2033- 34	25.17

Notes
to the consolidated financial statements for the year ended March 31, 2026

NOTE NO. 41 RELATED PARTY INFORMATION:

41A List of related parties:

Director and Key Management Personnel:

Poorvank Purohit	Managing Director and Chief Executive Officer (Resigned wef February 21, 2025)
Sandeep Rao	Managing Director and Chief Executive Officer (Appointed wef February 21, 2025)
Arun Kumar Pillai	Non-Executive Director
Kartheek Chintalapati Raju	Non-Executive Director (Resigned wef. November 5, 2025)
R. Ramakrishnan	Independent Director
Kausalya Santhanam	Independent Director
Manish Gupta	Non-Executive Director (Appointed wef. July 22, 2024)
Ankur Nand Thadani	Non-Executive Director (Resigned wef. July 22, 2024)
Mohan Muthunarayanan	Executive Director (Appointed wef. February 14, 2024 and Resigned wef December 31, 2025)
Rajiv Vijay Nabar	Independent Director
Rajendra Kumar Srivastava	Independent Director
Mohanraj S	Executive Director (Appointed wef. January 1, 2026)
Sarat Kumar	Chief Financial Officer (Appointed wef February 21, 2025)
Arun Kumar Baskaran	Chief Financial Officer (Appointed wef March 08, 2024 and Resigned wef February 21, 2025)
S Murali Krishna	Company Secretary (Resigned wef May 15, 2025)
Pooja Jayakumar	Company Secretary (Appointed wef May 15, 2025)

Enterprises controlled, owned or significantly influenced by directors, key management personnel, promoter or person holding significant interest in the company:

Strides Pharma Science Limited, India

Tenshi Pharmaceuticals Private Limited

Aurore Life Sciences Private Limited, India

Aurore Pharmaceuticals Private Limited

Instapill Private Limited (formerly known as Tenshi Kaizen Private Limited, India)

Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)

Steriscience Specialties Pvt Ltd, India

Chayadeep Properties Private Limited, India

41B Transactions during the year

₹ in Crores

Description	Related party	March 31, 2026	March 31, 2025
Sale of goods/(sales return)	Strides Pharma Science Limited	328.97	214.97
	Aurore Life Sciences Private Limited	0.33	0.27
	Onesource Specialty Pharma Limited	5.16	3.47
	Instapill Private Limited (formerly known as Tenshi Kaizen Private Limited, India)	0.35	0.10
Sale of services	Instapill Private Limited (formerly known as Tenshi Kaizen Private Limited, India)	-	0.01
	Onesource Specialty Pharma Limited	0.09	-
	Steriscience Specialties Pvt Ltd	-	0.01
Other operating revenue	Strides Pharma Science Limited	0.50	1.17

₹ in Crores

Description	Related party	March 31, 2026	March 31, 2025
Purchase of goods	Aurore Life Sciences Private Limited	3.22	-
Recovery of expenses from	Strides Pharma Science Limited	8.51	7.65
Reimbursement of expenses to	Strides Pharma Science Limited	0.27	1.04
	Tenshi Pharmaceuticals Private Limited	1.86	1.31
Interest expenses on loans received	Chayadeep Properties Private Limited	0.28	0.19
	Tenshi Pharmaceuticals Private Limited	-	0.28
Rent & Maintenance for leased property	Strides Pharma Science Limited	0.88	1.75
Loans received	Chayadeep Properties Private Limited	9.50	10.50
Loans repaid	Tenshi Pharmaceuticals Private Limited	-	18.00
	Chayadeep Properties Private Limited	9.50	10.50
Guarantee commission paid	Tenshi Pharmaceuticals Private Limited	-	0.09
Sitting fees paid to directors	Kausalya Santhanam	0.10	0.10
	R. Ramakrishnan	0.10	0.10
	Rajiv Vijay Nabar	0.10	0.10
	Rajendra Kumar Srivastava	0.10	0.10
	Manish Gupta	0.05	0.03
Short term employee benefits paid to (refer note (i) below)	Poorvank Purohit	-	3.32
	Sandeep Rao	6.05	0.52
	Mohan M	1.27	1.68
	Mohanraj S	0.45	-
	Pooja Jayakumar	0.22	-
	Arun Kumar Baskaran	-	0.47
	Sarat Kumar	2.58	0.19
	S Murali Krishna	0.20	0.61

Note (i): The compensation excludes gratuity & compensated absences which cannot be separately identified from the composite amount advised by the actuary

41C Balances as at March 31, 2026

₹ in Crores

Description	Related party	As at March 31, 2026	As at March 31, 2025
Trade payables	Tenshi Pharmaceuticals Private Limited	2.44	0.89
	Aurore Life Sciences Private Limited	3.14	-
	Strides Pharma Science Limited	2.92	1.68
Trade receivables	Aurore Life Sciences Private Limited	0.39	0.27
	Strides Pharma Science Limited	160.45	62.83
	Steriscience Specialties Pvt Ltd	-	0.01
	Onesource Specialty Pharma Limited	3.48	0.07
	Instapill Private Limited (formerly known as Tenshi Kaizen Private Limited, India)	0.41	0.12
Loans to related party	Chemsynth Laboratories Private Limited*	1.34	1.34
Security deposit given	Strides Pharma Science Limited	0.72	0.72

* The amounts disclosed are at gross amounts, without considering provision made

Note - All related party transactions were entered at an arm's length basis and in the ordinary course of business

NOTE NO. 42 EARNINGS PER SHARE

Amount in ₹

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Basic earnings per share:	(1.68)	0.14
Diluted earnings per share:	(1.68)	0.14

Earnings used in computing basic and diluted earnings per share

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit/ (Loss) attributable to the equity holders of the Company	(7.41)	0.54

Weighted average number of shares used as the denominator

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Weighted average number of equity shares used as denominator in calculating basic earnings per share	**4,40,36,995**	**3,98,98,909**
Adjustments for calculation of diluted earnings per share:		
- employee stock options	29,474	3,162
Weighted average number of equity shares used as denominator in calculating diluted earnings per share *	**4,40,66,469**	**3,99,02,071**

* Diluted earnings per share for the year ended March 31, 2026 is antidilution since there is loss attributable to the equity holders of the company. Therefore, Diluted earnings per share is the same as Basic earnings per share for the year ended March 31, 2026.

NOTE NO. 43 SEGMENT REPORTING

The Group is engaged in the manufacture and sale of Active Pharma Ingredients. The operating segment of the Group in identified to be "Manufacture and sale of Active Pharma Ingredients" .The Managing Director and Chief executive officer of the Parent who has been identified as the chief operating decision maker (CODM) reviews business performance at an overall Company level as one segment.

As the Group operates in single operating segment i.e., "Manufacture and sale of Active Pharma Ingredients", the reporting disclosures envisaged in Ind AS 108 on operating segments, are not applicable to the Group. However, the geographical information are disclosed below:

Information regarding geographical non-current assets is as follows*:

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
India	1,456.13	1,485.09
Total	**1,456.13**	**1,485.09**

*Non current assets are excluding financial instruments and deferred tax assets

NOTE NO. 44 SHARE-BASED PAYMENTS

Employee Stock Option Scheme (ESOP 2018)

The ESOP titled “Solara Employee Stock Option Plan 2018” (ESOP 2018) was approved by the shareholders and stock exchanges. 1,228,778 options are covered under the plan which are convertible into equal number of equity shares of the Company. The vesting period of these options range over a period of three years. The options must be exercised within a period of 120 days from the date of vesting. The Company has not granted any options (March 31, 2025: 110,200 options) under this plan during the current year.

Employee Stock Option Scheme (ESOP 2024)

The ESOP titled "Solara Employee Stock Option Plan 2024" (ESOP 2024) was approved by the shareholders and stock exchanges.960,000 options are covered under the plan which are convertible into equal number of equity shares of the Company. The vesting period of these options range over a period of three years. The options must be exercised within a period of 120 days from the date of vesting. The Company has granted 25,000 options (March 31, 2025: 350,000) under this plan during the current year.

During the current year, employee compensation costs of ₹ 4.67 Crores (Previous year: ₹ 2.68 Crores) relating to the above referred Employee Stock Option Plan have been charged to the Statement of Profit and Loss.

Fair value of share options granted during the year

The fair value of the share options were priced using a Black-Scholes model of valuation at grant date.The assumptions used in this model for calculating fair value of the ESOP granted during the year are as below:

Assumptions	Grant Date: November 5, 2025 (ESOP 2024)		
	Vest 1 November 5, 2026	Vest 2 November 5, 2027	Vest 3 November 5, 2028
	20%	30%	50%
No. of options	5,000	7,500	12,500
Fair market value of option at grant date (₹)	278.22	314.85	336.05
Fair market value of share at grant date (₹)	617.15	617.15	617.15
Exercise price (₹)	375.00	375.00	375.00
Expected volatility	47.57%	50.06%	46.63%
Option life (Years)	1	2	3
Expected Dividend Yield	0.57%	0.57%	0.57%
Risk-free interest rate	5.59%	5.76%	5.92%

Fair value of share options granted during the previous year (2024-25)

The fair value of the share options were priced using a Black-Scholes model of valuation at grant date.The assumptions used in this model for calculating fair value of the ESOP granted during the year are as below:

Assumptions	Grant Date: June 28, 2024 (ESOP 2018)		
	Vest 1 June 28, 2025	Vest 2 June 28, 2026	Vest 3 June 28, 2027
	20%	30%	50%
No. of options	19,040	28,560	47,600
Fair market value of option at grant date (₹)	220.59	255.00	286.22
Fair market value of share at grant date (₹)	544.90	544.90	544.90
Exercise price (₹)	375.00	375.00	375.00
Expected volatility	49.94%	48.94%	50.35%
Option life (Years)	1	2	3
Expected Dividend Yield	0.64%	0.64%	0.64%
Risk-free interest rate	6.81%	6.85%	6.87%

Assumptions	Grant Date: July 22, 2024 (ESOP 2018)		
	Vest 1 July 22, 2025	Vest 2 July 22, 2026	Vest 3 July 22, 2027
	20%	30%	50%
No. of options	3,000	4,500	7,500
Fair market value of option at grant date (₹)	244.61	279.64	310.38
Fair market value of share at grant date (₹)	573.00	573.00	573.00
Exercise price (₹)	375.00	375.00	375.00
Expected volatility	49.72%	49.38%	50.47%
Option life (Years)	1	2	3
Expected Dividend Yield	0.61%	0.61%	0.61%
Risk-free interest rate	6.72%	6.76%	6.79%

Notes

to the consolidated financial statements for the year ended March 31, 2026

Assumptions	Grant Date: Feb 21, 2025 (ESOP 2024)		
	Vest 1 Feb 21, 2026	Vest 2 Feb 21, 2027	Vest 3 Feb 21, 2028
	20%	30%	50%
No. of options	60,000	90,000	1,50,000
Fair market value of option at grant date (₹)	179.73	203.17	242.79
Fair market value of share at grant date (₹)	490.15	490.15	490.15
Exercise price (₹)	375.00	375.00	375.00
Expected volatility	54.14%	46.46%	52.44%
Option life (Years)	1	2	3
Expected Dividend Yield	0.71%	0.71%	0.71%
Risk-free interest rate	6.49%	6.54%	6.56%

Assumptions	Grant Date: Feb 27, 2025 (ESOP 2024)		
	Vest 1 Feb 27, 2026	Vest 2 Feb 27, 2027	Vest 3 Feb 27, 2028
	20%	30%	50%
No. of options	10,000	15,000	25,000
Fair market value of option at grant date (₹)	164.13	187.13	226.53
Fair market value of share at grant date (₹)	470.70	470.70	470.70
Exercise price (₹)	375.00	375.00	375.00
Expected volatility	54.14%	46.46%	52.44%
Option life (Years)	1	2	3
Expected Dividend Yield	0.74%	0.74%	0.74%
Risk-free interest rate	6.45%	6.48%	6.51%

Employee stock options details (ESOP 2018) as on the balance sheet date are as follows:

Particulars	During the year 2025-26		During the year 2024-25	
	Options (No's)	Weighted average exercise price per option (₹)	Options (No's)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year	2,12,600	307.44	2,93,800	621.22
Granted during the year	-	-	1,10,200	375.00
Exercised during the year	1,18,540	271.24	58,000	267.05
Lapsed/ cancelled during the year	25,500	326.18	1,33,400	295.73
Options outstanding at the end of the year	68,560	363.06	2,12,600	307.44
Options available for grant	1,61,678	-	1,36,178	-

Employee stock options details (ESOP 2024) as on the balance sheet date are as follows:

Particulars	During the year 2025-26		During the year 2024-25	
	Options (No's)	Weighted average exercise price per option (₹)	Options (No's)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year	3,50,000	375.00	-	-
Granted during the year	25,000	375.00	3,50,000	375.00
Exercised during the year	-	-	-	-
Lapsed/ cancelled during the year	-	-	-	-
Options outstanding at the end of the year	3,75,000	375.00	3,50,000	375.00
Options available for grant	5,85,000	-	6,10,000	-

NOTE NO. 45 FINANCIAL INSTRUMENTS

45.1 Categories of financial instruments

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
FINANCIAL ASSETS:		
Measured at amortised cost		
(a) Cash and bank balances	50.34	4.11
(b) Investments	1.62	1.70
(c) Trade receivables	438.72	326.57
(d) Loans	0.03	0.02
(e) Other financial assets at amortised cost	23.28	28.68
Measured at fair value through profit or loss		
(a) Investments	3.00	-
FINANCIAL LIABILITIES:		
Measured at amortised cost		
(a) Borrowings including current maturities of non current borrowings	664.54	776.06
(b) Lease liabilities	22.02	20.02
(c) Trade payables	273.90	247.60
(d) Other financial liabilities	32.86	19.33

45.2 Fair value measurements

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three levels:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inpts used).

Particulars	Fair value as at March 31, 2026	Fair value hierarchy	Valuation technique(s) and key input(s)
Financial assets:			
Investment in mutual funds	0.03	Level 1	Fair value is determined based on the net asset value published by respective funds.

45.3 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The management assessed that the carrying amounts of financial assets and financial liabilities (except borrowings) recognised in the financial statements at amortised cost will reasonably approximate their fair values.

The below table summarises the borrowings which are measured at amortised cost and for which fair values are disclosed, with corresponding carrying values:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial liabilities:				
Borrowings	664.54	665.53	776.06	777.61

Financial risk management objectives

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Group is foreign exchange risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

45.4 Foreign currency risk management

The Group is exposed to foreign exchange risk due to:

- debt availed in foreign currency
- exposure arising from transactions relating to purchases, revenues, expenses, etc., to be settled (within and outside the group) in currencies other than the functional currency of the respective entities

The carrying amount of the Group's foreign currency denominated monetary liabilities (payables) and assets (receivables) as at the end of reporting period are as under:

Amount receivable/(payable)	As at March 31, 2026		As at March 31, 2025	
Exposure to the Currency	in foreign Currency	in ₹	in foreign Currency	in ₹
USD	0.36	26.32	(0.33)	(28.83)
EUR	0.04	4.23	0.03	3.05
JPY	-	-	6.79	3.85

Foreign currency sensitivity analysis

Financial instruments affected by changes in foreign exchange rates include loans in foreign currencies. The Group considers US Dollar and the Euro to be principal currencies which require monitoring and risk mitigation. The impact on account of 5% appreciation / depreciation in the exchange rate of the above foreign currencies against ₹ is given below:

₹ in Crores

Exposure to the Currency	Increase / (Decrease) in Equity / Profit	
	March 31, 2026	March 31, 2025
Appreciation in the USD	1.32	(1.44)
Depreciation in the USD	(1.32)	1.44
Appreciation in the EUR	0.21	0.15
Depreciation in the EUR	(0.21)	(0.15)

The impact on profit has been arrived at by applying the effects of appreciation / deprecation effects of currency on the net position (Assets in foreign currency - Liabilities in foreign currency) in the respective currencies.

For the purpose of the above table, it is assumed that the carrying value of the financial assets and liabilities as at the end of respective financial years remains constant thereafter. The exchange rate considered for the sensitivity analysis is the exchange rate prevalent as at each year end.

The sensitivity analysis might not be representative of inherent foreign exchange risk due to the fact that the foreign exposure at the end of the reporting period might not reflect the exposure during the year.

45.5 Interest rate risk management

Interest rate risk arises from borrowings. Debt issued at variable rates exposes the Group to cash flow risk. Debt issued at fixed rate exposes the group to fair value risk.

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments is as follows:

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Fixed-rate instruments		
Financial assets		
Balance with banks held in deposit account	46.83	0.79
Financial liabilities		
Lease liabilities	22.02	20.02
	68.85	**20.81**
Variable-rate instruments		
Financial liabilities		
Borrowings from bank	664.54	776.06
	664.54	**776.06**

Interest rate sensitivity analysis

Financial instruments affected by interest rate changes include secured long term loans from banks and secured short term loans from banks. The impact of a 1% change in interest rates on the profit of an annual period will be ₹ 6.64 Crores (March 31, 2025: ₹ 7.76 Crores) assuming the loans at each year end remain constant during the respective years. This computation does not involve a revaluation of the fair value of loans as a consequence of changes in interest rates. The computation also assumes that an increase in interest rates on floating rate liabilities will not necessarily involve an increase in interest rates on floating rate financial assets.

45.6 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit Risk to the group primarily arises from trade receivables. Credit risk also arises from cash and cash equivalents, financial instruments and deposits with banks and financial institutions and other financial assets.

The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group has an internal mechanism of determining the credit rating of the customers and setting credit limits. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Group is not significantly exposed to geographical distribution risk as the counterparties operate across various countries across the Globe.

Credit risk on cash and cash equivalent is limited as the Group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

45.7 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Group's short-term, medium-term and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual short term and long term cash flows, and by matching the maturity profiles of financial assets and liabilities.

Notes

to the consolidated financial statements for the year ended March 31, 2026

45.7.1 Liquidity analysis for Non-Derivative Liabilities

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table include repayment of principal amounts. The contractual maturity is based on the earliest date on which the Group may be required to pay.

₹ in Crores

Financial Liabilities	Due within (years)						Total	Carrying Amount
	1	1 to 2	2 to 3	3 to 4	4 to 5	beyond 5		
Bank & other borrowings								
- As on March 31, 2026	554.46	39.41	29.30	29.86	12.50	-	665.53	664.54
- As on March 31, 2025	662.74	53.32	27.58	16.77	17.20	-	777.61	776.06
Interest payable on borrowings								
- As on March 31, 2026	3.08	-	-	-	-	-	3.08	3.08
- As on March 31, 2025	5.09	-	-	-	-	-	5.09	5.09
Lease liabilities								
- As on March 31, 2026	3.96	4.16	4.37	2.71	1.29	46.73	63.22	22.02
- As on March 31, 2025	2.99	3.32	3.31	3.48	1.57	47.95	62.62	20.02
Trade and other payable								
- As on March 31, 2026	303.68	-	-	-	-	-	303.68	303.68
- As on March 31, 2025	261.84	-	-	-	-	-	261.84	261.84

46 CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of net debt (borrowings as detailed in notes 22 offset by cash and bank balances) and total equity.

The Group is not subject to any externally imposed capital requirements.

46.1 Gearing ratio

The gearing ratio at end of the reporting period was as follows.

₹ in Crores

Particulars	March 31, 2026	March 31, 2025
Debt (i)	686.56	796.08
Less:		
Cash and bank balances	50.34	4.11
Net Debt (A)	**636.22**	**791.97**
Total Equity (B)	**1,252.88**	**1,094.24**
Net debt to equity ratio (A/B)	**0.51**	**0.72**

(i) Debt is defined as non-current borrowings, current maturities of non-current borrowings and current borrowings and lease liabilities.

47 ADDITIONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF THE GENERAL INSTRUCTIONS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS TO SCHEDULE III TO THE COMPANIES ACT, 2013 FOR THE YEAR ENDED MARCH 31, 2026

Name of the entity	Net Assets i.e., total assets minus total liabilities		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹In Crores	As % of consolidated profit	₹In Crores	As % of consolidated other comprehensive income	₹In Crores	As % of consolidated total comprehensive income	₹In Crores
Solara Active Pharma Sciences Limited	100.04%	1,255.44	94.15%	(7.24)	100.00%	3.27	89.82%	(3.97)
Indian Subsidiaries:								
Chemsynth Laboratories Private Limited	0.35%	4.38	0.06%	(0.00)	-	-	0.11%	(0.00)
Synthix Global Pharma Solutions Limited**	-0.03%	(0.39)	5.20%	(0.40)	-	-	9.05%	(0.40)
Foreign Subsidiary:								
Shasun USA Inc	-0.36%	(4.48)	0.65%	(0.05)	-	-	1.13%	(0.05)
Solara Active Pharma Sciences LTDA*	-	-	-	-	-	-	-	-
Total		**1,254.95**		**(7.69)**		**3.27**		**(4.42)**
Adjustment arising out of consolidation		(2.07)		0.28		(0.42)		(0.14)
Minority interest in subsidiaries:								
Chemsynth Laboratories Private Limited		**2.67**		**-**		**-**		**-**
Total		**1,255.55**		**(7.41)**		**2.85**		**(4.56)**

Note:

*Subsidiary company incorporated on March 27, 2023 and has been dissolved on September 16, 2025.

** The Board of Directors of the Company at its meeting held on January 24, 2025 had discussed a proposal to explore 'demerger of the CRAMS and Polymers business into an independent listed entity' and granted in-principle approval for the same. Pursuant to this, the Parent incorporated a wholly owned subsidiary, Synthix Global Pharma Solutions Limited on April 29, 2025.

NOTE NO. 48

The Parent, vide its letter of offer dated May 09, 2024 offered up to 1,19,98,755 Equity shares of face value of ₹10/- each at a price of ₹ 375 per Equity share (including Share premium of ₹ 365 per equity share) for an amount aggregating ₹ 449.95 crores to the existing share holders of the Parent on right basis in the ratio of One Equity share for every three equity shares held by the equity shareholders on the record date i.e. May 15, 2024. Rights issue has been done in accordance with Section 62(1)(a) of the Companies Act and other applicable laws. The Parent has allotted 1,19,98,755 Nos. of partly paid up equity shares on June 19, 2024.

As of March 31, 2026, the Parent has raised ₹ 312.79 crores under the rights issue of ₹ 449.95 crores, comprising ₹ 157.48 crores from application money (₹ 4.14 crores share capital and ₹ 157.48 crores securities premium) and ₹ 155.31 crores (₹ 4.14 crore share capital and ₹ 151.17 crores securities premium) from the first call made on May 6, 2025 with ₹ 2.17 crores still unpaid.

The Parent has sent the second and final call notice to the eligible members as on the record date calling for the balance amount of ₹ 134.99 crores. Net proceeds have been utilised in accordance with the Letter of Offer, with the balance held in bank accounts pending deployment.

49 OTHER STATUTORY INFORMATION:

(a) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property

(b) The Group does not have any transactions with companies struck off.

(c) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(d) The Group has no transaction 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).

(e) The Group has borrowings from banks on the basis of security of current assets, the quarterly returns or statements of current assets has been filed by the Company with banks are in agreement with the books of accounts.

(f) The Group has not been declared wilful defaulter by any bank or financial Institution or other lender.

(g) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

  (A) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

  (B) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(h) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

  (A) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

  (B) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

NOTE NO. 50

With effect from 1 April 2023, the Ministry of Corporate Affairs (MCA) has made it mandatory for Companies to maintain an audit trail throughout the year for transactions impacting books of accounts.

The Parent and its subsidiaries, uses accounting softwares for maintaining the books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that in respect of accounting software used by the Parent and one subsidiary Company, audit trail feature was not enabled for certain critical tables. The Management is of the view that this does not have any impact on its Consolidated Financial Statements for the year ended March 31, 2026

Additionally, the audit trail that was enabled and operated has been preserved by the Company and above referred Indian subsidiary Companies as per the statutory requirements for record retention,.

NOTE NO. 51

There was a fire accident at the Parent's Puducherry facility on November 04, 2023 whereby 3 blocks out of the total 76 blocks were impacted by the fire. The fire caused damages to the plant and equipment amounting to ₹ 2.25 crores, inventories amounting to ₹ 51.35 crores, Goods and service tax reversal on inventory loss amounting to ₹ 7.52 crores and other expense such as medical expenses etc. amounting ₹ 1.38 crores. The Parent has submitted the initial insurance claims which are subject to assessment by the Insurers, pending which, the claim has not been recognised in these consolidated financial statements. The insurance claim will be accrued once there is certainty of the amount expected to be reimbursed by the Insurers.

NOTE NO. 52

According to Management's evaluation of events subsequent to the balance sheet date there were no significant adjusting events that occurred other than those disclosed/given effect to, in these consolidated financial statements as of March 31, 2026.

NOTE NO. 53

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2026, MCA has notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, whereby MCA has amended certain Indian Accounting standards which are applicable to the Group w.e.f. April 01, 2025. The Group has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its consolidated financial statements.

NOTE NO. 54

The figures for the corresponding previous period have been regrouped/reclassified wherever necessary.

NOTE NO. 55

All the amounts included in the consolidated financial statements are rounded off to the nearest crores, except per share data and unless stated otherwise. Further, due to rounding off, certain amounts are appearing as '0'.

For and on behalf of Board of Directors

Sandeep Rao Managing Director & Chief Executive Officer DIN: 10838251	**Mohanraj S** Whole Time Director DIN: 08420411	**Sarat Kumar** Chief Financial Officer	**Pooja Jaya Kumar** Company Secretary Membership Number: A57415
Place : Ooty Date : May 15, 2026	Place : Ooty Date : May 15, 2026	Place : Ooty Date : May 15, 2026	Place : Bengaluru Date : May 15, 2026

SOLARA
Active Pharma Sciences

Solara Active Pharma Sciences Limited
CIN: L24230MH2017PLC291636
Registered Office: Cyber One', Unit No. 902, Plot No. 4 & 6, Sector 30A,
Vashi, Navi Mumbai - 400 703;
Tel: +91-22-20870033
Corporate Office: TICEL Bio Park, 6th Floor, Module No. 601, 602, 603,
Phase II – CSIR Road, Taramani, Chennai, Tamil Nadu – 600113.
Tel: +91 44 4344 6700
E-mail: investors@solara.co.in
Website: www.solara.co.in

NOTICE

NOTICE is hereby given that the Ninth Annual General Meeting of the Members of the Company will be held on **Friday, September 18, 2026, at 10.30 A.M.** through Video Conferencing (**"VC"**) / Other Audio-Visual Means **("OAVM")** to transact the following businesses.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2026, together with the Reports of the Board of Directors and the Auditors thereon, and in this regard, to consider and if thought fit, to pass the following resolution as **Ordinary Resolution**:

   "RESOLVED THAT the Audited Standalone Financial Statement of the Company for the financial year ended March 31, 2026 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2026, together with the Report of the Auditors thereon, and in this regard, to consider and if thought fit, to pass the following resolution as **Ordinary Resolution**:

   "RESOLVED THAT the Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2026 and the report of Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

3. To appoint Mr. Arun Kumar Pillai (DIN: 00084845), who retires by rotation and being eligible offers himself for re-appointment as a Non - Executive Director, and in this regard, to consider and if thought fit, to pass the following resolution as **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of section 152 of the Companies Act, 2013 and rules made thereunder (including any statutory modification and re-enactment thereof and other applicable provisions, if any of the Companies Act, 2013), Mr. Arun Kumar Pillai, (DIN: 00084845) who retires by rotation, be and is hereby re-appointed as a Non-Executive Director of the Company, liable to retire by rotation.

SPECIAL BUSINESS

4. To ratify the remuneration payable to Cost Auditors for the financial year ending March 31, 2027, and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration of ₹ 4,75,000/- (Rupees Four Lakhs Seventy-Five Thousand only), plus reimbursement of out-of-pocket expenses and applicable taxes, payable to Mr. K. Suryanarayanan, Practising Cost Accountant (Membership No. 24946), who was appointed as the Cost Auditor of the Company for the financial year ending March 31, 2027, by the Board of Directors of the Company on the recommendation of the Audit Committee, be and is hereby ratified and confirmed.

   RESOLVED FURTHER that any Director or the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things and to execute and deliver all such necessary documents for the purpose of giving effect to the aforesaid resolution."

5. To approve Material Related Party Transactions/ Contracts/ Arrangements with Strides Pharma Science Limited up to ₹ 480 crores, and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "RESOLVED that pursuant to the applicable provisions of the Companies Act, 2013 (**"the Act"**) read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the **"SEBI Listing Regulations"**) including any amendments, modification(s) or re-enactment thereof for the time being in force, the Company's Policy on Related Party Transactions and basis the approval and recommendations of the Audit Committee and the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded to the Company to enter / continue to enter into contracts, arrangements, transactions in connection with sales and purchase of goods and/ or services, lease, and other transactions (in terms of Regulation 2(1)(zc)(i) of the Listing Regulations) with Strides Pharma Science Limited (**"Strides"**), on such terms and conditions as may be mutually agreed upon between the Company and Strides for an aggregate amount up to ₹ 480 crores (Rupees Four Hundred and Eighty Crores), provided that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at arm's length basis and in the ordinary course of business of the Company, from the date of this Annual General Meeting (**"AGM"**) up to the date of next AGM to be held in the calendar year 2027, for the purposes as set out in the explanatory statement annexed hereto.

   RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include the Audit Committee of the Board and any duly constituted committee empowered to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion, to delegate all or any of its powers conferred under this resolution to any Director or Key Managerial Personnel or any officer / executive of the Company and to resolve all such issues, questions, difficulties or doubts whatsoever that may arise in this regard and all action(s) taken by the Company in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.

By Order of the Board
For **Solara Active Pharma Sciences Limited**

Pooja Jaya Kumar
Company Secretary & Compliance Officer
Membership No.: A57415

Place: Bengaluru
Date: August 21, 2026

Registered Office:
'Cyber One', Unit No. 902, Plot No. 4 & 6,
Sector 30A, Vashi, Navi Mumbai - 400 703
Tel: +91-22-20870033
Corporate Office:
TICEL BIO PARK., 6th floor
Module No. 601, 602, 603, Phase II – CSIR Road,
Taramani, Chennai, Tamil Nadu – 600113.
Tel: +91 44 4344 6700
Fax: +91 44 47406190
E-mail: investors@solara.co.in
Website: www.solara.co.in
CIN: L24230MH2017PLC291636

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 under item nos. 4 to 5 set out above and additional information, pursuant to Regulation 36 of the LODR Regulations and Secretarial Standard 2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI"), forms part of this Notice.

2. Relevant details of directors being re-appointed pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India is enclosed as Annexure 1 to this Notice.

3. Pursuant to General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 02/2022 dated May 5, 2022 and subsequent circulars issued in this regard, the latest being 3/2025 dated September 22, 2025, issued by the Ministry of Corporate Affairs, (collectively referred to as MCA Circulars) and such other applicable circulars issued by MCA and Securities and Exchange Board of India (SEBI) (the Circulars), the Company is convening the 9th Annual General Meeting (AGM) through Video Conferencing (VC)/ Other Audio Visual Means (OAVM).

   Central Depository Services (India) Limited (CDSL) shall be providing facility for voting through remote e-voting, for participation in the AGM through VC/ OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM is provided at Note No. 25 below.

4. 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 pursuant to MCA Circulars through VC / OAVM, physical attendance of 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 and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.

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

6. Corporate members intending to send their authorized representatives to attend the AGM through VC / OAVM are requested to send a certified copy of the Board Resolution to the Scrutinizer by mail from its registered email address.

7. 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 the directors are interested, maintained under Section 189 of the Act and the Certificate from the Secretarial Auditor relating to the Company's Stock Options under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e., Friday, September 18, 2026. Members seeking to inspect such documents can send an email to investors@solara.co.in.

8. Deemed venue for the AGM shall be Registered Office of the Company.

9. Members whose shareholding is in demat mode are requested to notify any change in address or bank account details to their respective depository participant(s) (DP). Members holding shares in physical form are requested to notify / send the following at the earliest:

   - Any change in their address/ mandate/ bank details;
   - Particulars of their bank account, in case the same have not been sent earlier, to the Company's Registrar and Transfer Agent at Cameo Corporate Services Limited, Address: Subramanian Building, #1, Club House Road, Chennai 600 002 – India Ph: 91-44 - 2846 0390, Fax: 91-44 - 2846 0129, email id- Investor@cameoindia.com, Online Investor Portal: wisdom.cameoindia.com

10. All documents that have been referred to in the accompanying notice and Explanatory Statement are open for inspection at the Registered Office of the Company from 10.30 A.M. to 12.00 noon on working days up to the date of the Annual General Meeting.

11. Members are requested to apply for consolidation of folios, in case their holdings are maintained in multiple folios.

12. SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655,dated03.11.2021andSEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated 14.12.2021, has mandated the submission of the Permanent Account Number (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). Members holding shares in physical form are required to submit their PAN details to the RTA by e-mail to Investor@cameoindia.com. In case of Members holding shares in physical form, you are

advised to convert shareholding into demat form by approaching depository participant.

13. In compliance with the aforesaid MCA Circulars and Listing Regulations, Notice of the AGM, instructions for e-voting, along with the Annual Report 2025-26 are being sent only through electronic mode to those members whose email addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report will also be available on the Company's website www.solara.co.in websites of the Stock Exchanges i.e. BSE Ltd. and National Stock Exchange of India Ltd. at www.bseindia.com and www.nseindia.com and on the website of CDSL www.evotingindia.com/.

14. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses to receive all communications including Annual Report, Notices, Circular, etc. from the Company in electronic mode. Members holding shares in demat mode, who have not registered their email addresses, are requested to register their email addresses with their respective DP, and members holding shares in physical mode are requested to update their email addresses with the Company's RTA, CAMEO Corporate Services Limited at Investor@cameoindia.com. A letter containing the weblink for accessing the Notice of the AGM and the Annual Report will be dispatched to the shareholders who have not registered their email IDs.

    Members who require communication in physical form in addition to e-communication or have any other queries may write to us at investors@solara.co.in

15. This Notice is emailed to Members, whose names appear in the Register of Members/ list of Beneficial Owners as on Friday, August 14, 2026.

    Members holding shares either in physical or dematerialized mode, as on the cut-off date, (i.e.) Friday, September 11, 2026, may cast their votes electronically. The e-voting period will commence at 9.00 a.m. (IST) on Tuesday, September 15, 2026, and will end at 5.00 p.m. (IST) on Thursday, September 17, 2026.

    The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. Friday, September 11, 2026. Members are eligible to cast vote electronically only if they are holding shares as on that date. Members who have acquired shares after the dispatch of the Annual Report and before the cut-off date may approach the Registrar for issuance of the User ID and Password for exercising their right to vote by electronic means. A person who is not a member as on the cut-off date is requested to treat this Notice for information purposes only.

16. In terms of Sections 108 and other applicable provisions of the Act, as amended, read together with the Rules and MCA & SEBI Circulars and in compliance with Regulation 44 of the Listing Regulations as amended from time to time and the Circulars issued by the Securities and Exchange Board of India from time to time, the Company is pleased to offer remote e-voting facility to all the Members of the Company holding shares as on Cut-off date. The Company has appointed CDSL to facilitate remote e-voting to enable the Members to cast their votes electronically.

17. The Board has appointed Mr. Preetham Hebbar (CoP No. 21431) of M/s. Preetham Hebbar & Co., Practicing Company Secretaries, as the Scrutinizer to scrutinize the e-voting process and voting done through physical ballot paper at the AGM in a fair and transparent manner.

    The Scrutinizer shall submit a consolidated Scrutinizer's report of the total votes cast in Favor or Against, not later than two working days after the conclusion of AGM to the Chairman of the Company. The Chairman or any other person authorized by him, shall declare the results of voting forthwith.

18. The result along with the Scrutinizer's report will be placed on the Company's website and on the website of CDSL after the result is declared by the Chairman/ any other person authorized by him, and the same shall be communicated to the stock exchanges where the shares of the Company are listed.

19. Members wishing to claim dividends that remain unclaimed are requested to correspond with the RTA as mentioned above, or with the Company Secretary, at the Company's registered office or at investors@solara.co.in . Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund (IEPF). Shares on which dividend remains unclaimed for seven consecutive years shall be transferred to the IEPF as per Section 124 of the Act, read with applicable IEPF rules.

20. Effective April 1, 2024, SEBI has mandated that the shareholders, who hold shares in physical mode and whose folios are not updated with any of the KYC details [viz., (i) PAN (ii) Choice of Nomination (iii) Contact Details (iv) Mobile Number (v) Bank Account Details and (vi) Signature], shall be eligible to get dividend only in electronic mode. Shareholders are requested to complete their KYC by writing to the Company's RTA. The forms for updating the same are available at Companies Website at https://solara.co.in/investor-relations/share-holder-communication/ and RTA's Website at https://cambridge.cameoindia.com/Module/Downloadable_Formats.aspx.

List of forms for easy reference of shareholders, who hold shares in physical mode.

Particulars	Forms
Form for availing investor services to register PAN, email address, bank details and other KYC details or changes/ update thereof for securities held in physical mode	Form ISR – 1
Update of signature of securities holder- Confirmation of Signature of securities holder by the Banker	Form ISR – 2
Declaration to opt out and cancellation/withdrawal of nomination by the holder	Form ISR-3 and SH-14
Form for requesting issue of Duplicate Certificate for shares held in physical form	Form ISR-4
Request for transmission of Securities by Nominee or Legal Heir	Form ISR-5

21. As per Section 72 of the Act, members holding shares in physical mode may submit their nomination by submitting SH-13 which can be downloaded from the Company's website at https://solara.co.in/investor-relations/share-holder-communication/. Members holding shares in demat mode may contact their respective DPs to update the nomination.

    List of forms for easy reference of shareholders, who hold shares in physical mode.

Particulars	Forms
For nomination as provided in the Rules 19 (1) of Companies (Share capital and debenture) Rules, 2014	Form SH-13
Change of Nominee	Form SH-14

22. Members may please note that SEBI vide its Circular No. SEB/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificate/ folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR -4, the format of which is available on the Company's website. Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/electronic form to get inherent benefits of dematerialization and also considering that physical transfer of equity shares/ issuance of equity shares in physical form have been disallowed by SEBI.

23. Special window for Re-Lodgement of transfer requests of physical shares

Members who had submitted transfer deeds for physical shares before April 1, 2019, and whose requests were rejected, returned, or remained unprocessed due to deficiencies, have been provided a special re lodgement window till February 4, 2027, to re-lodge the transfer requests.

Transfers would be approved, if all the requisite documents are in place. The transfer under this window will be credited only in dematerialized form and will carry a one year lock-in period from the date of transfer registration. Members can contact the Company/RTA, for assistance in this regard.

24. The instructions of shareholders for remote e-voting and e-voting during AGM and joining meeting through VC/OAVM are as under:

CDSL e-Voting System – For e-voting and Joining Virtual meetings.

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) The voting period begins at 9.00 a.m. (IST) on Tuesday, September 15, 2026, and ends at 5.00 p.m. (IST) on Thursday, September 17, 2026. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, September 11, 2026, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(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/2020/242dated09.12.2020,** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions.

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.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual 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 CDSL/NSDL is given below**:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & My Easi New (Token) Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with **NSDL Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual 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 : 022 - 4886 7000 and 022 - 2499 7000

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form**.

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on "Shareholders" module.

3) 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.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
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/RTA or contact Company/RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login will be mapped automatically & can be delinked in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; Investors@solara.co.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. 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/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Speaker Registration: Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request during the period starting from Thursday, September 10, 2026 (09:00 hrs IST) up to Monday, September 14, 2026 (17:00 hrs IST), mentioning their name, demat account number/folio number, email id, mobile number at ("Investors@solara.co.in").

   Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

   When a pre-registered speaker is invited to speak at the meeting but he/ she does not respond, the next speaker will be invited to speak.
8. The shareholders who do not wish to speak during the AGM but have queries may also send their queries during the period starting from Thursday, September 10 , 2026 (09:00 hrs IST) up to Monday, September 14, 2026 (17:00 hrs IST), mentioning their name, demat account number/folio number, email id, mobile number at ("Investors@solara.co.in"). These queries will be replied to by the company suitably by email.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to nagaraj@cameoindia.com and Investor@cameoindia.com.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. **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.**

   If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911

   All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, AVP, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Pursuant to Section 102 of the Companies Act, 2013 (Act), Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and the applicable Secretarial Standards, the following explanatory statement sets out all the material facts relating to the business mentioned under Item No. 4 to 5 of this Notice:

Item 4:

Pursuant to Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to audit its cost records by a cost accountant in practice. The Board, after considering the recommendation of the Audit Committee, approved appointment of Mr. K. Suryanarayanan, Cost Accountant, bearing Membership No. 24946 as the Cost Auditor of the Company for the financial year ending March 31, 2027 on a remuneration of ₹ 4,75,000/- (Rupees Four Lakhs Seventy-Five Thousand only) plus out of pocket expenses and applicable taxes.

In making the decision on the appointment and remuneration of the Cost Auditors, the Audit Committee of Directors considered the Cost Auditors' performance during the previous year(s) in examining and verifying the accuracy of the cost accounting records maintained by the Company.

Mr. K. Suryanarayanan, Cost Accountant, has furnished a certificate regarding his eligibility for appointment as Cost Auditors of the Company. He has vast experience in the field of cost audit and has conducted the audit of the cost records of the Company for previous years under the provisions of the Act.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules, 2014, the aforesaid remuneration approved by the Board of Directors is required to be ratified by the Shareholders.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution.

The Board recommends passing the proposed resolution stated in Item 4 as an Ordinary Resolution and requests your approval for the same.

Item 5:

Pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), material related party transactions ('RPTs') and subsequent material modifications thereto require prior approval of the shareholders of a listed entity.

Under the SEBI Listing Regulations, the materiality threshold for RPTs is determined based on the annual consolidated turnover of the listed entity as per its last audited financial statements. Based on the consolidated turnover of ₹ 1,368.98 crores for the financial year ended March 31, 2026, the applicable materiality threshold for the Company is ₹ 136.89 crores, being 10% of the annual consolidated turnover of the Company.

Accordingly, the RPT exceeding the aforesaid RPT Materiality Threshold require prior approval of the shareholders in compliance with Regulation 23 of the SEBI Listing Regulations.

The proposed Related Party transactions with Strides Pharma Science Limited (Strides) may exceed the above-mentioned materiality threshold of the Company and hence, the Audit Committee and the Board of Directors at their meeting held on May 15, 2026 and July 23, 2026 have reviewed and recommended the approval of material RPTs to the Members. Further, these transactions are in the ordinary course of business and will be carried out at arm's length basis.

The Company now seeks approval from the shareholders of the Company to enter into and/or continue contracts/ arrangements and transactions with Strides, within the limits and subject to the terms and conditions set out in the resolution at Item No. 5. The approval is being sought to facilitate the seamless and uninterrupted contracting for, and rendering and/or availing of, products and services between the Company and Strides, as may be required in the ordinary course of business.

The details of transactions as required under Regulation 23(4) of the Listing Regulations read with Section III-B of the SEBI Master Circular bearing reference no. SEBI/HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026 ("SEBI Master Circular") along with details as required under the Industry Standards on "Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions" ("RPT Industry Standards") are set forth below:

Minimum Information to be provided to the shareholders for approval of Material RPTs

Sl. No	Particulars of the information	Details
1	Summary of information as placed before the Audit Committee in the format as specified in the RPT Industry Standards, to the extent applicable.	Refer table A and B
2	Justification as to why the proposed transaction is in the interest of the listed entity, basis for determination of price and other material terms and conditions of RPT	Refer table A(5)

Sl. No	Particulars of the information	Details
3	Disclose the fact that the Audit Committee has reviewed the certificates provided by the CEO/ Managing Director/ Whole Time Director/ Manager and CFO of the Listed Entity as required under the RPT Industry Standards.	The Audit Committee has reviewed the certificate issued by the Managing Director and CFO of the Company, as required under the RPT Industry Standards.
4	Disclosure that the material RPT or any material modification thereto, has been approved by the Audit Committee and the Board of Directors recommends the proposed transaction to the shareholders for approval.	The material RPT has been approved by the Audit Committee, and the Board recommend the proposed transaction(s) to the shareholders for approval.
5	Provide web-link and QR Code, through which shareholders can access the valuation report or other reports of external party, if any, considered by Audit Committee while approving the RPT.	Not Applicable
6	The Audit Committee and Board of Directors, while providing information to the shareholders, can approve redaction of commercial secrets and such other information that would affect competitive position of listed entity and affirm that, in its assessment, the redacted disclosures still provides all the necessary information to the public shareholders for informed decision making.	Not Applicable
7	Any other information that may be relevant.	All relevant / important information forms part of this statement setting out material facts pursuant to Section 102 of the Companies Act.

Table A - Minimum Information of proposed RPT between Company and Strides:

Sl. No	Particulars of the information	Details
A (1) Basic Details of Related Party (RP)		
1	Name of the Related Party	Strides Pharma Science Limited (“Related party”)
2	Country of incorporation of the Related Party	India
3	Nature of business of the Related Party	Manufacturing Pharmaceutical products
A(2) Relationship and Ownership of the Related Party		
1	Relationship between Solara (**“Listed Entity”**) and the related party – including nature of its concern (financial or otherwise)	Common Promoter and Director. Mr. Arun Kumar Pillai is a Promoter of both Solara Active Pharma Sciences Limited and Strides Pharma Science Limited and serves as a Non-Executive Director of Solara and Non-Executive Chairman of Strides Pharma Science Limited and has significant influence.
	• Shareholding of the listed entity whether direct or indirect, in the related party	Nil
	• Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity	Not applicable
	• Shareholding of the related party, whether direct or indirect, in the listed entity	Nil
A(3) Details of previous transactions with the Related Parties		
1	• Total amount of all the transactions undertaken by the listed entity with the related party during the last financial year.	Amount (₹ in crores) **Nature of transactions** / **F.Y. 2025-26**: Sale of Goods: 329.47 Reimbursement of expenses to Strides: 0.27 Reimbursement of expenses from Strides: 8.51 Lease rent paid to Strides: 0.88
2	• Total amount of all the transactions undertaken by the listed entity with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	RPTs with Strides amounted to ₹258.68 crore from the last AGM to June 30, 2026. Shareholders’ approval for RPTs with Strides up to ₹400 crore was obtained at the last AGM, and all transactions were within the approved limit.
3	• Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.	No default

Amount (₹ in crores)

Nature of transactions	F.Y. 2025-26
Sale of Goods	329.47
Reimbursement of expenses to Strides	0.27
Reimbursement of expenses from Strides	8.51
Lease rent paid to Strides	0.88

Sl. No	Particulars of the information	Details
A (4) Amount of Proposed Transaction		
1	Amount of the proposed transactions being placed for approval in the meeting of Audit Committee and Shareholders.	Not exceeding ₹ 480 Crores (Rupees Four Hundred and Eighty Crores), for a period commencing from the date of 9th Annual General Meeting ("AGM") up to the date of 10th AGM of the Company to be held in the year 2027. Segregation provided below:
	Proposed Transactions	

Nature of proposed transactions	Amount (₹ in crores)
Sale of goods	450.00
Sale of services	10.00
Purchase of goods	0.95
Purchase of services	2.00
Reimbursement of expenses to Strides	2.00
Reimbursement of expenses from Strides	15.00
Lease rent payable to Strides	0.05
Total	**480.00**

Sl. No	Particulars of the information	Details
2	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Yes
3	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year.	35.07% of annual consolidated turnover of Solara Active Pharma Sciences Limited for the financial year 2025-26.
4	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)	NA
5	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	9.88% of annual consolidated turnover of Strides Pharma Science Limited for the financial year 2025-26.
6	Financial performance of the related party for the immediately preceding financial year (based on standalone financials for FY 2025-26)	

Sl. No	Particulars	Amount (₹) In Crores
1	Turnover	2,180.14
2	Profit After Tax	183.64
3	Net Worth	3,283.52

Sl. No	Particulars of the information	Details
A(5) Basic Details of the Proposed Transaction		
1	Specific type of the proposed transaction	- Sale of goods: Includes the sale of Active Pharmaceutical Ingredients (APIs). - Sale of services: Includes product development services and related fees. - Purchase of goods and/or services. - Reimbursement of expenses from Strides: Pertains to support services rendered to Strides, including Zero Liquid Discharge (ZLD) treatment costs, supply of steam, and other expenses incurred by Solara on behalf of Strides. - Reimbursement of expenses to Strides: Pertains to support services rendered by Strides on behalf of Solara and other expenses incurred by Strides on behalf of Solara. - Payment of lease rent: In relation to the registered office premises.
2	Details of each type of the proposed transaction	Please refer the details given in point no. A(4)1 & A(5)1

Sl. No	Particulars of the information	Details
3	Tenure of the proposed transaction (In years / months)	For period commencing from the date of 9th Annual General Meeting ("AGM") up to the date of 10th AGM of the Company to be held in the year 2027.
4	Whether omnibus approval is being sought?	Yes
5	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	Not exceeding ₹ 480 crore (Rupees Four Hundred and Eighty Crores)
6	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	- Transactions with the related party provide stable order volumes and improved visibility for production planning. Additionally, the credit risk is considered lower due to the established relationship and financial standing of the related party. - The proximity and established relationship with the related party enable better coordination in procurement planning, reduced lead times, and improved inventory management, leading to enhanced operational efficiency. - The services availed are directly related to the Company's business operations and are necessary for maintaining competitiveness in regulated and data-driven pharmaceutical markets. - The Company operates common utilities such as steam generation systems, power infrastructure, and ETP facilities. Sharing these resources with the related party ensures optimal utilization of installed capacities and improves overall operational efficiency. - The Company has its registered office at Mumbai, which is subleased from Strides.
7	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. a. Name of the director / KMP b. Shareholding of the director / KMP, whether direct or indirect, in the related party	- Mr. Arun Kumar Pillai, Promoter & Non -Executive Director in Solara holds 2.02%(Direct) & 13.44%(Indirect) shareholding in Related party - Dr. Kausalya Santhanam, who is an Independent Director of Strides and Solara holds nil shares in Related party None of the Promoters, Directors and/ or Key Managerial Personnel of the Company and/ or their relatives are deemed to be concerned or interested, financially or otherwise in the said resolution except to the extent of their shareholding and aforesaid common directorships as disclosed above.
8	Web-link and QR Code providing access to the valuation report or other external party report, if any, considered by the Audit Committee while approving the RPT.	Not Applicable
9	Other information relevant for decision making.	All relevant/ important information forms part of this Explanatory statement

Table B - Other Details

Sl. No	Particulars of the information	Details
B (1) Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances		
1	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	The transaction is proposed to be entered into with a related party considering business synergies, operational requirements, and efficiency. No bidding or competitive selection process was undertaken for the proposed transaction
2	Basis of determination of price.	The price of goods/services is determined on an arm's length basis, in accordance with the Company's pricing policy for similar services and is aligned with prevailing market rates and comparable third-party transactions.
3	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction– Specify	Not Applicable
	a. Amount of Trade advance	Not Applicable
	b. Tenure	Not Applicable
	c. Whether same is self-liquidating?	Not Applicable

Members may note that RPT Policy of the Company may be accessed at https://solara.co.in/investor-relations/policies-and-guidelines/

Members may note that the said Related Party Transactions, placed for Members' approval, shall, at all times, be subject to prior approval of the Audit Committee of the Company and shall continue to be in the ordinary course of business and at arm's length. The transactions shall also be reviewed/ monitored on periodic basis by the Audit Committee of the Company in terms of the applicable provisions of SEBI Listing Regulations and relevant circular(s) made thereunder and shall remain within the proposed amount(s) being placed before the Members.

The Audit Committee has reviewed the certificate(s) provided by the Managing Director & CEO and Chief Financial Officer of the Company, in compliance of the RPT Industry Standards.

Pursuant to Regulation 23 of SEBI Listing Regulations, Members may also note that no related party of the Company shall vote to approve the item no 5 whether the entity is a related party to the particular transaction or not.

Except Mr. Arun Kumar Pillai, Promoter and Non - Executive Director of the Company and also Promoter and Non-Executive Chairman of Strides; Dr. Kausalya Santhanam, who is an Independent Director of Strides and Solara, and common promoters of Strides and Solara, none of the other Promoters/ Directors/ Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in the said resolution except to the extent of their shareholding as Members, if any.

The Board recommends the resolution as set out in Item 5 of the notice for approval of Members as an **Ordinary Resolution**.

By Order of the Board
For Solara Active Pharma Sciences Limited

Pooja Jayakumar
Company Secretary & Compliance Officer
Membership No.: A57415

Place: Bengaluru
Date: August 21, 2026

Registered Office:
'Cyber One', Unit No. 902, Plot No. 4 & 6,
Sector 30A, Vashi, Navi Mumbai - 400 703
Tel: +91-22-20870033

Corporate Office: TICEL BIO PARK., 6th floor, Module No. 601, ,
602, 603, Phase II – CSIR Road, Taramani, Chennai, Tamil Nadu – 600113.
Tel: +91 44 4344 6700 | Fax: +91 44 47406190
E-mail: investors@solara.co.in | Website: www.solara.co.in

CIN: L24230MH2017PLC291636

ANNEXURE 1

DETAILS OF DIRECTORS SEEKING APPOINTMENT

[Pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard 2 on General Meetings]

Sl No	Name of Director	Mr. Arun Kumar Pillai
1.	DIN:	00084845
2.	Age:	65 Years
3.	Nationality	Indian
4.	Date of first appointment to the Board	August 4, 2021
5.	Brief Resume	Mr. Arun Kumar Pillai is the Promoter of Solara Active Pharma Sciences Limited and serves as a Non-Executive Director on the Board of the Company. He is a distinguished first-generation entrepreneur known for his exceptional ability to identify and build businesses in complex and high-value sectors. In 1990, he founded Strides Pharma Science Limited and successfully guided the Company to global prominence through a distinctive business model that has created significant value for stakeholders. He holds a bachelor's degree in commerce and through his family office established in the early 2000s, he has led strategic investments across multiple businesses. The businesses under his leadership operate in over 100 countries, employ more than 7,000 people and include over 25 manufacturing facilities worldwide. Mr. Arun Kumar Pillai has played a pivotal role in the formation and growth of Solara, providing strategic direction and industry expertise that have helped strengthen the Company's position in the Active Pharmaceutical Ingredients (API) industry. His extensive experience in the pharmaceutical sector continues to contribute to Solara's long-term growth, business development, and value creation initiatives. Mr. Arun Kumar Pillai was conferred the Ernst & Young Entrepreneur of the Year Award for the Healthcare Industry in 2000. In 2014, he received the "India's Best CEO Award" (Mid-Sized Companies Category) and the "Best CEO in the Pharma and Healthcare Industry" award from Business Today in recognition of his outstanding leadership and contributions to the healthcare sector.
6.	Qualifications	
7.	Experience/Expertise in specific functional area	
8.	No. of shares held in the Company, including shareholding as a beneficial owner	16,68,463 Equity shares
9.	List of Directorships held in other Companies including listed entities	1. Strides Pharma Science Limited 2. OneSource Specialty Pharma Limited
10.	Names of listed entities from which appointee has resigned in the past three years	Nil
11.	No. of board meetings attended during the year (FY 25-26)	4 out of 5 meetings held during the year 2025-26
12.	Chairman/ Member in the Committees of the Boards of companies in which he is Director viz. Audit Committee and Stakeholders Relationship Committee;	**Strides Pharma Science Limited.** Stakeholder Relationship Committee – Member Nomination & Remuneration Committee - Member
13.	Skills and capabilities required for the role of Independent Director and the manner in which the proposed person meets such requirements	Not applicable
14.	Relationship between director inter-se and other Key Managerial Personnel of the company	None
15.	Remuneration details (including sitting fees & Commission)	Nil
16.	Last drawn remuneration in Solara (including sitting fees & Commission) (FY 25-26) (In Crores)	Nil
17.	Other terms and conditions of appointment	This is reappointment of the director, who is liable to retire by rotation, hence the terms and conditions are covered at the time of his initial appointment.

SOLARA
Active Pharma Sciences

Solara Active Pharma Sciences Limited
CIN: L24230MH2017PLC291636

Registered Office
'Cyber One', Unit No. 902,
Plot No. 4 & 6, Sector 30A,
Vashi, Navi Mumbai - 400 703
Tel: +91-22-20870033
E-mail: investors@solara.co.in
Website: www.solara.co.in

Corporate Office
TICEL BIO PARK., 6th floor
Module No. 601, 602, 603,
Phase II – CSIR Road, Taramani,
Chennai, Tamil Nadu – 600113.
Tel: +91 44 4344 6700
Fax: +91 44 47406190

Concept, Content & Design
NEXT STEPS (engage@nextsteps.net.in)